

NLC India Limited

A "Navratna" – Government of India Enterprise

Corporate Presentation

June- 2021

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- 1** Company Overview & Performance Highlights
- 2** Financial & Operational Performance
- 3** Market Opportunity
- 4** Growth Plans
- 5** Corporate Social Responsibility



Company Overview & Performance Highlights



A 'Navratna' CPSE incorporated in 1956. Under the administrative control of Ministry of Coal



Paid up Equity Share Capital - Rs. 1,386.64 Crore (GoI holding - 79.20% as on 30.06.2021)



Mining, Power Generation and Trading of Power



Regional Presence to National Level Presence



Advanced Technology



Robust Financial Performance in Revenue, Profit and Net worth. Highest domestic credit rating. Consistent track record of Dividend.



Skilled Manpower



*Present Composition of Board - Total 10 Directors (5 Functional Directors including CMD, 2 Government Nominee and 3 Independent Directors).**

* Govt. of India has sanctioned totally 16 Directors but present composition of the Board is 10. Ministry of Coal, the Administrative Ministry, has been appraised to fill up for one functional direct and 5 independent directors including at least one women Director.

Board of Directors as on 30.06.2021



Shri Rakesh Kumar,
Chairman-cum-Managing Director

Part-time Official Directors



Shri Vinod Kumar Tiwari
Additional Secretary,
Ministry of Coal, GoI.



Shri Dharmendra Pratap Yadav
Principal Secretary to Govt. of
Tamil Nadu, Energy Department



Shri R. Vikraman,
Director (Human Resource)



Shri Prabhakar Chowki
Director (Mines) & Director (Planning
& Projects) (Addl. Charge)

Functional Directors



Shri Shaji John
Director (Power)



Shri Jaikumar Srinivasan
Director (Finance)



Dr P.Vishnu Dev,
Independent Director



Shri N.K.Narayanan Namboothiri
Independent Director

Independent Directors



Dr.V.Muralidhar Goud
Independent Director

Vision & Mission

Vision:

To emerge as a leading Mining and Power Company, with social responsiveness accelerating Nation's growth

Mission

Continue to develop and sustain expertise in Power and Mining with focus on growth and financial strength

Be socially responsive, achieve sustainable development and be sensitive to emerging environmental issues

