बीसीसीएल BCCL
भारत कोकिंग कोल लिमिटेड
Bharat Coking Coal Limited

Kantilal Chhaganlal
Since 1954

IPO NOTE

BHARAT COKING COAL LIMITED

"SUBSCRIBE"

India's Largest Coking Coal Producer | 58.5% Market Share (FY25)
Eminent market leader in domestic coking coal space

Mahesh M. Ojha
Vice President – Research & Business Development
Email – mahesh.ojha@kcsecurities.com

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ISSUE HIGHLIGHTS

- **Company Overview - Bharat Coking Coal Limited (BCCL) is a Public Sector Undertaking and a subsidiary of Coal India Limited.** The company was incorporated in 1972 to mine and supply coking coal Bengal, from mines located in the Jharia, Jharkhand, and Raniganj, West Bengal, coalfields.
The company was awarded the Mini Ratna status on 8th October 2014.

- **Strong Parentage -** Bharat Coking Coal Limited is a Mini Ratna PSU and wholly owned subsidiary of Coal India Limited, operating nationalised coking coal mines in the Jharia and Bokaro/Raniganj coalfields. The company is India's largest coking coal producer, accounting for 58.50% of domestic coking coal production in FY 2025, and plays a critical role in the steel value chain.

- **Integrated and diversified mining operations:** BCCL operates a mix of underground, opencast, and mixed mines, supported by rail and road evacuation infrastructure and coal washeries. **As of September 30, 2025, it operated 34 Operational mines and maintained a large fleet of modern mining equipment.**

- **Large resource base and operating footprint:** The company operates over a 288.31 sq. km leasehold area across the Jharia and Raniganj coalfields**, with geological resources of 14,865 MMT, including 7,910 MMT of coking coal.**

- **Value-added product portfolio:** Produces coking coal, non-coking coal, and washed coal for the steel and power sectors, operating 5 coal washeries and developing 3 additional washeries with an aggregate capacity of 7.0 million tonnes Per year to bolster its washed coal outputs . **As of September 30, 2025, the company has a fleet of 507 vehicles, which includes HEMMs such as 1 dragline, 65 shovels, 278 dumpers, 89 dozers, and 74 drills for opencast mining. Additionally, it owns 38 side discharge loaders, 1 longwall package, 2 road headers, and 3 miner bolters for underground mining.**

- **Established customer base and offtake visibility:** Supplies coal to leading consumers including SAIL, NTPC, DVC, Punjab State Power Corporation, Uttar Pradesh Rajya Vidyut Utpadan Nigam, Jhajjar Power, and Maithon Power.

- **Consistent production growth:** Coal production increased from 30.51 MMT in FY 2022 to 40.50 MMT in FY 2025, reflecting sustained capacity expansion.

- **Strong financial scale:** Reported net sales of ₹13,083.26 crore in FY 2025, up from ₹12,349.14 Cr in FY2023. For the 6 months ended September 30, 2025, net sales were ₹5,260.29 Cr, compared to ₹6,368.68 Cr in the same period of 2024. supported by long-term customer relationships and government backing.

Anchor Bid on : Thursday, 8th January 2026
Issue Opens on : Friday, 9th January 2026
Issue closes on : Tuesday, 13th January 2026

Offer For Sale of up to 465,700,000 Equity Shares

Issue Details

Issue Size - ₹ 975.64 – 1,078.68 Cr.
No. Of - 465,700,000 Equity Shares
Face Value - ₹ 10/-
Price Band - ₹ 21 – 23
Bid Lot - 600 Shares and in multiples
Employee Discount : - ₹ 1 Per Eq.Shares
BRLM's - IDBI Capital Markets & Securities Ltd, ICICI Securities Ltd
Registrar - KFin Technologies

Industry : Mining and Coal

Indicative Timetable

Activity	On or about
Finalisation of Basis of Allotment	14-01-2026
Refunds/Unblocking ASBA Fund	15-01-2026
Credit of equity shares to DP A/c	15-01-2026
Trading commences	16-01-2026

Issue Break-up

Category	No of Shares (In Crs.)	In Crs. @Lower Band	In Crs. @Upper Band	(%) of Issue
QIB	**19.79**	415.64	455.22175	50%
NIB	**5.94**	124.69	136.566525	15%
NIB2	3.96	83.13	91.04435	
NIB1	1.98	41.56	45.522175	
RET	**13.85**	290.95	318.655225	35%
EMP	**2.33**	46.57	51.227	
SHA	**4.66**	97.80	107.111	
Total	**46.57**	**975.64**	**1,068.78**	100%

NIB-2 =NII Bid Above ₹ 10 Lakhs
NIB-1=NII Bid between ₹ 2 to 10 Lakhs

Category	Retail Category	NII-Bid between ₹ 2 - 10 Lakhs	NII – Bid Above ₹ 10 Lakhs
Min. Bid Lot	600 Shares	9,000 Shares	43,800 Shares
Min. Bid	₹ 13,800^	₹ 2,07,000^	₹ 10,07,400^
Appl for 1x	2,30,910 Applications	2,199 Application	4,398 Application

