



Investor Presentation

www.reetechinternational.com



About this presentation



The Business



The Edge



The Prospects

The Business





About Reetech

We are based at Raipur, Chhattisgarh.

Our Company is one of the recognised traders of Coal and perform its operations from Gangavaram and other ports. Our operations are spread across India, with a wide network of Customers.

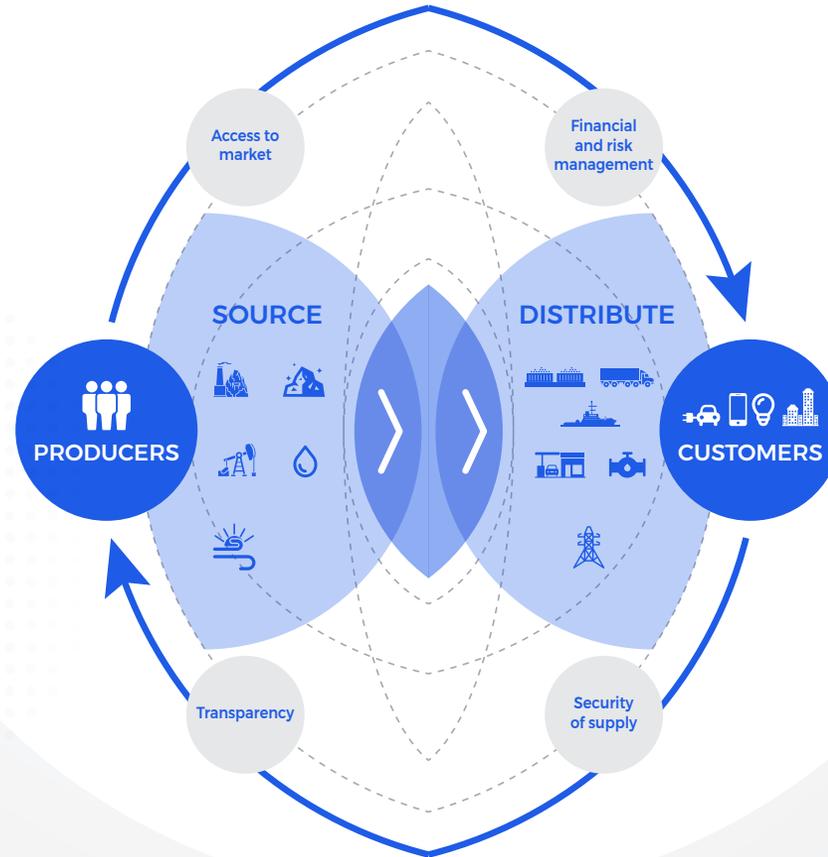
Our diversified product portfolio comprises coal from Indonesia, South Africa, Australia and India, among other origins. We supply our products to the customers in various sectors i.e., Power, Steel, Rolling and other industries.

In just a few years, Reetech has established itself as a reliable partner in the trading coal space.



What we do?

Our Operating Model



We import and procure variety of coals aligned to customer requirement of quality and quantity.

We deploy multi-modal logistical solutions (sea, rail and road) to transport the material and meet client commitment.

We have contoured our business model with the objective of relationship-building with our clients.



Our numbers

1,18,846 MT
Coal Traded in FY22

15,000 MT
Avg. Coal imported every
month in FY22

3,689*
Trucks ferried

3
Port Locations

₹ **116.89** cr
Revenue from
Operations

08
Employees

40
Customers



Our Clients



The edge





Expertise in diverse coals

We import coals across the world for 4 major types. The coal imported from international destinations is transported in multifarious vessels such as Supramax, Panamax, Babycape & Capesize vessels. It is then stored at various locations including the Gangavaram Port and the Vizag Port.

(in MT)	FY21	FY22	FY23 (upto 19/9/2022)
South African	33,068	118,846	44,481
Indonesian	960	2,832	2,944
Australian	-	-	3,992
TOTAL	34,028	121,678	51,417



Expertise in diverse coals



South African Coal

We import the entire spectrum of South African coal that comprises 6000, 5500 & 4800 NAR.



Indonesian Coal

We import the entire spectrum of Indonesian coal grades, extending from Low Calorific Value and Medium Calorific Value to High Calorific Value.



Indian Coal

We procure Indian coal through e-auctions conducted by the various subsidiaries of Coal India Ltd. The coal is procured keeping in mind the quality & quantity requirements of our customers.



US Coal

We import US coal on Kandla port of GCV higher than 7000.