Strive to achieve excellence in processes and practices

To nurture talent, encourage innovation and foster collaborative culture

Values

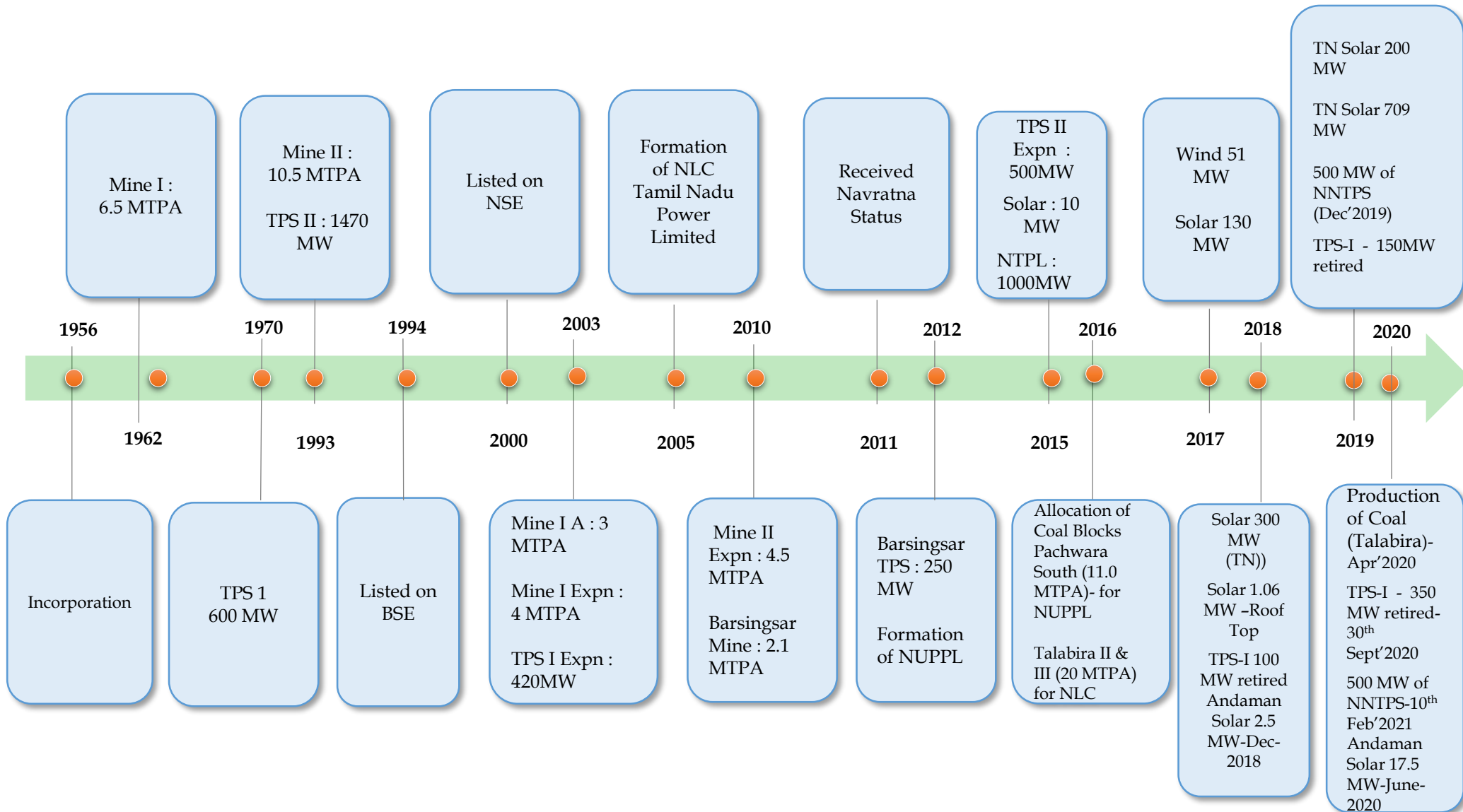
N- National Orientation

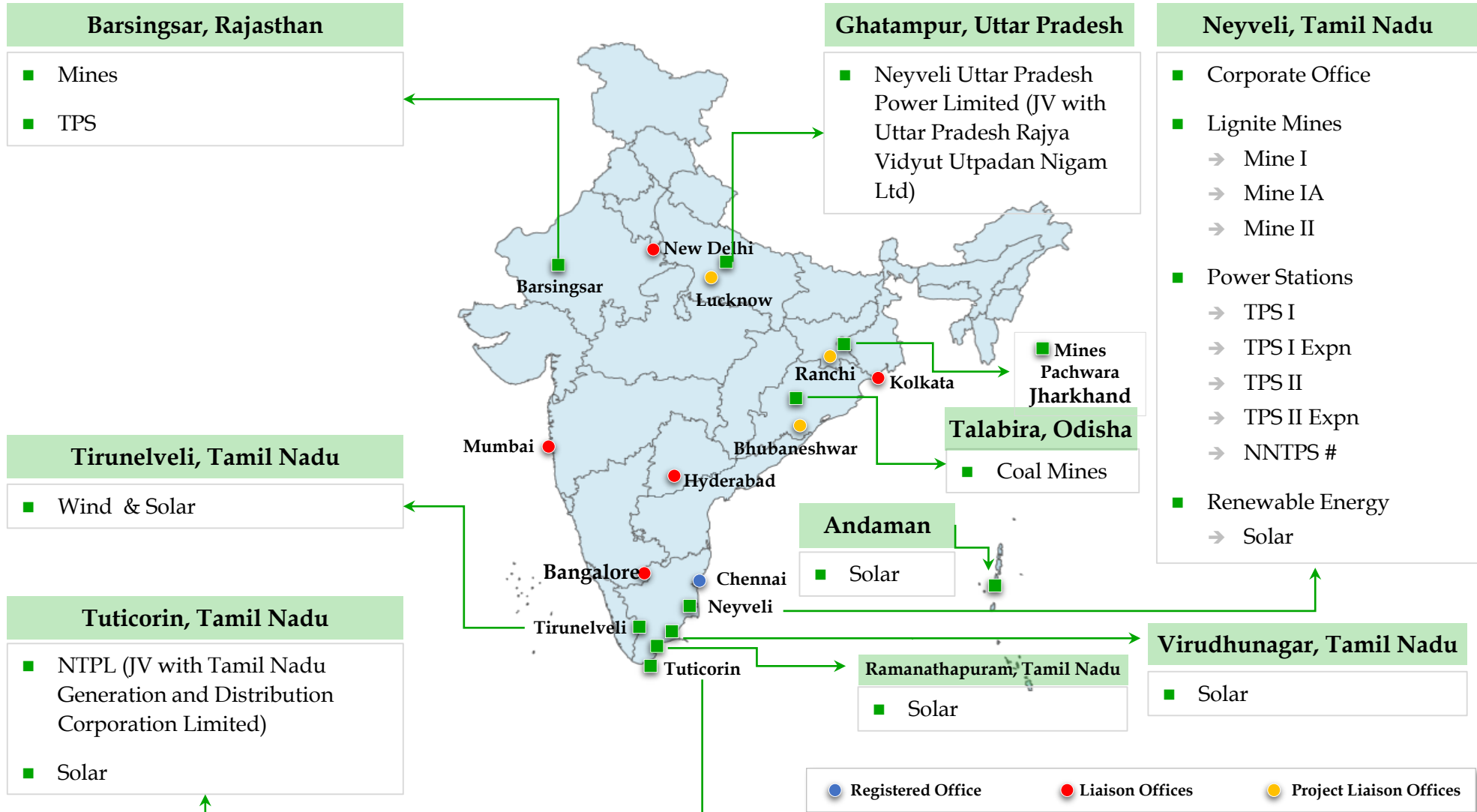
L - Learning and Development

C- Commitment for Excellence

I - Innovation and Speed

Evolution & Key Milestones





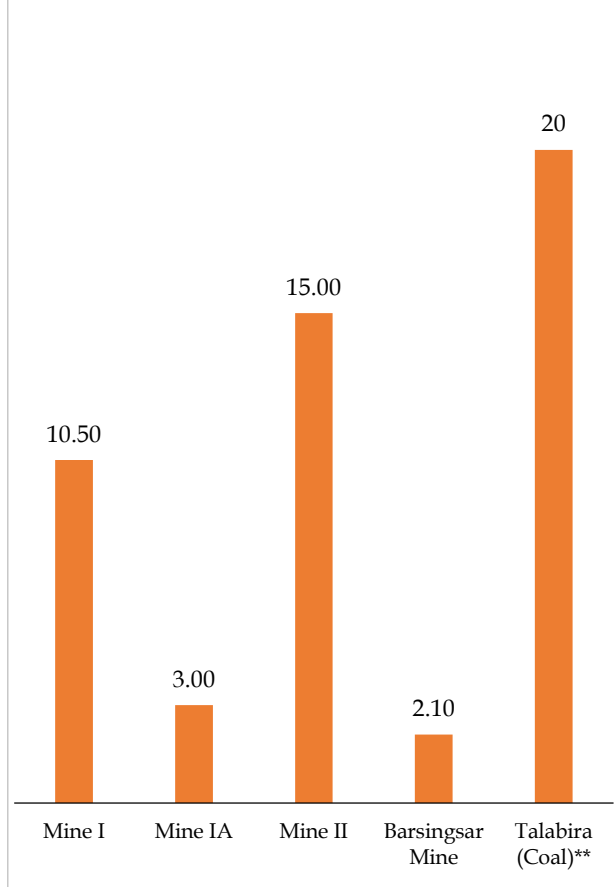
Note:- Map not to scale;

TPS = Thermal Power Station.

Unit -I commissioned on 28th Dec 2019 and Unit - II commissioned on 10.02.2021.

Mining

Total Mining Capacity – 50.60 MTPA*



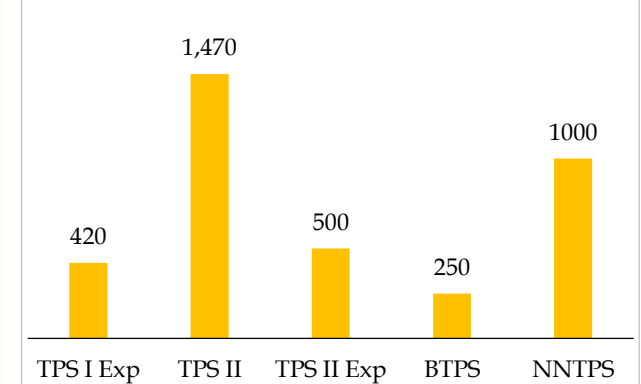
Note : Source from NLCIL Annual Reports and figures representing NLCIL Standalone financial statements

**Existing Capacity as on 30.06.2021*

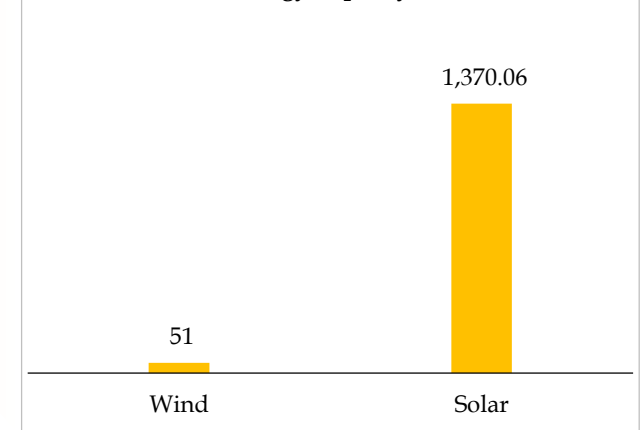
*** Coal Production for Talabira Project started on 26th April 2020. Achievement of Full Capacity expected by Jan 2027*

Power Generation

Thermal Power Station – Capacity 3,640MW*

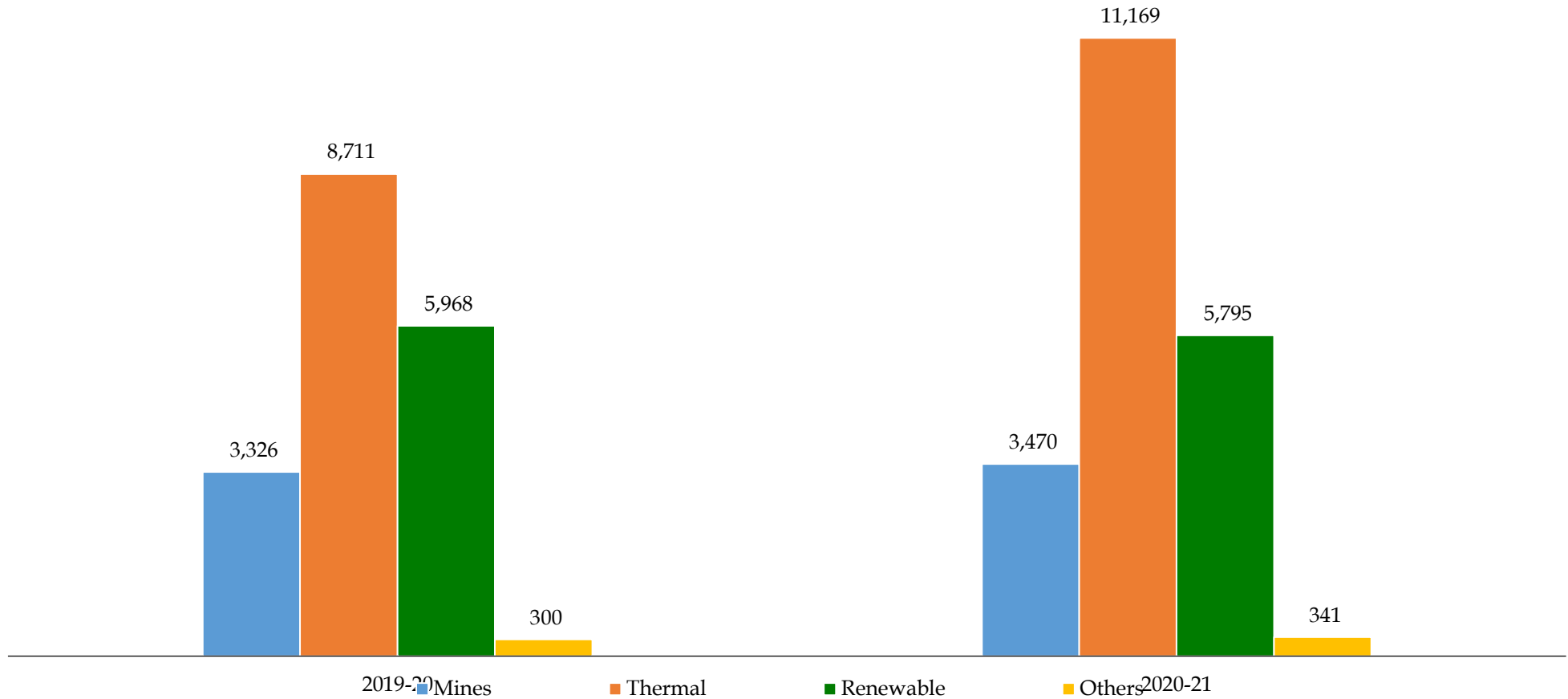


Renewable Energy Capacity 1421.06 MW*



Rs in Crore

Segment wise Net Fixed Assets



Note : Source from NLCIL Financial Results & Annual Reports and figures representing NLCIL Standalone;

Expertise in Open Cast Mining & Power Generation

Mining

- Long experience in operation, maintenance and project management in open- cast mining
- Asset bank of specialised mining equipments for open cast mining:
 - German excavation technology
 - 30 Bucket Wheel Excavators
 - Conveyor length – 106 KMs

Power Generation

- Experience in operating lignite based thermal power station.
- Average of all thermal stations PLF are running at higher PLF than All India average PLF.
- Company has crossed 1 GW of renewable energy, which is highest ever achieved by any CPSE.

Lignite Resources for Captive Consumption

- Captive fuel source with power plants located at the pit heads of Lignite mines
- Greater flexibility in terms of adjusting the lignite production to adjust for variations in power demands and power generation at thermal power plants
- Out of total measured lignite reserves of 6,787.53(Proved) MT in India as on 01.04.2020, Neyveli lignite field, Barsingsar, Bithnok and Hadla of NLCIL accounts for 3,067.25 MT.

Nodal Agency for Lignite Mining

- Nodal Agency for Lignite database appointed by Ministry of Coal
- Market share * of 59.06 % in Lignite mining in India during FY 2019-20 as compared to 54.76% in FY 2018-19

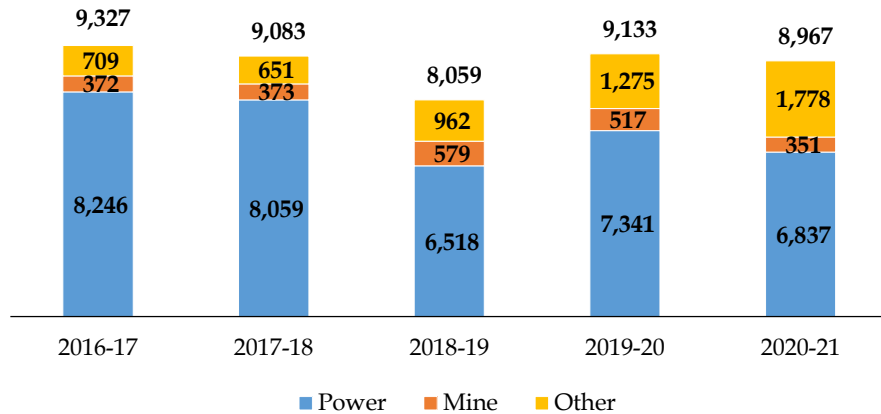


*Source : Geological Survey Report as on 01.04.2020.