Listing: BSE & NSE

Shareholding (No. of Shares)

Pre and Post-issue
4,65,70,00,000

Shareholding (%)

	Pre-Issue	Post-Issue
Promoters	100.00%	90.00%
Public	0.00%	10.00%
Total	100.00%	100.00%

Brief Financial Details

(₹ IN CR)

Period Ended	30 Sep 2025	31 Mar 2025	31 Mar 2024	31 Mar 2023
Assets	18,711.13	17,283.48	14,727.73	13,312.86
Total Income	6,311.51	14,401.63	14,652.53	13,018.57
Profit After Tax	123.88	1,240.19	1,564.46	664.78
EBITDA	459.93	2,356.06	2,493.89	891.31
NET worth	5,830.89	6,551.23	5,355.47	3,791.01
Reserves and Surplus	1,006.52	1,805.73	664.72	-853.10
Total Borrowings	1,559.13	-	-	-

Key Financials

KPI	Mar-25	Mar-24	Mar-23
ROE	21.05	34.29	18.79
ROCE(%)	30.13	47.20	16.56
ROA(%)	8.07	11.91	5.89
P/E	2.66	3.36	1.43

Management & Governance

- **Manoj Kumar Agarwal** is the Chairman cum Managing Director, Chief Executive Officer and Director (Finance), additional charge, of the Company since January 27, 2025. He is the overall in-charge of the Company. Before joining the Company, he was associated with Central Coalfields Ltd and Northern Coalfields Ltd.

- **Murli Krishna Ramaiah** has been the Director (Human Resources) of the Company since February 23, 2023. He is responsible for the functions of personnel & industrial relations, manpower & recruitments, amongst others. Previously, he was associated with Steel Authority of India Ltd.

- **Sanjay Kumar Singh** has been the Director (Technical) of the Company since October 10, 2023. He is responsible for the functions of the departments of excavation, estate, UG and siding, E&M, including Central Transportation Pool, contract management cell, washery construction, material management, central survey and Jharia action plan. Previously, he was associated with JSW Steel Ltd, Adani Enterprises Ltd and Tata Steel Ltd.

- **Niladri Roy** is the Director (Technical), additional charge, of the Company since September 1, 2025. Presently, he is the full- time Director (technical) of Eastern Coalfields Ltd. Before joining Eastern Coalfields Ltd, he was associated with Coal India Ltd as Executive Director (Production).

- **Sanoj Kumar Jha** has been the Part-time Official Director of the Company since May 01, 2025. He is an Additional Secretary (within the Ministry of Coal). Previously, he has served as the principal secretary, Women and Child Development Department, Government of Sikkim.

- **Mukesh Choudhary** has been the Part-time Official Director of the Company since July 17, 2025. Previously, he was associated with the Department of Defence Production, Directorate of Ordinance, Kolkata, as a deputy director general.

- **Arun Kumar Oraon**, the Non-Official Independent Director of the Company, has been the Non-Official Independent Director of the Company since April 30, 2025. Previously, he was associated with the Indian Police Service at the rank of Inspector General of Police and served on the board of Coal India Ltd as an independent director.

- **Satya Raju Masapogu** is the Chief Financial Officer of the Company since September 13, 2025. He has been associated with the Company since August 28, 2025. Previously, he was associated with Northern Coalfields Limited and Western Coalfields Ltd.

- **Bani Kumar Parui** is the Company Secretary and Compliance Officer of the Company. He has been associated with the Company since 1996. Previously, he was associated with Sagar Gramin Bank

INDUSTRY OVERVIEW

Indian Coal & Steel Industry Linkage

- Coking coal is a critical raw material for the steel industry as it is used in blast furnaces to produce coke — an essential feedstock for traditional steelmaking. Without a reliable supply of high-quality coking coal, steel production capacity cannot be sustainably expanded.

- India is the world's second-largest steel producer, with ambitious capacity expansion goals (targeting ~300 million tonnes by 2030), which inherently drives increased coking coal consumption. .
- The steel sector accounts for the vast majority of coking coal usage in India, making the coking coal–steel linkage one of the most strategic relationships in the industrial supply chain.
- Because of this direct linkage, demand for coking coal largely mirrors trends in infrastructure growth, automotive manufacturing, construction activity, and overall industrial output.

Coking Coal Demand–Supply Scenario

- Demand is projected to surge sharply over the next decade: industry projections estimate coking coal demand rising from around 80–87 million tonnes in FY25 to approximately 135 million tonnes by FY30.
- Domestic production of coking coal has historically been unable to keep pace with demand due to quality constraints (high ash content) and limited beneficiation and washing capacity. As a result, India's domestic output remains well below consumption needs.

- The government's strategic initiatives (e.g., Mission Coking Coal, expansion of washery infrastructure, private allocations of coal blocks) aim to boost domestic coking coal production substantially — with targets to almost double raw production by 2030.
- Despite production enhancements, supply will likely remain tight relative to demand growth, necessitating continued reliance on imports and strategic supply diversification.