Transport & Logistics

1

Strategic location

- We operate from the Jharkhand, Chattisgarh and the Odisha belt being the largest coal buying region in the India.
- Access to key infrastructure and logistics that allows for access to both domestic and export markets.

2

Flexible logistics

- Ability to transport and deliver coal by truck, rail and barge across India.
- Access to all coal exporting terminals in India

3

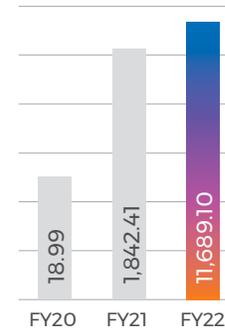
Low Delivery cost

- Driven by high demand in the region and advanced logistics.
- Results in a higher realized price per ton to Reetech relative to its competitor.

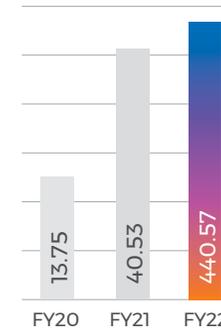


The Growth

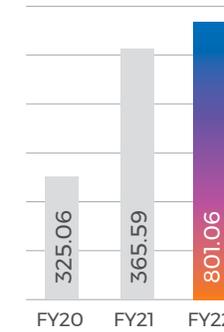
Total Income
(₹ Lakh)



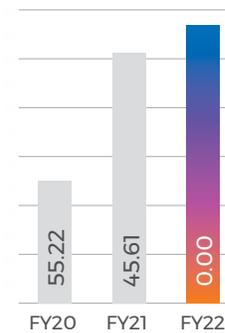
Profit after Tax
(₹ Lakh)



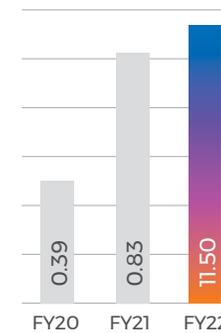
Networth
(₹ Lakh)



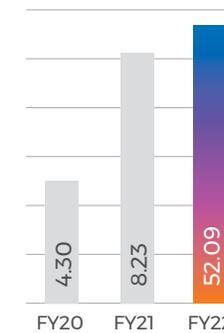
Total Borrowings
(₹ Lakh)



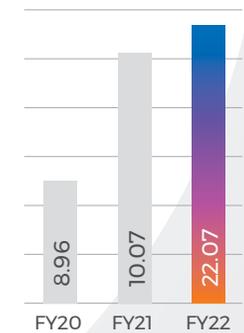
Earnings per share
(₹)



Return on Networth
(%)



Net Asset Value per share
(₹)



The prospects





Coal in our Life

In today's day and age, a life without coal is unthinkable. Here is why:



Electricity Generation

Power generation is the primary use for coal worldwide. Thermal coal is burnt to create steam that drives turbines and generators for the production of electricity.



Metal Production

Metallurgical (coking) coal is a key ingredient in steelmaking. Coal converted to coke is used to produce around 70% of the world's steel. Coal is also widely used in the production of other metals including aluminium and copper.



Cement Production

Coal is used as a key energy source in cement production. By-products of coal combustion such as fly ash also play an important role in cement manufacture and the wider construction industry.



Gasification and Liquefaction

Coal is heated and pressurised with steam to produce 'town' gas for domestic lighting, heating and cooking. It is liquefied to make synthetic fuels similar to petroleum or diesel. The majority of coal-to-gas projects are located in the USA and China, with a few in Indonesia, India, Australia, Canada and South Africa.



Chemical Production

Syngas — from gasification — can be further processed to produce chemical building blocks such as methanol, ammonia and urea.



Other Industries

Other major users of coal include the paper, textile and glass industries. Coal is also used in the manufacture of carbon fibre and specialist ingredients such as silicon metals, which are used to produce ingredients for the household and personal care sectors.



Coal & its advantages

Availability

Coal is an essential resource for tackling the challenges facing the modern world - specifically the rapid increase in energy consumption. Coal is significantly cheaper and more accessible than other fossil fuels and its reserves are distributed much more equally around the planet.

Accessibility

Coal does not require high-pressure pipelines, expensive protection during transport or costly processing. It is easier to store and handle than alternative, highly flammable fossil fuels or nuclear materials.

Usability

Coal only needs to be mined before it can be used. Other fossil fuels must be refined, using lengthy and costly processes. Compared to gas, coal is significantly cheaper and more accessible and its reserves are distributed much more equally around the planet.

Versatility

Coal is hugely versatile. As well as generating electricity, it is a core component in iron and steel making and is integral to a range of processes, including aluminium refining, paper manufacture and chemical production.