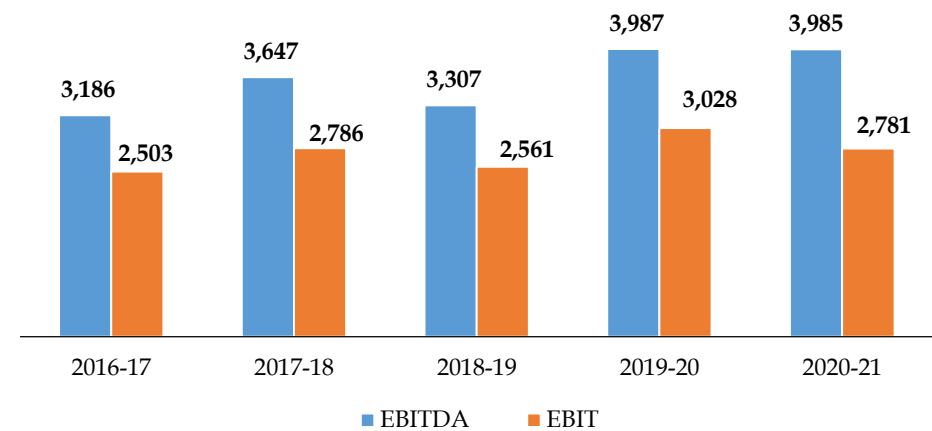


Financial & Operational Performance

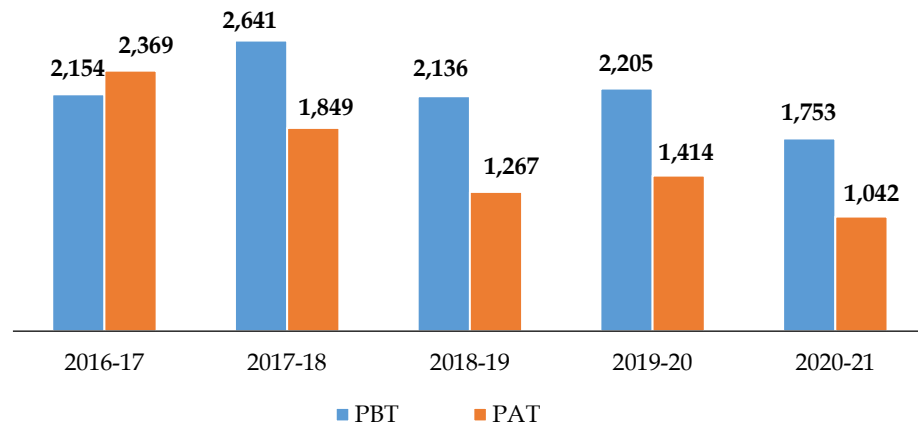
Total Income (Rs in Crore)



EBITDA* & EBIT* (Rs in Crore)



PBT & PAT (Rs in Crore)



Key Financial Ratios

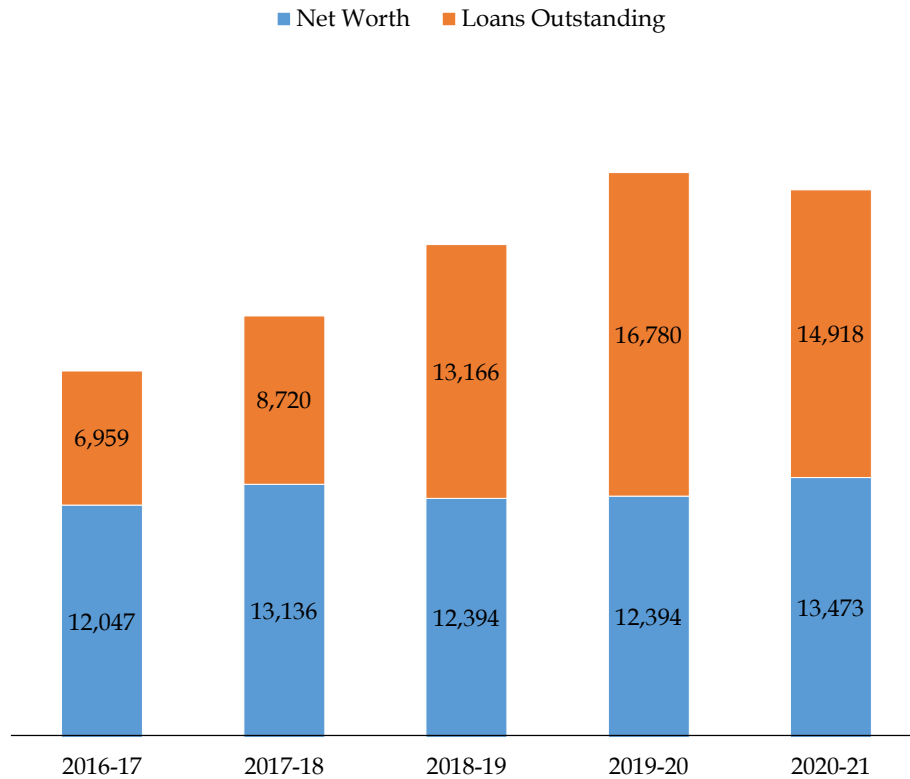
	2016-17	2017-18	2018-19	2019-20	2020-21
OPM* (%)	39.12	36.60	21.47	35.04	26.95
NPM (%)	25.40	20.35	15.72	15.48	11.62
ROCE (%)	18.95	12.16	8.28	5.98	4.03
RONW (%)	19.66	14.07	10.22	11.30	7.73
Current Ratio	1.41	1.39	1.57	1.83	1.81
Quick Ratio	1.15	1.20	1.29	1.54	1.60

^ * EBITDA, EBIT & OPM computed considering Net Movement in Regulatory Expenses/ Income and without considering Exceptional Item.

PBT considering Net Movement in Regulatory Deferral Income/ Expenses.

Note : Source from NLCIL Financial Results & Annual Reports and figures representing NLCIL Standalone;

Networth & Loans Outstanding (Rs in Crore)



Credit Ratings (Long Term Borrowings)

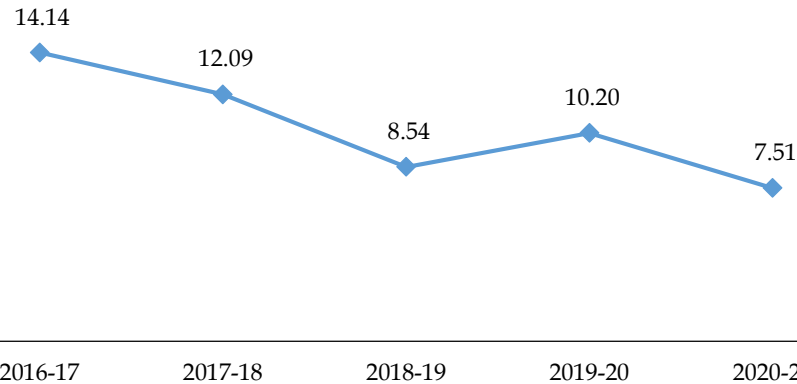
Agency	Rating
CRISIL	AAA/Stable
ICRA	AAA/Negative
CARE	AAA/Negative
Brickwork	AAA/Stable
India Rating	AAA/Stable

Credit Ratings (Commercial Paper)

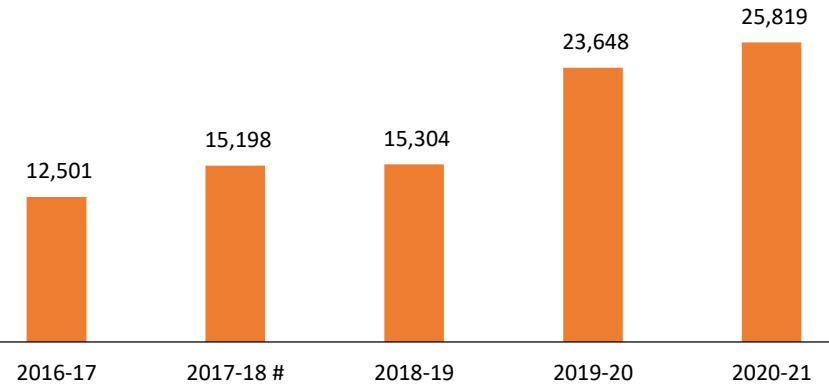
Agency	Rating
CARE	A 1+
India Rating	A 1+

Note : Source from NLCIL Financial Results & Annual Reports and figures representing NLCIL Standalone

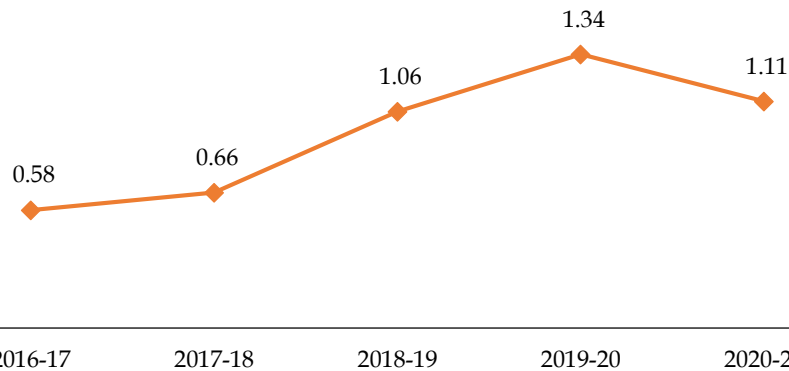
Earnings Per Share (Rs.)