➢ Import Dependence & Substitution Potential

- India currently meets around 85–90 % of its coking coal requirements through imports, primarily from Australia, the US, Canada, Russia, and other international suppliers.
- High import dependence exposes Indian steelmakers and coal miners like BCCL to global price volatility, freight cost fluctuations, geopolitical supply risks, and exchange rate pressure.
- The government is pushing policies to reduce reliance on imports, including increased domestic production through Coal India Ltd and private sector participation, scaling up washery capacity, and encouraging foreign direct investment in mining.
- Additional strategic measures under consideration include classifying coking coal as a critical mineral to strengthen policy focus, incentivize investment, and promote supply chain resilience.
- While domestic substitution can improve, complete replacement of imports is unlikely in the near term given quality gaps in Indian reserves and entrenched global supply chains.

➢ Regulatory Environment

- The coking coal sector operates under a mix of policies governed by the Ministry of Coal and Ministry of Steel, aimed at ensuring resource security and industry self-reliance.
- Initiatives such as the Atmanirbhar Bharat Mission and Mission Coking Coal focus on boosting domestic mining output, enhancing infrastructure (washery and logistics), and enabling private participation through revenue-share auctions and FDI liberalization..
- Environmental and safety regulations apply to all mining operations, including stringent norms for blast furnace emissions and mine rehabilitation, which influence capital costs and operational practices.
- Regulatory support for infrastructure projects such as first-mile connectivity (rail/road linkage to coalfields) aims to reduce bottlenecks and improve the efficiency of supply chains.
- There is increased government focus on resource nationalism and strategic stockpiling, especially for critical industrial inputs like coking coal, to protect against global disruptions.

➢ Long-Term Outlook

- Structural demand growth remains strong — India’s industrialization and infrastructure build-out will sustain long-term coking coal demand, even as alternative steelmaking technologies evolve.
- Domestic supply is expected to strengthen gradually, with production targets potentially more than doubling by 2030 if policy and investment initiatives succeed.
- Import dependence is likely to reduce modestly, but India will continue sourcing a significant portion of coking coal from international markets due to quality advantages and domestic beneficiation limits.
- Sustainability concerns and global decarbonization trends may influence the sector; investments in cleaner technologies, coke substitutes (e.g., hydrogen-based DRI), and emissions reduction will shape long-term demand patterns.
- For companies like BCCL, industry growth fundamentals remain favorable, supported by policy focus and strategic centrality in the steel value chain, but operations will need to navigate regulatory, logistical, and environmental challenges to maximize long-run value.

➢ Mining Operations & Capacities

- Bharat Coking Coal Ltd is primarily engaged in the mining and supply of coking coal and semi-coking coal, which are critical inputs for India’s steel industry.
- The company operates a mix of underground (UG) and opencast (OC) mines, reflecting the geological complexity of coking coal reserves in India.
- A significant portion of BCCL’s operations are legacy underground mines, which, while operationally challenging, give the company access to scarce prime coking coal reserves unavailable elsewhere in the country.
- Opencast mines contribute the bulk of production volumes due to higher productivity, lower operating costs, and better scalability, and the company continues to focus on increasing the share of OC mining over time.
- BCCL has been undertaking capacity enhancement and modernization initiatives, including mechanization, mine rationalization, and selective outsourcing, aimed at improving productivity and cost efficiency.

BUSINESS & OPERATIONS

➢ **Key Coal Blocks**

- BCCL's operations are concentrated in the Jharia Coalfield in Jharkhand, which holds the only significant reserves of prime coking coal in India.
- The Jharia coalfield is of strategic national importance, supplying coking coal to integrated steel plants across the country.

- The coal blocks operated by BCCL vary in coal quality, with output classified into:
  - Prime coking coal
  - Medium coking coal
  - Semi-coking and non-coking coal (used for blending)
- Many of the coal blocks are mature assets, which leads to:
  - Higher stripping ratios and operating complexity
  - Increased focus on safety, mine planning, and rehabilitation
  - Despite geological and legacy challenges, the location of these blocks gives BCCL a near-monopolistic position in domestic coking coal production.

➢ **Production Volumes & Trends**

- BCCL is one of the largest contributors to domestic coking coal output, accounting for a substantial share of India's total indigenous supply.

- Production volumes have historically been influenced by:
  - Mining conditions in underground operations
  - Land acquisition and environmental clearances
  - Infrastructure constraints and mine fires in Jharia
- In recent years, there has been a gradual improvement in production stability, supported by:
  - Increased emphasis on opencast mining
  - Better planning and mechanization
  - Government-led initiatives to enhance coal availability
- While production growth is expected to be moderate rather than aggressive, BCCL's output remains strategically important given the structural demand–supply gap in coking coal.
- The company's focus is increasingly on quality improvement and washed coal supply, rather than only volume growth.