Affordability

The abundance of coal, its accessibility, straight-from-the-mine usability and lower transport costs, make it an affordable form of energy. Electricity produced from coal is less expensive than other sources.

Safety

Coal is easier and safer to transport, store and handle than alternative, highly flammable fossil fuels or nuclear materials.



Coal Mine Status in India

Operational Issues in Coal Mining in India

Seven out of the total 16 coal blocks issued to state-owned power sector entities or PSUs like NTPC, DVC, Neyveli Lignite, THDC (a mini-Ratna company under NTPC) and Patratu Vidyut Utpadan Nigam Ltd. are yet to start or have just started production, even more than seven years after their allotment.

This is despite the fact that coal blocks were allotted to these power sector PSUs back in March 2015 to fulfil their shortage of dry fuel, as India's largest coal producer, Coal India Ltd (CIL), on its own, could not completely meet their requirements.

Coal Mine Status

Mines	Location	Status
Pakri-Barwadih	Jharkhand	Operational
Chatti-Bariatu	Jharkhand	To be operational soon
Kerandari	Jharkhand	To be operational soon
Dulanga	Odisha	Operational
Talaipalli	Chhattisgarh	Operational
Bhalumuda	Chhattisgarh	Non-operational
Banai	Chhattisgarh	Non-operational
Mandakini-B	Odisha	Non-operational
Banhardih	Jharkhand	Allotted in 2018 – land acquisition and other clearances in progress

Source: NTPC



Coal in India.

Estimated coal reserves in India by state as of 1 April 2021

State	Coal Reserves (in billion metric tonnes)	Type of coalfield
Jharkhand	86.217	Gondwana
Odisha	84.878	Gondwana
Chhattisgarh	73.424	Gondwana
West Bengal	33.092	Gondwana
Madhya Pradesh	30.217	Gondwana
Telangana	22.851	Gondwana
Maharashtra	12.936	Gondwana
Bihar	3.464	Gondwana
Andhra Pradesh	2.247	Gondwana
Uttar Pradesh	1.062	Gondwana
Meghalaya	0.576	Tertiary
Assam	0.525	Tertiary
Nagaland	0.446	Tertiary
Sikkim	0.101	Gondwana
Arunachal Pradesh	0.01	Tertiary
India	352.13	



Coal in India.

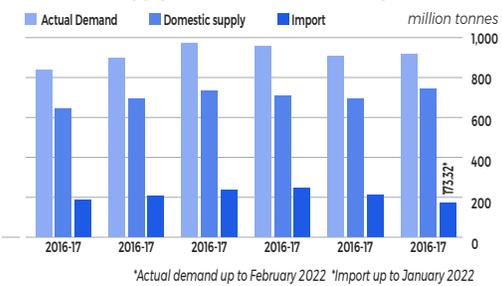
Capital investment (₹ crore) by coal companies

		2016-17	2017-18	2018-19	2019-20	2020-21
CIL	BE	7,765	8,500	9,500	10,000	13,000
	Actual	7,700.06	9,334.55	7,311.46	6,269.65	13,283.83
SCCL	BE	2,290	1,600	2,000	1,850	2,300
	Actual	1,978.88	1,477.39	1,229.69	2,257.6	1,310.08

Coal production from coal mine



Domestic supply of coal increases, but imports decline





Recent coal shortage in India

India experienced a major power crisis since October 2021.

The electricity supply in the country fell short of demand due to a shortage of coal.

Of the 173 thermal power plants, 85 plants fired by domestic coal had less than 25% stock while 11 plants running on imported coal hit critical levels.

As per a report by Indian Express, power producers had to pay premiums of up to 300% in March 2022 to secure coal supplies in the domestic spot market.

(Source: <https://www.india.com/explainer/explained-why-india-is-facing-coal-shortage-and-how-it-affects-power-supply-5366812/>)



Government Initiatives for easing coal pressure

Blending

The Central Electricity Regulatory Commission (CERC) to allow power plants to use coal blended with up to 15% imported content until March next year without having to seek the consent of buyer states.

More Imports

Government has stepped up pressure on power & steel utilities to increase imports in recent days, warning of cuts to supply of domestically mined coal if power plants do not build up coal inventories through imports.

Opening Markets

Government has allowed companies that have been allotted coal and lignite mines for their own use to sell 50% of their annual output in a bid to ease shortages.

Pass Through

The Ministry of Power said it has modified norms for pass through of higher cost of imported coal used by domestic thermal plants having power supply agreements with discoms under tariff-based bidding.