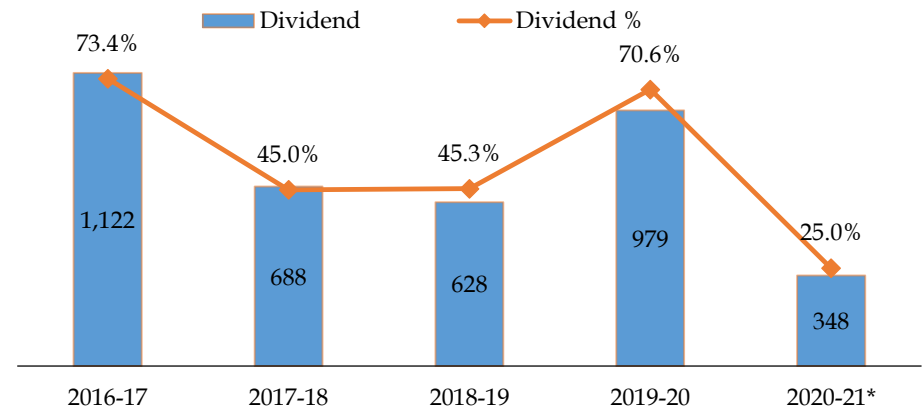
Capital Employed (Rs in Crore)



Debt-Equity ratio



Dividend Trend (Rs in Crore)



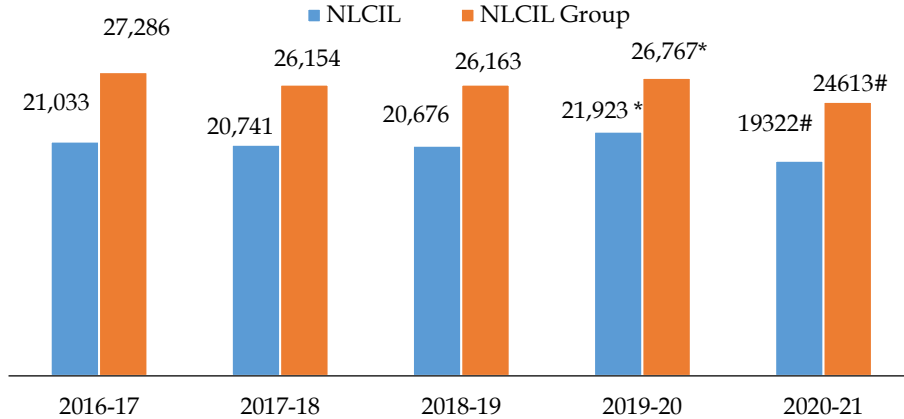
Total Assets excluding CWIP and Asset under Development less Current and Regulatory Liability from FY 2017-18 onwards.

* Board of Directors have recommended the final dividend @15% i.e Rs.1.5 per share for FY:2020-21

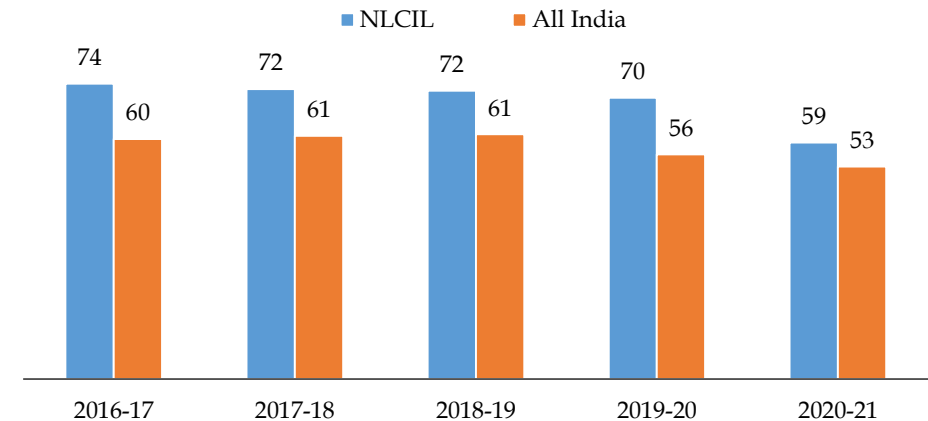
Note : Source from NLCIL Financial Results & Annual Reports and figures representing NLCIL Standalone; ^ Restated as per Ind AS

Operational Performance – Power Segment

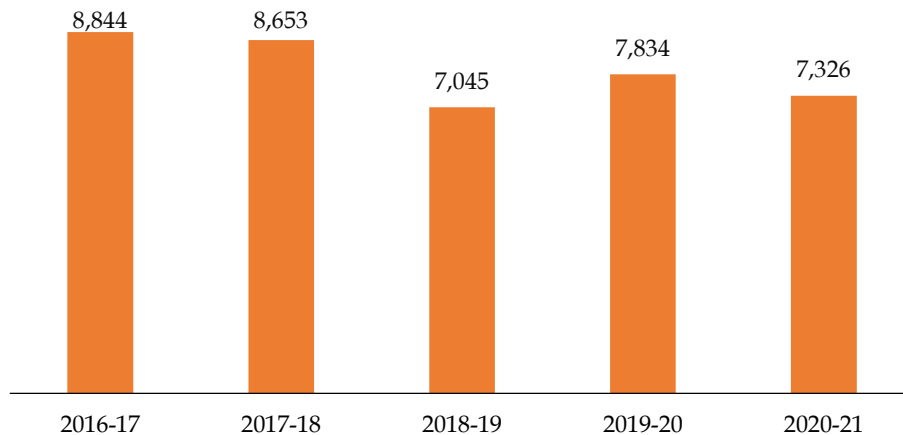
Power Generation (MU)



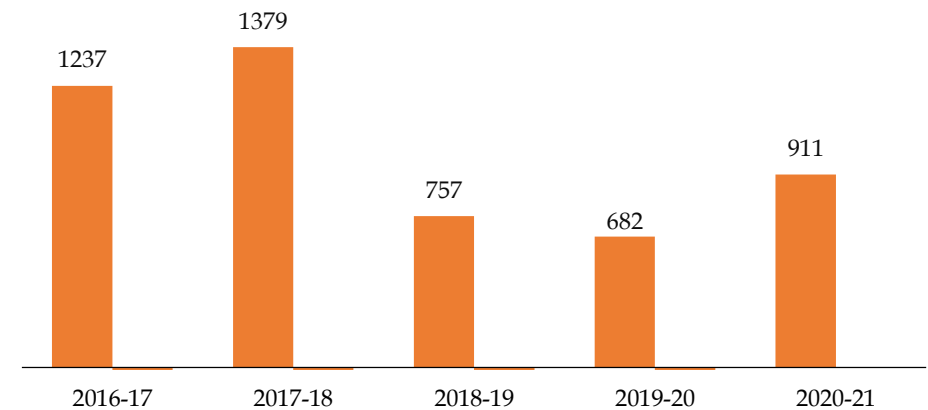
PLF (%) Comparison - Thermal



Revenue from Operations (Rs in Crore)



EBIT (Rs in Crore)

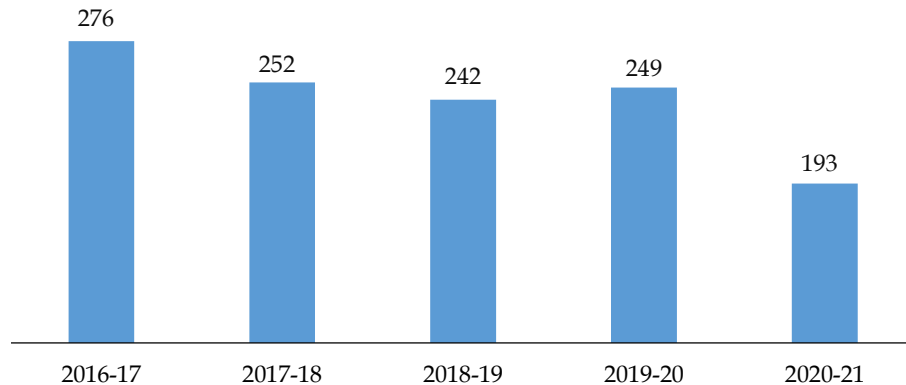


* Includes infirm power of NNTPS Unit-I and 709 MW Solar

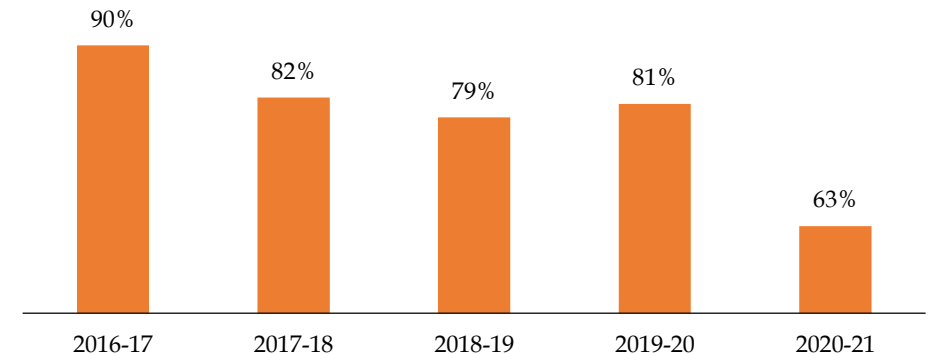
#Includes infirm power of NNTPS Unit II

Source: Annual Report, Central Electricity Authority- Executive Summary April -20 Report

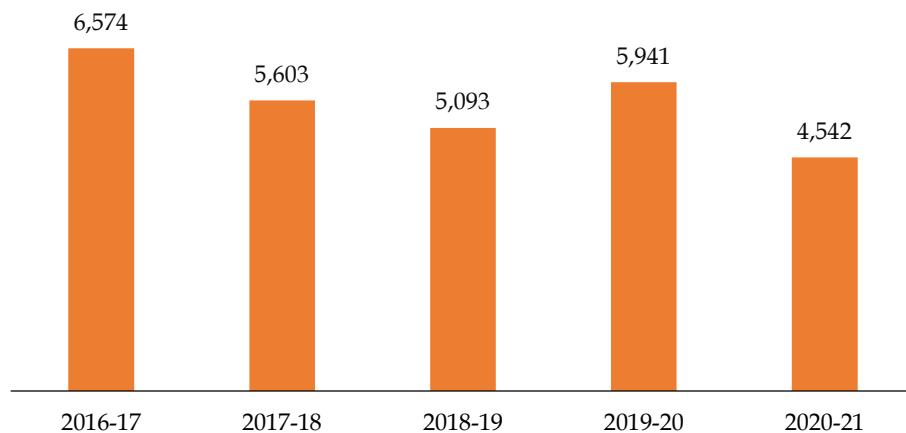
Lignite Production (LT)