➢ **Logistics & Evacuation Infrastructure**

- Coal evacuation is primarily carried out through railways, with BCCL benefiting from its proximity to major steel plants in eastern and central India.
- The company has been investing in first-mile connectivity (FMC) projects, including:
  - Mechanized coal handling plants
  - Conveyor belts and rapid loading systems
- These initiatives aim to:
  - Reduce reliance on road transport
  - Lower logistics costs
  - Improve turnaround time and dispatch reliability
- Legacy infrastructure and congestion in certain mining areas remain constraints, but incremental improvements in rail connectivity are expected to support smoother evacuation over time.
- Efficient logistics is a key competitive advantage for BCCL, as transportation costs form a significant portion of the delivered cost of coking coal.

➢ **Customer Profile (Steel Producers & PSUs)**

- BCCL's customer base is largely institutional and long-term in nature, providing stable offtake visibility.
- Major customers include:
  - Integrated steel producers
  - Public sector steel companies
  - Other government-linked industrial consumers
- Coal supply is primarily governed by:
  - Long-term fuel supply agreements (FSAs)
  - Government allocation mechanisms
- Demand from steel producers is relatively inelastic, as coking coal has limited substitutes in blast furnace operations.

- As a PSU, BCCL benefits from:
  - High customer stickiness
  - Minimal counterparty risk
  - Stable demand even during economic slowdowns
  - However, pricing flexibility is limited due to regulatory oversight and policy considerations, which can cap margin expansion during favorable commodity cycles.

➢ **Overall Assessment**

- BCCL's business model is volume-driven, policy-backed, and strategically indispensable to India's steel ecosystem.
- While operational challenges exist due to legacy mines and regulatory constraints, the company's resource base, customer stability, and national importance underpin its long-term relevance.
- From an operational standpoint, the focus remains on incremental efficiency gains rather than aggressive expansion, which aligns with the mature nature of the asset base.

STRENGTHS & GROWTH DRIVERS

- Bharat Coking Coal Ltd holds a dominant market position as India's largest producer of coking coal, accounting for about 58.5 % of domestic coking coal output in FY2025, underscoring its structural importance in the supply chain.

- The company's operations are backed by a large reserve base — part of an estimated 7.91 billion tonnes of coking coal reserves in India — giving long term visibility on raw material availability.

- As a Mini Ratna PSU subsidiary of Coal India Ltd, BCCL enjoys institutional support, financial strength and strong policy alignment with national objectives on energy and steel security.

- Long term customer relationships with integrated steel producers and public sector customers provide stable offtake and low counterparty risk, with coking coal contributing a major share of revenue and minimal reliance on spot markets.

- BCCL has steadily expanded production volumes, growing total coal output from ~30.5 MT in FY2022 to ~40.5 MT in FY2025 (a ~33 % increase), driven by improved mining execution and enhanced mechanization.

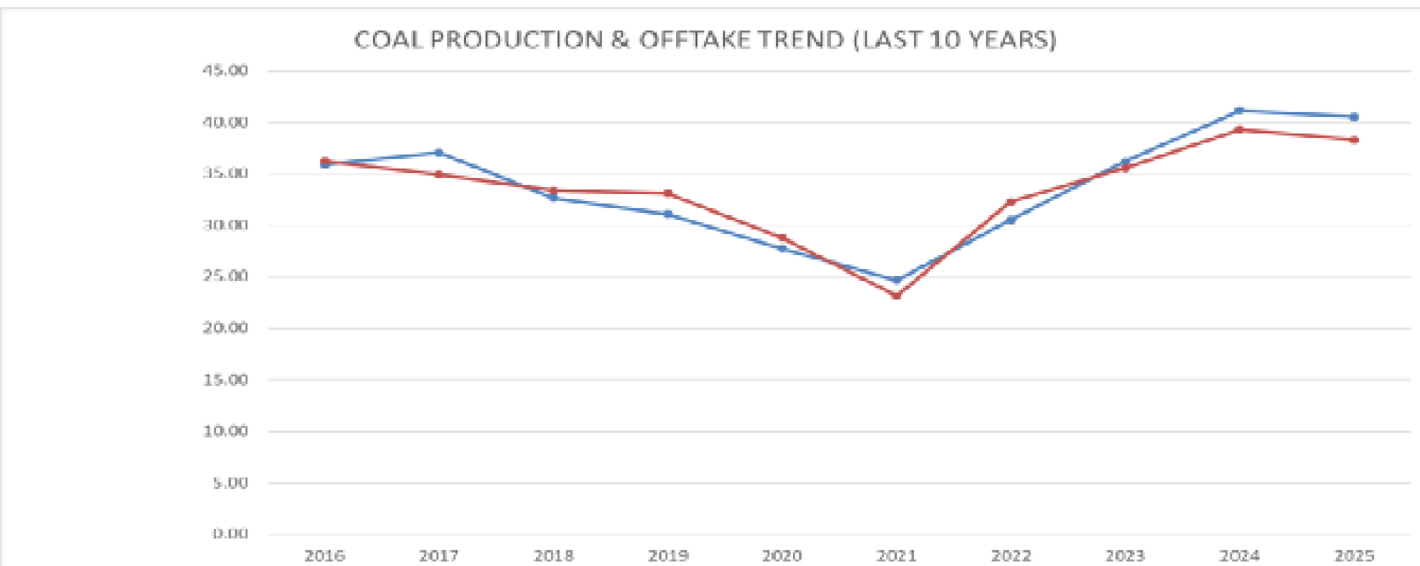
- Technology upgrades, mechanization and logistics improvements — from heavy earth moving machinery deployment to better first mile connectivity — are enhancing productivity, driving output per man shift and improving dispatch reliability over time.