Private Sector

India will now offer coal mines to private companies only for commercial mining and sale purpose, thereby moving away from the earlier regime of offering mines for captive (own) use.



Russia- Ukraine War -Impact on Europe

- Russia supplies 70% of Europe's thermal coal imports.
- The conflict between Russia and Ukraine has sent thermal coal prices skyrocketing to new heights, as some European countries look to ban Russian coal.
- Coal prices rose dramatically in 2022, with European prices reaching a high of \$400/tonne its highest ever.
- Europe's reliance on Russia's mostly high energy coal is significant; this coal variant is found in only a few parts of the world. Besides, mining companies typically run their operations at close to full capacity, meaning they can't produce more coal quickly.

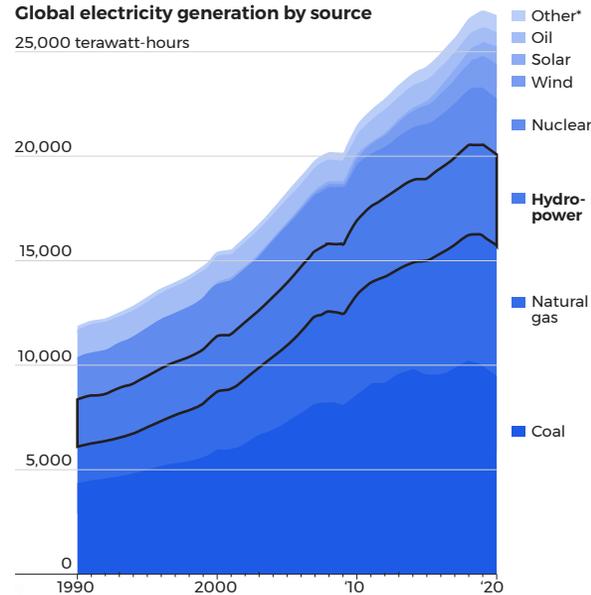
“To deal with immediate energy situation in Europe, all options should be explored – including increased use of coal in some countries temporarily”

Jean Sebastien Jacques

A former chief executive of Rio Tinto PLC, the world's second largest miner.



No Alternative to Coal



*Includes geothermal, biomass, waste tidal and wave
Source: International Energy Agency

The world will rebalance its dependency on renewable energy but **replacing coal from the global energy equation will take not years, but decades!**

“We all need to acknowledge that the energy transition will take time, potentially decades. We have to be flexible and pragmatic on the way forward.”

Jean Sebastien Jacques

A former chief executive of Rio Tinto PLC, the world's second largest miner.



Coal shortage making the headlines

 **REUTERS** World Business Legal Markets Breakingviews Technology Investigations

May 28, 2022
3:12 PM GMT+5:30
Last Updated 4 months ago

India

Exclusive: India faces wider coal shortages, worsening power-outage risks

By Sudarshan Varadhan

Coal India to import fuel for use as inventory dips to 9-year-low, power shortage looms large

Reuters

Published: May 30, 2022 08:44 AM IST





Coal shortage making the headlines

Business Standard

Tuesday, September 20, 2022 | 04:12 PM IST English | Hindi

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Centre tells states to step up coal imports for three years: Report

Beyond Business

The decision to boost imports underscores the severity of India's fuel crisis as coal inventories are at the lowest pre-summer levels in at least nine years



The Promoter & Managing Director

Mr. Mahendra Ahuja, Promoter and Managing Director of our Company. He was appointed as Managing Director with effect from June 18, 2022. He has been an entrepreneur since 2007 and has been successfully engaged in the business of real estate in the city of Raipur.

In the Company, he is responsible for providing strategic advice and guidance to the members of the board, to keep them aware of developments within the industry and ensure that the appropriate policies are developed to meet the company's mission and objectives and to comply with all relevant statutory and other regulations.

Mr. Mahendra Ahuja started as a small trader of coal in 2020, and within a short span of time, Reetech has emerged as one of the recognised suppliers of coal in the Chhattisgarh.



A case for investment

Sectoral presence: Presence in a business space which is critical to National interest and India's economic progress.

Experience: The Management team possesses rich experience in coal trading.

Expertise: Leverages trading expertise (low cost sourcing & multi-modal logistics) for committed deliveries.

Relationships: Enjoys healthy business relations with coal supplies in international destinations which assures availability of coal.

Trust: Has earned the trust of [] customers through the dedicated hard work of the team in meeting commitments.

Solidity: Strong financial statements provide stability to organisation and fuel for aggressive business growth.



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