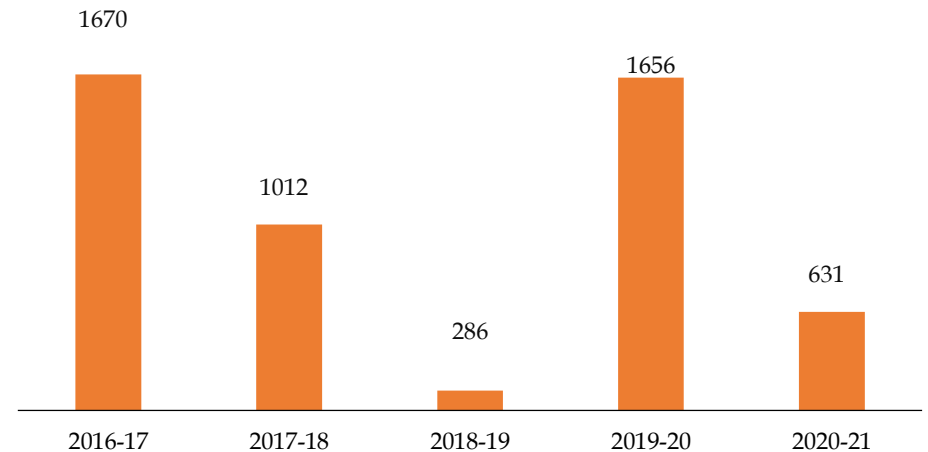
Capacity Utilization (%)



Revenue (Rs in Crore)



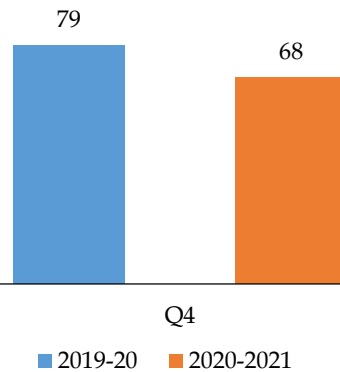
EBIT (Rs in Crore)



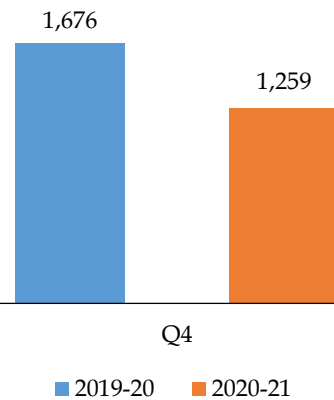
Note : Source from NLCIL Financial Results & Annual Reports and figures representing NLCIL Standalone financial statements

Mining

Lignite Production (LT)

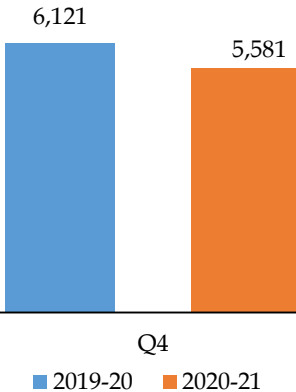


Revenue (Rs in Crore)

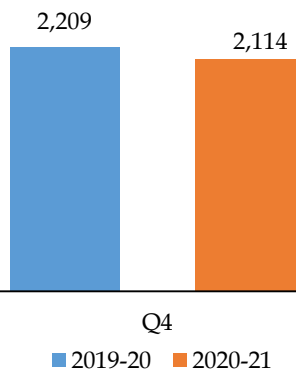


Power

Power Generation (MU)



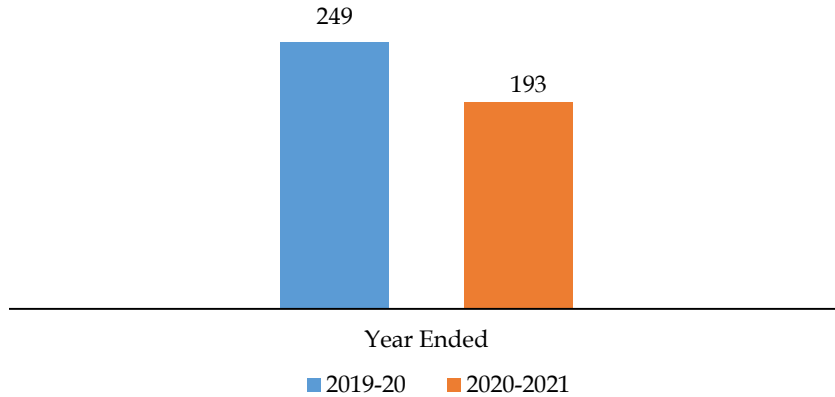
Revenue (Rs in Crore)



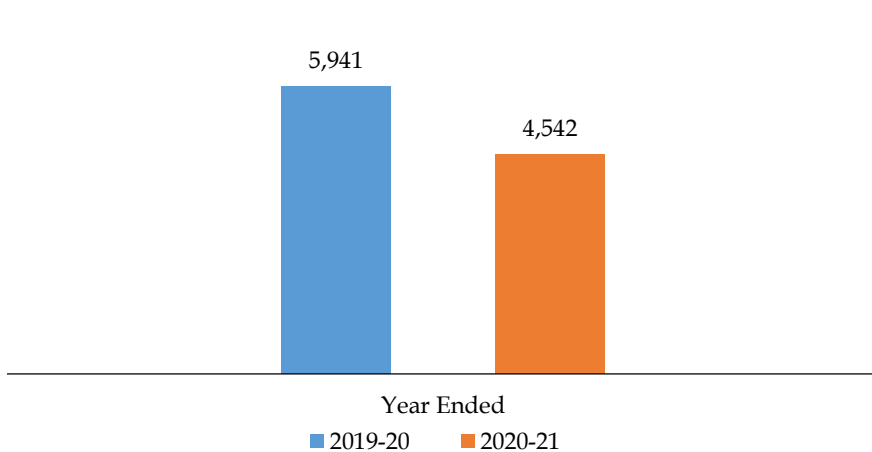
Performance - Segment (2020-21 vs 2019-20)

Mining

Lignite Production (LT)

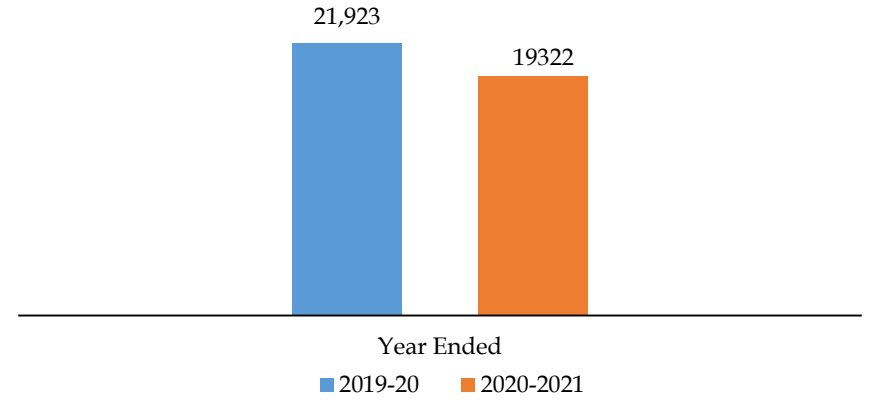


Revenue (Rs in Crore)

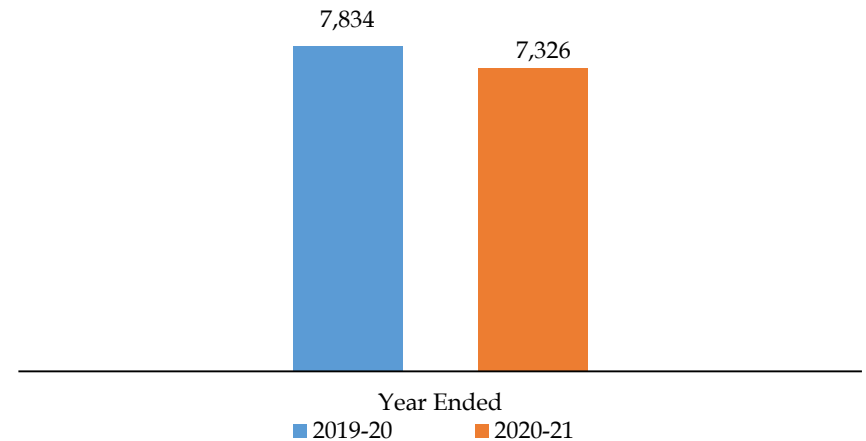


Power

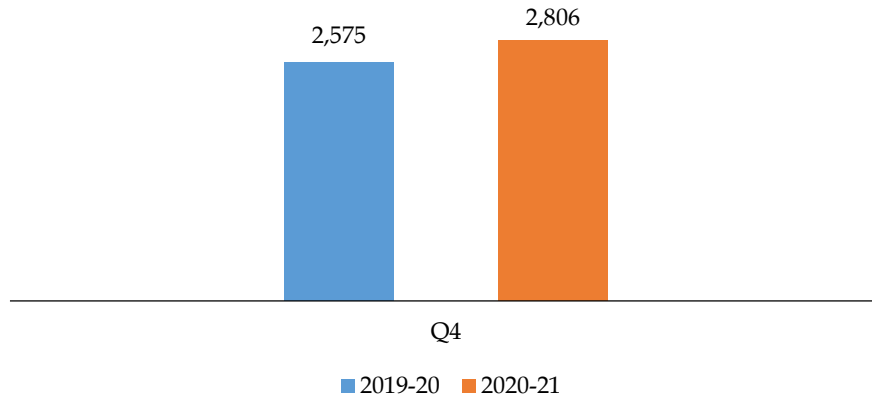
Power Generation (MU)