- Focused cost optimization initiatives, including higher share of opencast mining and better washery utilization, are supporting margin resilience even as pricing remains influenced by regulatory and macro variables

BUSINESS OVERVIEW

- The company has significantly expanded operations, with coal production rising from 30.51 million tonnes in FY 2022 to 40.50 million tonnes in FY 2025, reflecting a 32.74% increase. In FY 2024, the company achieved record output with 39.11 million tonnes of coking coal and 1.99 million tonnes of non-coking coal. For the 6 months ended September 30, 2025, production was 15.75 million tonnes compared to 19.09 million tonnes in the same period of 2024

- Since FY2021, the company has increased production by adding capacity through heavy earth-moving machinery (HEMM), resulting in a consistent upward trend and a record high in FY 2024. Over the past 3 fiscals, coking coal production has grown steadily, with a CAGR of 5.80% from FY 2023 to FY 2025



	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Coal Production (Mill Te)	35.86	37.04	32.61	31.04	27.73	24.66	30.51	36.18	41.10	40.50
Offtake (Mill Te)	36.20	34.92	33.36	33.07	28.76	23.13	32.25	35.51	39.27	38.26

- The company also recorded its highest raw coal offtake of 39.27 million tonnes in FY 2024, reflecting its commitment to operational growth and efficiency. Further, In FY 2025, the company achieved record overburden ("OB") removal (or overlying rock mass to be removed to access coal seams in opencast mining) volumes while maintaining its second-highest coking coal production, just below the peak the company reached in FY 2024.

- The company operates across a leasehold area of 288.31 sq. km, comprising 252.88 sq. km in the Jharia coalfield and 35.43 sq. km in the Raniganj coalfield. The company's portfolio includes (i) opencast and underground mining projects, (ii) coal washeries, (iii) monetization of old and idle washeries through the Washery Developer and Operator (WDO) route, and (iv) restoration of discontinued underground mines via the Mine Developer and Operator (MDO) model. Additionally, the company monetizes solar power projects through self-consumption and grid injection.

- As of September 30, 2025, the company operates a network of 34 operational mines, including 4 underground mines, 26 opencast mines, and 4 mixed mines.

Coking Coal Production Process

- **The company oversees the coking coal production process, which encompasses Mine Planning, Government Approvals, and Infrastructure Development.**

- Coal Extraction: The company utilizes 2 primary methods for coal extraction

- I) **Open Cast Mining**: This method involves the removal of overburden (soil and rock) to access coal seams. In the majority of the company's
- II) **open-cast mines**, the company employs shovel-and-dumper technology, complemented by drilling and blasting, for overburden stripping and the excavation and transportation of coal. In one specific opencast mine, a dragline is utilized for overburden removal. Coal extracted from these mines is transported to dispatch points, the company's coal preparation and handling plants, or the company's coal beneficiation facilities via dumpers, trucks, or conveyors.

- III) **Underground Mining**: Utilized for coal seams located deep below the earth's surface, this method includes conventional board and pillar techniques, as well as advanced methods such as longwall mining, continuous miner operations, and highwall mining, all aimed at enhancing efficiency and productivity.

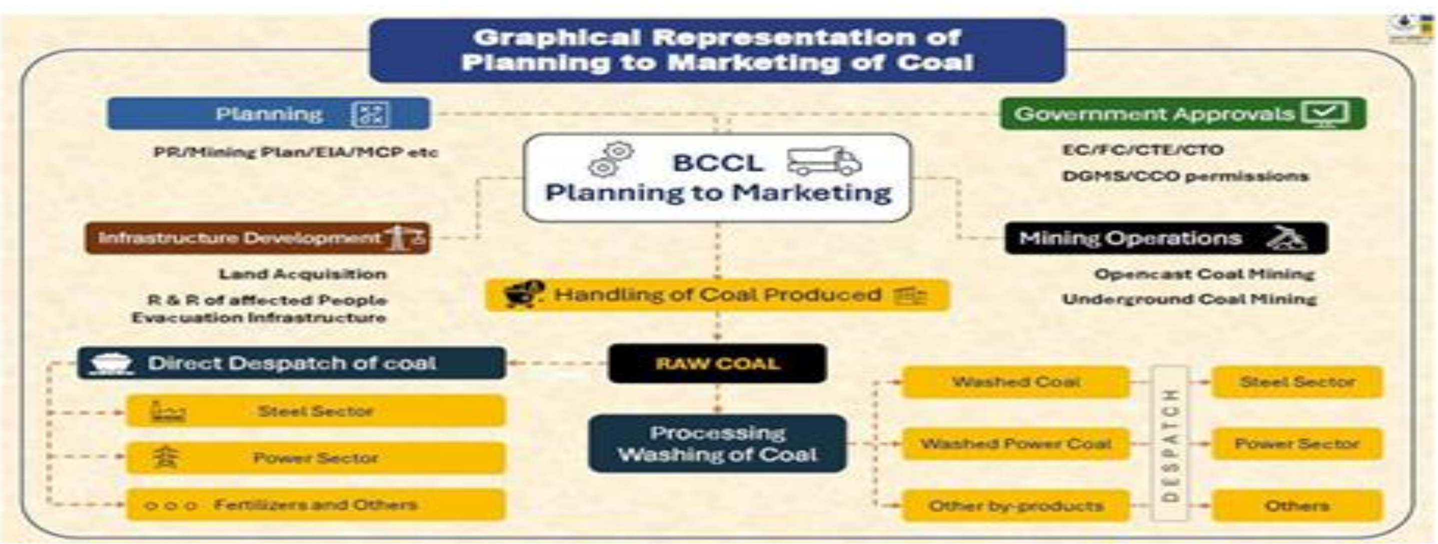
- **Coal Conveying**: To ensure efficient transportation of coal from mining sites to dispatch areas, the company utilizes (i) Railway Wagons, (ii) Road Transport and (iii) Conveyor Belts

- **Coal Processing**: Run-of-mine coal is crushed to the desired size using crushers. Additionally, coal is washed to remove impurities, thereby upgrading low-quality coal to higher quality standards.
- **Modes of Production**: The company employs three distinct methods to produce coal.

- **Departmental Production**: The company conducts mining operations entirely through its own workforce, equipment, and management systems.

- **Hired HEMM patches**: The company enhances flexibility by contracting specialized equipment and operators for specific tasks in designated mine patches, while retaining departmental oversight of critical functions. •

- **MDO model**: For select projects, the company collaborate with expert mining partners who assume full planning and operational responsibility under the company's supervision



Source: RHP, KC Research

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PEER COMPARISON AND FINANCIALS

Company Name	Revenue from operations (₹ Cr)	Face	Closing Price as on 30-12-2025	P/ E ratio	EPS (₹)		RoNW	NAV Per Equity Share
		Value (₹)			Basic	Diluted	(%)	(₹)
Bharat Coking Coal Ltd	13,802.55	10	[●]	7.89/8.65#	2.66	2.66	20.83	14.07
Listed Industry Peers								
Alpha Metallurgical Resources, Inc	25,320.27	$0.01	18,177.77	14.87	1,233.78	1,222.65	11.48	11,182.10
Warrior Met Coal, Inc.	13,058.93	$0.01	7,974.08	19.44	410.12	410.12	12.82	3,423.71

Source: RHP; P/E Ratio for the listed industry peer has been computed based on the closing market price of equity shares as on 30-12-2025. Closing Price of peers is converted using of ₹ 89.94 per US$ as on December 30, 2025. All financial information for listed industry peers is for the Fiscal Year ended December 31, 2024. # P/E ratio based on the lower price & upper price of the price band, as per Statutory advertisement appearing in the newspaper dated 05-01-2026.

Restated Consolidated statement of assets and liabilities (₹ Cr)

Particulars	For 6 Months ended Sept. 30th,		For the Year ended March 31st,		
	2025	2024	2025	2024	2023
ASSETS					
Non-Current Assets					
Property, Plant & Equipment	4,936.21	3,884.85	4,264.41	3,438.57	2,907.81
Capital Work in Progress	1,842.47	1,586.16	1,616.78	1,367.81	1,299.83
Exploration and Evaluation Assets	52.43	165.25	227.82	163.29	155.36
Intangible Assets	7.95	10.78	9.49	12.66	15.68
Loans	0.14	-	-	-	-
Other Financial Assets	1,170.99	1,058.19	1,018.90	886.62	705.86
Deferred Tax Assets (Net)	557.27	593.78	562.83	717.08	1,048.27
Other non-current assets	1,069.68	942.97	1,042.65	856.90	620.85
Total Non-Current Assets	9,637.14	8,241.98	8,742.88	7,442.93	6,753.66
Current Assets					
Inventories	1,951.76	1,514.02	1,960.14	1,381.58	1,029.06
Investments	-	2.26	0.41	266.52	79.72
Trade Receivables	2,202.52	1,449.07	1,847.76	1,333.25	1,251.15
Cash & Cash equivalents	428.87	423.39	167.54	285.82	544.94
Other Bank Balances	650.19	770.97	962.31	658.81	609.26
Loans	-	-	-	-	-
Other Financial Assets	390.93	79.44	234.19	73.70	58.99
Current Tax Assets (Net)	155.22	-	198.54	102.85	168.57
Other Current Assets	3,294.50	3,137.11	3,169.71	3,182.27	2,817.51
Total Current Assets	9,073.99	7,376.26	8,540.60	7,284.80	6,559.20
Total Assets	18,711.13	15,618.24	17,283.48	14,727.73	13,312.86
EQUITY AND LIABILITIES					
Equity Share Capital	4,657.00	4,657.00	4,657.00	4,657.00	4,657.00
Other Equity	1,006.52	1,184.28	1,805.73	664.72	(853.10)
Equity attributable to equity-holders of the Co.	5,663.52	5,841.28	6,462.73	5,321.72	3,803.90