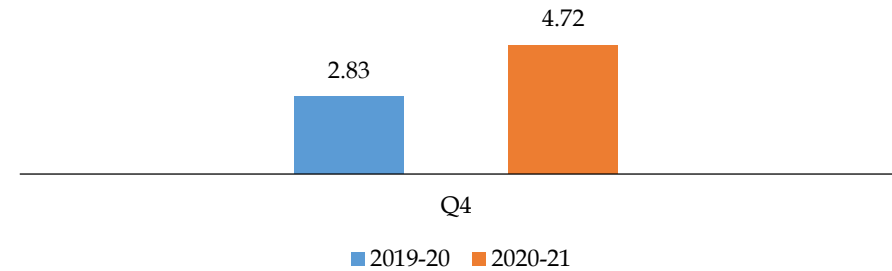
Revenue (Rs in Crore)



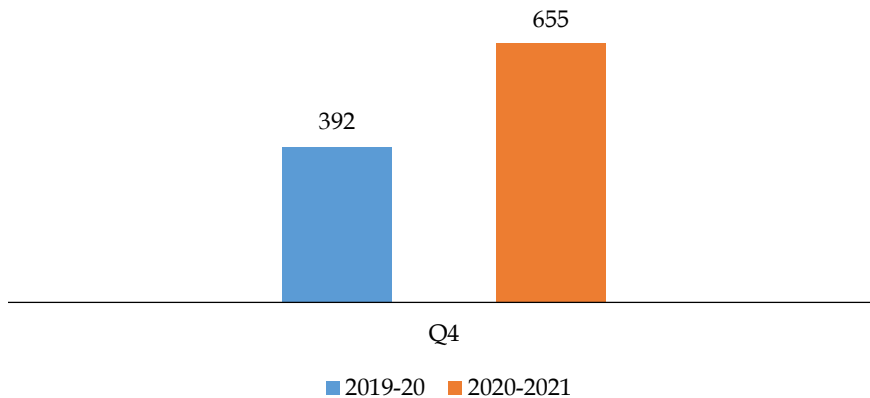
Total Income (Rs in Crore)



Earning Per Share - EPS



Profit After Tax (Rs in Crore)

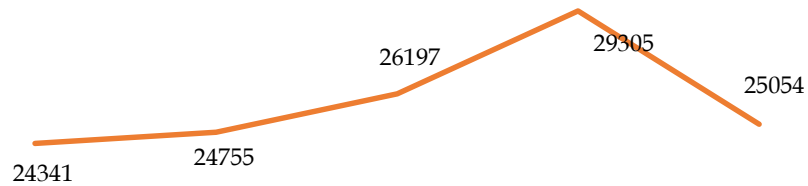


Quarterly Income Statement (Rs in Crore)

Particulars	Jun-20	Sep-20	Dec-20	Mar-21
Total Income	2386.86	1790.44	1875.13	2,805.52
EBITDA *	1075.48	669.94	592.22	1538.63
EBITDA Margin (%)	45.06%	37.42%	31.58%	54.84%
PAT	292.54	-72.04	74.06	654.8
PAT Margin (%)	12.26%	-4.02%	3.95%	23.34%

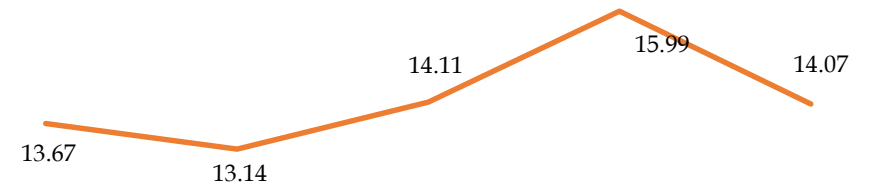
* EBITDA computed considering Net Movement in Regulatory Expenses/Income and without considering Exceptional Item.

Output per Man Shift - Power (KWhr)*



2016-17 2017-18 2018-19 2019-20 2020-21

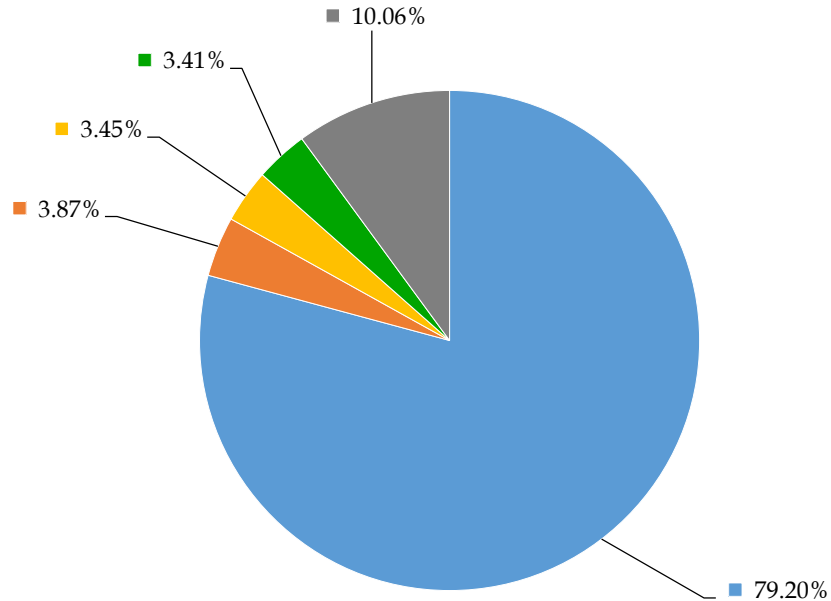
Output per Man Shift - Lignite (in Tonne)*



2016-17 2017-18 2018-19 2019-20 2020-21

* Source from NLCIL Financial Results & Annual Reports and figures representing NLCIL Standalone

Shareholding Pattern



Total No. of Shares – 138,66,36,609

- Govt. of India
- State Govt. Sponsored Institutions
- Mutual Funds, Financial Institutions & Banks
- Insurance Companies
- Others

No. of Shareholders

(A) Promoter & Promoter Group

Govt. of India	1
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(B) Public

State Govt. - Sponsored Institutions	4
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Mutual Funds, Financial Institutions & Banks	16
----------------------------------------------	----

Insurance	6
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Others	1,74,816
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Total	1,74,843
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Market Cap – Rs. 6,766.79 Crore*

Shareholding Pattern as on 30.06.2021

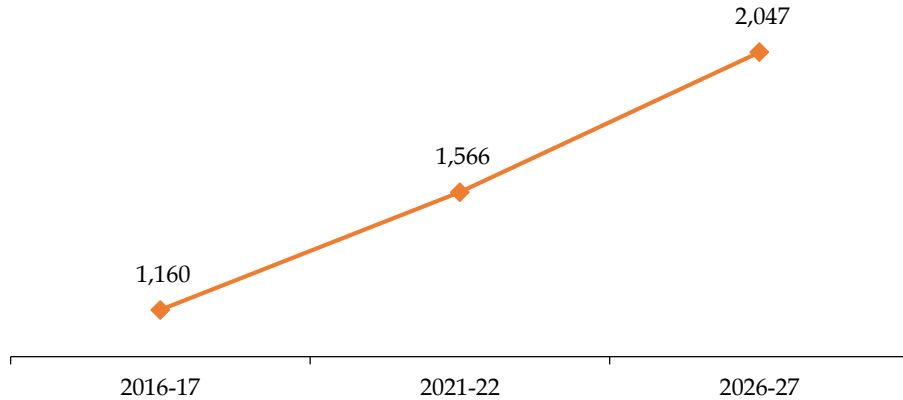
*Market Cap as on 30.06.2021 (Closing Price of BSE @ Rs. 61.05)



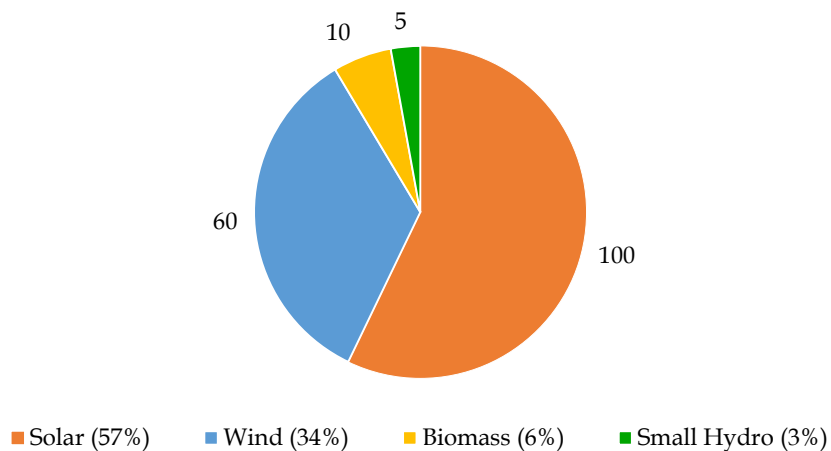
Market Opportunity

All India Electricity Requirement (in BU)