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Particulars	For 6 Months ended Sept. 30th,		For the Year ended March 31st,		
	2025	2024	2025	2024	2023
Non-Current Liabilities					
Borrowings	-	-	-	-	-
Lease Liabilities	165.75	168.99	143.06	152.73	153.79
Other Financial Liabilities	388.60	392.45	357.93	324.17	296.51
Provisions	2,387.56	2,111.22	2,324.71	2,017.51	2,089.30
Other Non-Current Liabilities	1,042.56	880.09	805.94	882.63	149.82
Total Non-Current Liabilities	3,984.47	3,552.75	3,631.64	3,377.04	2,689.42
Current Liabilities					
Borrowings	1,559.13	-	-	-	-
Lease Liabilities	82.62	90.45	90.11	77.50	58.85
Trade payables	2,865.04	1,179.73	2,173.27	1,233.53	912.91
Other Financial Liabilities	2,316.34	2,063.15	2,339.28	1,946.00	1,448.41
Other Current Liabilities	1,415.60	1,507.46	1,534.08	1,587.29	1,968.63
Provisions	824.41	1,380.97	1,052.37	1,184.65	2,430.74
Current Tax Liabilities (Net)	-	2.45	-	-	-
Total Current Liabilities	9,063.14	6,224.21	7,189.11	6,028.97	6,819.54
Total Equity and Liabilities	18,711.13	15,618.24	17,283.48	14,727.73	13,312.86

Source: RHP

Restated Consolidated statement of profit and loss

(₹ Cr)

Particulars	For 6 Months ended Sept. 30th,		For the Year ended March 31st,		
	2025	2024	2025	2024	2023
Revenue from Operations (Net of Levies)					
Sales	5,260.29	6,368.68	13,083.26	13,161.10	12,349.14
Other Operating Revenue	398.73	477.51	719.29	1,084.76	274.92
Revenue from Operations (Net of Levies)	5,659.02	6,846.19	13,802.55	14,245.86	12,624.06
Other Income	652.49	244.51	599.08	406.67	394.51
Total Income	6,311.51	7,090.70	14,401.63	14,652.53	13,018.57
Expenses					
Cost of Materials Consumed	272.73	307.36	640.92	742.17	989.16
Changes in inventories	103.69	(123.50)	(562.58)	(332.13)	(13.72)
Employee Benefits Expense	3,037.52	3,336.34	6,542.37	6,950.67	7,147.93
Finance Costs	60.05	32.19	72.49	61.83	55.69
Depreciation/Amortization/ Impairment	200.54	217.24	580.68	340.39	305.43
Stripping Activity Adjustment	(585.46)	(502.33)	(772.30)	(185.17)	-
Contractual Expense	2,058.83	1,832.32	4,311.51	3,168.64	2,391.35
Other Expenses	964.27	867.04	1,885.65	1,814.46	1,612.54
Profit before tax	199.34	1,124.04	1,702.89	2,091.67	530.19
Tax expense	75.46	375.34	462.70	527.21	-134.59
Profit for the period/year	123.88	748.70	1,240.19	1,564.46	664.78
Other comprehensive income	(78.87)	(184.71)	(54.75)	(46.64)	(134.65)
Total comprehensive income	45.01	563.99	1,185.44	1,517.82	530.13
EPS (Basic & Diluted) (₹)	0.27	1.61	2.66	3.36	1.43

Restated Consolidated Statement of Cash Flows

(₹ Cr)

Particulars	For 6 Months ended Sept. 30th,		For the Year ended March 31st,		
	2025	2024	2025	2024	2023
Restated Profit/ (loss) before tax	199.34	1,124.04	1,702.89	2,091.67	530.19
Adjustments for:					
Non-Cash & Non-Operating Items	(734.04)	(473.10)	(227.07)	(172.73)	750.37
Operating cash flow before working capital changes	(534.70)	650.94	1,475.82	1,918.94	1,280.56
Adjustments for Changes in Working Capital	199.83	448.49	(318.88)	(505.19)	436.66
Cash Generated from Operations	(334.87)	1,099.43	1,156.94	1,413.75	1,717.22
Income tax paid (net)	(0.06)	(84.62)	(360.45)	(114.61)	(18.44)
Net cash generated from operating activities	(334.93)	1,014.81	796.49	1,299.14	1,698.78
Net cash used in investing activities	(65.16)	(788.13)	(782.31)	(1,484.42)	(1,705.83)
Net cash used in financing activities	380.44	(89.11)	(132.46)	(73.84)	(42.97)
Net (decrease) / increase in cash and cash equivalents	(19.65)	137.57	(118.28)	(259.12)	(50.02)
Add: Cash & cash equivalents as at the beginning of the period	167.54	285.82	285.82	544.94	594.96
Cash & cash equivalents as at the end of the year	147.89	423.39	167.54	285.82	544.94

- The Indian coal industry is highly fragmented, with the presence of a few large players and several medium and small players. In India, only CCL is the company's main competitor in the coking coal segment, as this is the major commercial player selling coking coal.

- Other producers like SAIL and Tata Steel do not sell coking coal commercially and consume it for captive purposes, and are not considered as peers. However, another Coal India Limited subsidiary, Mahanadi Coalfields Limited, who is the largest non- coking coal producers can be considered as competition in non-coking coal segment

KEY RISKS

- **Geographic concentration and reserve exhaustion risk:**

BCCL's mining operations and washeries are largely concentrated in the **Jharia (Jharkhand) and Raniganj (West Bengal) coalfields**. Any faster-than-expected depletion of reserves, geological challenges, or inability to economically extract remaining coal in these mature coalfields could adversely impact long-term production, cash flows, and business sustainability.

- **High dependence on raw coking coal sales:**

A significant portion of the company's revenue is derived from **raw coking coal**, which has consistently contributed **75% of operating revenue** over recent periods. Any structural decline in demand for raw coking coal, changes in steelmaking technology, or increased preference for washed/blended coal could negatively affect volumes, realizations, and margins.

- **Customer concentration risk:**

BCCL's revenue base is **highly concentrated**, with the **top 10 customers accounting for over 80% of revenues** across recent periods. While these customers are largely steel PSUs and integrated producers, the loss of a major customer, changes in allocation policies, or renegotiation of supply terms could materially impact revenues and earnings visibility.

- **Contingent liabilities and litigation exposure:**

The company has **material contingent liabilities (₹3,600 crore as of September 30, 2025)**, including claims related to taxation, land, and other operational matters. If any of these liabilities crystallize, they could have a meaningful adverse impact on profitability, cash flows, and net worth.

- **Input cost and supply chain risks:**

BCCL is exposed to fluctuations in the **pricing and availability of key inputs**, including contractual mining services, explosives, fuel, and logistics. These costs are influenced by external factors such as regulatory changes, fuel prices, and vendor availability, which can affect operating costs and margins.

- **Vendor concentration and execution risk:**

The company relies on a **limited number of contractors and service providers** for mining operations, overburden removal, and logistics. Any disruption in contractor performance, labor availability, or contract renewals could lead to production delays, higher costs, or operational inefficiencies.

KC Securities (Kantilal Chhaganlal) Outlook on Bharat Coking Coal Limited - IPO

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Valuation and Outlook

- **Near-monopoly with almost 60% share of domestic coking coal**: BCCL is India's largest producer of coking coal, operating in the Jharia coalfield—the country's only meaningful source of prime coking coal—giving it a structurally dominant position with limited domestic competition.

- **Direct play on India's steel growth with demand visibility**: we expect good Revenue from steel producers in upcoming time , BCCL is a direct beneficiary of India's steel capacity expansion, offering long-term demand visibility unlike global peers exposed to volatile export markets.

- **Strong return ratios at discounted valuation**: BCCL is valued at 8.5–10.5x FY25 P/E, a significant discount to global coking coal peers (14–20x), despite delivering 21% RoNW and 30% ROCE, providing valuation comfort.

- **Stable cash flows backed by PSU parentage**: As a Coal India subsidiary, BCCL benefits from policy support, funding access, and long-term offtake arrangements, resulting in lower business risk and earnings stability compared to private/global peers.

- **Strategic role in reducing import dependence**: BCCL is central to India's push to reduce reliance on imported coking coal, enhancing its strategic importance, policy relevance, and long-term operational continuity.

- **High entry barriers due to geological scarcity**: Prime coking coal reserves are geologically limited in India, with Jharia being irreplaceable; regulatory hurdles, land acquisition challenges, and long gestation periods make replication by private players extremely difficult.

- **Pricing visibility through notified prices and FSAs**: Coal India's notified pricing mechanism and long-term fuel supply agreements enable pass-through of cost inflation while ensuring stable volumes and customer stickiness.

- **Low capital intensity with brownfield-led growth**: Capacity expansion is largely brownfield, leveraging existing infrastructure, which supports strong free cash flow generation and superior capital efficiency.

- **Operating leverage from volume ramp-up:** Incremental production comes at relatively low marginal cost, enabling meaningful EBITDA and cash flow upside as mine utilization improves.

- **Strong balance sheet and cash generation profile**: Healthy operating cash flows, low leverage, and PSU financial discipline reduce balance sheet risk and enhance dividend sustainability across cycles.

- **Supply security advantage over imports**: Domestic sourcing shields customers from seaborne price volatility, forex risk, and geopolitical disruptions, positioning BCCL as a preferred long-term supplier for Indian steelmakers

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KantilalChhaganlal SecuritiesPvt Ltd

SEBI Reg. Nos.:INZ000216538(StockBroker), INH00001428(Research Analyst)

601/602 Inizio Business Centre, Cardinal Gracious Road Opposite Proctor and Gamble, Chakala, Andheri East, Mumbai

research@kcsecurities.com 02267236000 www.kcsecurities.com