Electrical Energy Requirement

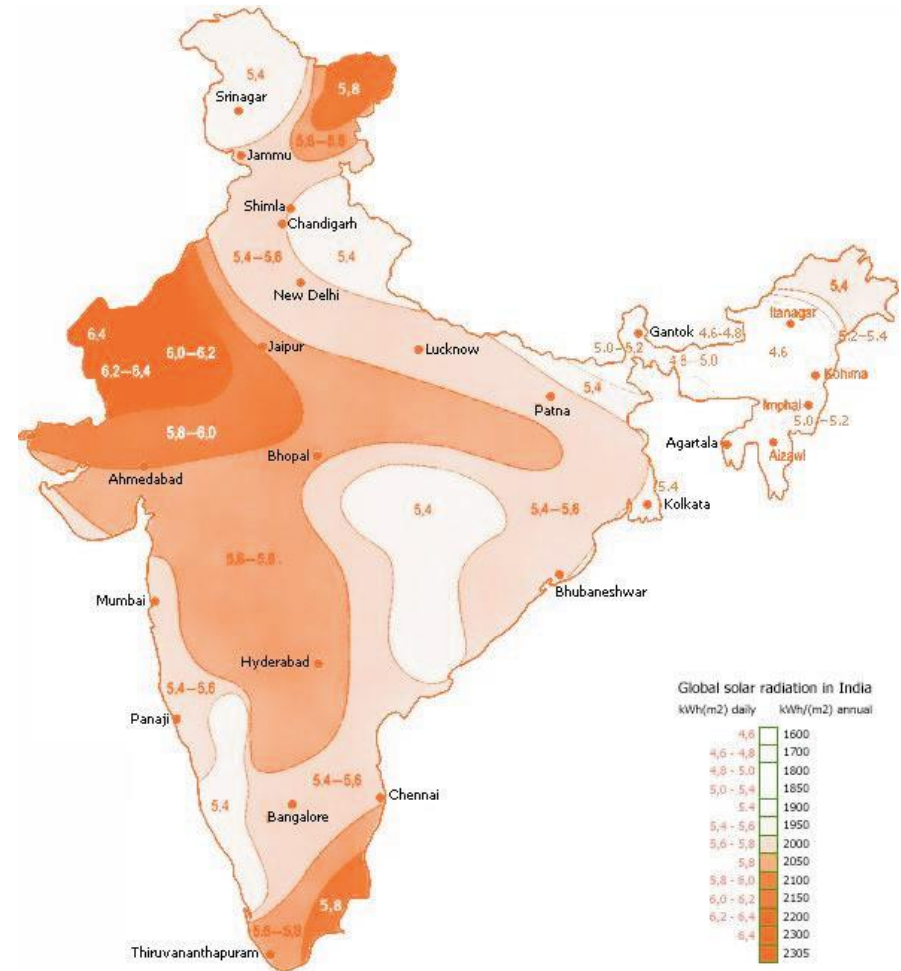


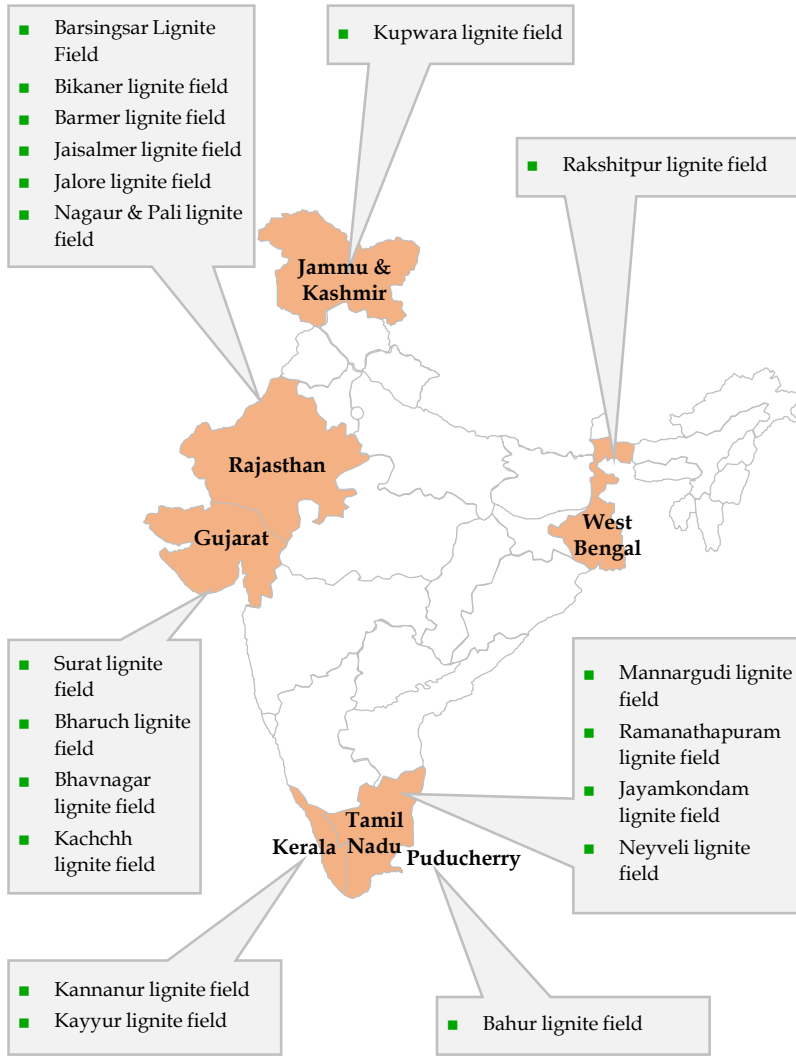
Targeted Renewable Energy by 2022 (175 GW)



Source :National Electricity Plan January 2018; Map not to scale

Untapped Solar Power Potential





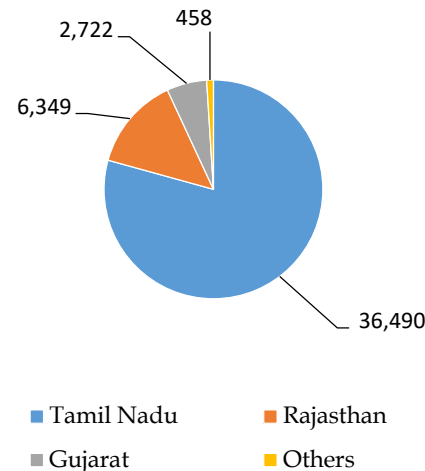
Map not scale

*Source : Indian Coal and Lignite Resources - 2019 by GSI as on 01.04.2020)

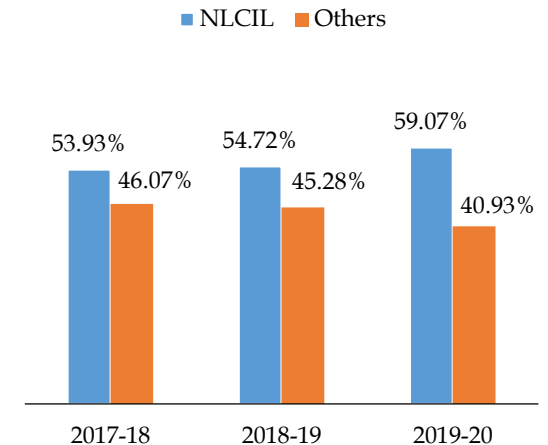
State wise Geological resources in MT as on 01.04.2020*

STATE	Proved	Indicated	Inferred	Total	%
Puducherry	0.00	405.61	11.00	416.61	0.91
Tamil Nadu	4340.35	22496.63	9652.62	36489.60	79.29
Rajasthan	1168.53	3029.77	2150.77	6349.07	13.80
Gujarat	1278.65	283.70	1159.70	2722.05	5.92
J&K	0.00	20.25	7.30	27.55	0.06
Kerala	0.00	0.00	9.65	9.65	0.02
West Bengal	0.00	1.13	2.80	3.93	0.01
Total	6787.53	26237.09	12993.84	46018.46	100.00

Lignite Reserves (MT)*

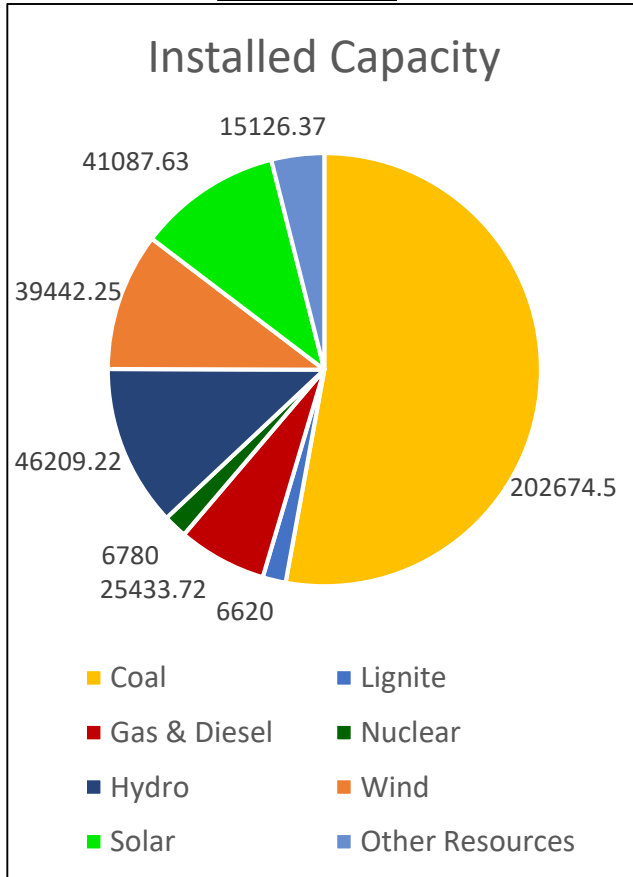


Market Share of Lignite Production

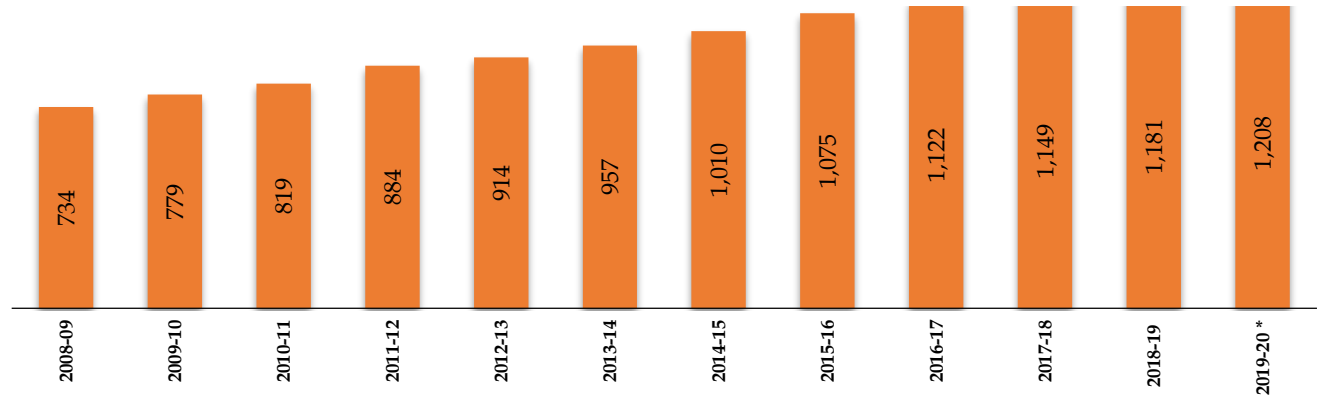


Installed Capacity as on 31.05.2021

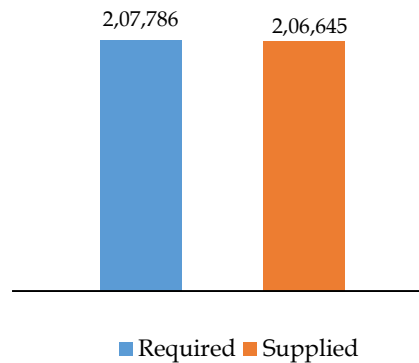
383,373.68 MW



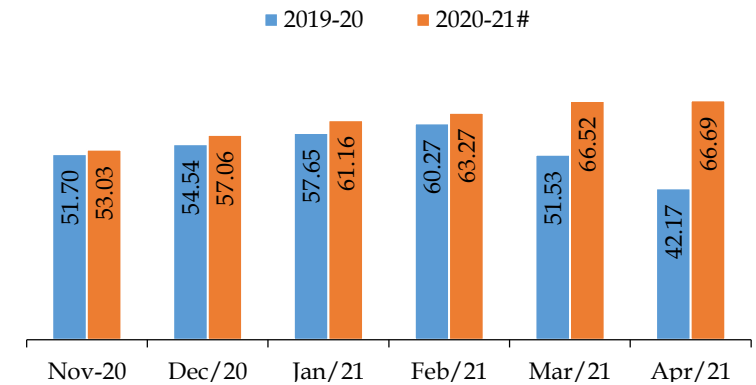
Per Capita Consumption (kWhr)



All India Energy Requirement & Supply (MU) : Apr-19 to Mar-20 (Revised) - MU



All India Plant Load Factor of Thermal Plants (Excluding Gas Based Plants) %



Source : Central Electricity Authority - Executive Summary May-2021 Report

* Provisional

#For Coal and Lignite based Power Plants and Provisional based on Actual-Cum-Assessment



Growth Plans

Sl. No	Project	Existing Capacity*	Addition Proposed	Total
1	Lignite (MTPA)	30.60	31.55	62.15
2	Coal (MTPA)	20.00^	9.00	29.00
	Total Mining (MTPA)	50.60	40.55	91.15
3	Power - Lignite Based (MW)	3,640	3,140	6,780
4	Power - Coal Based (MW)	1,000	5,980	6,980
5	Power - Renewable (MW)	1,421	2,830	4,251
6	Acquisition of Power Assets (MW)	-	3,000	3,000
	Total Power (MW)	6,061	14,950	21,011

* Existing Capacity as on 30.06.2021;

Source : NLCIL Corporate Plan 2025. The Corporate Plan 2025 includes investments through subsidiaries and Joint Ventures, which is in the process of revision

Growth Plan over 3 Years

Sl. No	Project	Existing Capacity *	Addition Proposed	Total
1	Lignite (MTPA)	30.60	-	30.60
2	Coal (MTPA)^	20.00^	-	20.00
	Total Mining (MTPA)	50.60	-	50.60
3	Power - Lignite Based (MW)	3,640	-	3,640
4	Power - Coal Based (MW)	1,000	1,980	2,980
5	Power - Renewable (MW)	1,421	-	1,421
6	Acquisition of Power Assets (MW)	-	-	-
	Total Power (MW)	6,061	1,980	8,041

* Existing Capacity as on 30.06.2021

Source : NLCIL Corporate Plan 2025. The Corporate Plan 2025 includes investments through subsidiaries and JVs, which is in the process of revision

On going / Upcoming Mining Projects

Rs. in Cr

On Going Coal Projects

Coal Projects	MT	Estimated Cost	Expected COD
Talabira II & III Coal Blocks	20.00	2401.07	Jan 2027*
South Pachwara Coal Block **	9.00	1795.01	September 2028
Total	29.00	4196.08	

Rs. in Cr

Upcoming Lignite Projects

Lignite Projects	MT	Estimated Cost	Expected COD
Mine III Neyveli	11.50	-	Project is under Formulation
Palayamkottai & Vellar	11.50	-	
Barsingsar Expansion, Rajasthan	0.40	-	
Total	23.40	-	

Rs. in Cr

On Hold Lignite Projects

Lignite Projects	MT	Estimated Cost	Expected COD
Expansion of Mine-IA from 3 MTPA to 7 MTPA	4.00	709.06	On Hold
Bithnok Lignite Mine, Rajasthan	2.25	513.63	On Hold
Hadla Lignite Mines, Rajasthan	1.90	522.45	On Hold
Total	8.15	1,745.14	

*Coal Production started on 26th April 2020. Achievement of Full Capacity expected by Jan 2027

** Allotted for NUPPL

Source : NLCIL Corporate Plan 2025 which is in the process of revision.

On going / Upcoming Power Projects

On Going Projects

Coal based TPS	MW	Estimated cost (Rs. in Cr)	Expected COD
NUPPL - UP	1,980	17,237.80	Unit I - Nov 21 Unit II - Mar 22 Unit III - Jul 22
Odisha Pit head TPS phase I (3 X 800 MW)	2400	19,422.44	Apr-26, Oct 26 Apr 27
Total	4,380	36,660.24	

Projects on Hold

Lignite based TPS:	MW	Estimated cost (Rs. in Cr)	Expected COD
Bithnok TPS [^]	250	2,196.30	On Hold
Barsingsar TPS Expn [^]	250	2,112.59	On Hold
Total	500	4,308.89	

Upcoming Projects

Renewable	MW	Estimated cost (Rs. in Cr)	Expected COD
Solar - in various States	2,630	-	Project is under Formulation
Wind Power - TN	200	-	
Total	2,830	-	

Lignite based TPS	MW	Estimated cost (Rs. in Cr)	Expected COD
TPS-II 2 nd Exp Phase I	1,320	-	Project is under Formulation
TPS-II 2 nd Exp Phase II	1,320	-	
Total	2,640	-	

Coal based TPS	MW	Estimated cost (Rs. in Cr)	Expected COD
Odisha TPP Phase II	800	-	Project is under Formulation
Odisha TPP Phase III	800	-	
Total	1600		

Power Assets Acquisition	MW	Expected COD
Power Assets Acquisition	3000	Project is under Formulation
Total	3000	

^{^^} Source : NLCIL Corporate Plan 2025 which is in the process of revision.



Corporate Social Responsibility

Details of CSR expenditure (Rs. Cr)

Year	Norm	Actual
2018-19	45.17	49.46
2019-20	46.78	75.66
2020-21	46.74	46.74

Green belt development

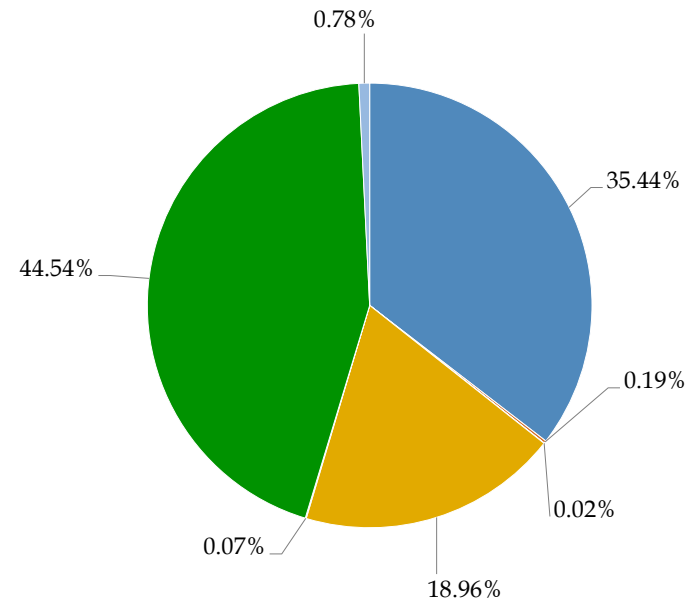


*Neyveli Township
Overview
Green Cover with
191 lakh trees.*



*Paddy field on
Reclaimed Mined land
at Neyveli*

% of amount spent on CSR Activities in 2020-21



- Education
- Promoting gender equality
- Protection of national heritage
- Rural Development
- Sports
- Swachh Bharat Kosh & Health Care
- Others



Energy Conservation

- Formed 14 industrial service units for adoption of energy conservation measures
- Installation of energy efficient equipments
- Energy Audit for Thermal Power Stations
- Intensive installation of LED bulbs in township area
- Minimisation of idle running hours in crushers in TPSs
- Timer Processor units are being installed in outdoor lights
- Adding of capacitor banks through induction motors
- 50.77 MU of energy conserved through energy efficiency measures

Technology Absorption

- Techno Economic Feasibility done for solar drying of lignite.
- Development of Micro Hydel power generation
- Pilot project of Floating Solar PV plant of 200 Kw at thermal lake is in progress
- Extraction of construction grade sand from overburden materials
- Studies on Zeolite based catalyst for mitigation of exhaust gas pollution
- Exploring alternate use of lignite is in progress.

R & D Initiatives

- Underground Coal Gasification, Silica sand Beneficiation Plant, Development of fly ash based pesticide, Dynamic Loading of Conveyors
- 2 projects completed – Conservation of energy through implementation of Programmable Logic Control (PLC) based Dynamic Loading System in Conveyors & Delineation of buried sub-surface objects in Opencast mines.
- Extracting Methanol and Diesel from Lignite is also under consideration.

- Risk in Land acquisition
- Realisation of Dues from DISCOMs
- Surrender of Power by beneficiaries
- Denial of agreed tariff due to delay in commissioning of projects.
- Competition consequent to de – regulation in Indian power sector
- Risk due to stringent Environmental norms
- Stringent Norms prescribed by regulatory authority affecting power tariff.
- Cost and time overrun of projects under execution
- Higher cost of lignite Mining



Thank You