


<p>कोल इण्डिया लिमिटेड महाराष्ट्र कंपनी 3 तल्ला, कोर-2, प्रेमिसेस-04-एमआर, प्लॉट-ए एफ-III, एक्शन एरिया-1A, न्यूटाउन, रजरहट, कोलकाता-700156 फोन 033-23246526, फॅक्स-033-23246510 ईमेल: <a href="mailto:mviswanathan2.cil@coalindia.in">mviswanathan2.cil@coalindia.in</a> वेबसाइट: <a href="http://www.coalindia.in">www.coalindia.in</a></p>		<p><b>Coal India Limited</b> <b>A Maharatna Company</b> <b>(A Govt. of India Enterprise)</b> Regd. Office: 3rd floor, Core-2 Premises no-04-MAR, Plot no-AF-III, Action Area-1A, Newtown, Rajarhat, Kolkata-700156 PHONE; 033-2324-6526, FAX; 033-23246510 E-MAIL: <a href="mailto:mviswanathan2.cil@coalindia.in">mviswanathan2.cil@coalindia.in</a> WEBSITE: <a href="http://www.coalindia.in">www.coalindia.in</a> CIN- L23109WB1973GO1028844</p>
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Ref no-CIL:XI(D):4156/4157:2019

Date: February 25, 2019

To,  
National Stock Exchange of India Limited  
Exchange Plaza,  
Bandra Kurla Complex,  
Bandra (E),  
Mumbai- 400051  
Ref: ISIN – INE522F01014

BSE Limited  
Listing Department  
P.J. Towers, 1st Floor,  
Dalal Street, Fort,  
Mumbai – 400 001  
Scrip Code: 533278

Dear Sirs

**Subject: Submission of the Letter of Offer pertaining to the proposed buyback of upto 4,46,80,850 fully paid up equity shares of Rs. 10/- each (“Equity Shares”) of Coal India Limited (“Company”) at a price of Rs. 235 per Equity Share for a maximum amount of Rs. 1,050 crores (“Offer Size”) through the tender offer process pursuant to the provisions of Regulation 8(i) of SEBI (Buy Back of Securities) Regulations, 2018, as amended**

This is in regard to the captioned buyback and is further to our letter dated February 7, 2019 whereby we had submitted the Draft Letter of Offer.

We are pleased to submit herewith the Final letter of offer dated February 25, 2019 after incorporating all the observations received from SEBI for your reference and dissemination.

Kindly take the above on record.

Thanking you,

Yours faithfully,  
For Coal India Limited



*M. Viswanathan*  
25/2/19  
M Viswanathan  
Company Secretary &  
Compliance Officer

Encl: as above.

## LETTER OF OFFER

### THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

The Letter of Offer is sent to you as a registered Equity Shareholder of Coal India Limited (the “Company”) as on the Record Date in accordance with Securities and Exchange Board of India (Buy-back of Securities) Regulations, 2018, as amended (“Buyback Regulations”). If you require any clarifications about the action to be taken, you should consult your stockbroker or investment consultant or the Manager to the Buyback Offer i.e. IDBI Capital Markets & Securities Limited or the Registrar to the Buyback Offer i.e. Alankit Assignments Limited. Please refer to the section on “Definitions of Key Terms” for the definitions of the capitalized terms used herein.

	<b>Coal India Limited</b> <b>Corporate Identification Number (CIN):</b> L23109WB1973GOI028844 <b>Registered Office:</b> Premises no-04-MAR, Plot no-AF-III, Action Area-1A, Newtown, Rajarhat, Kolkata 700156 <b>Tel.:</b> +91 (33) 23246526 <b>Fax:</b> + 91 (33) 23246510 <b>Website:</b> www.coalindia.in <b>E-mail:</b> mviswanathan2.cil@coalindia.in <b>Contact Person:</b> Mr. M. Viswanathan, Company Secretary and Compliance Officer
<b>CASH OFFER TO BUYBACK UPTO 4,46,80,850 (FOUR CRORE FORTY SIX LAKH EIGHTY THOUSAND EIGHT HUNDRED AND FIFTY ONLY) FULLY PAID-UP EQUITY SHARES OF FACE VALUE OF Rs. 10/- EACH, REPRESENTING APPROXIMATELY 0.72% OF THE TOTAL NUMBER OF EQUITY SHARES IN THE ISSUED, SUBSCRIBED AND PAID-UP EQUITY SHARE CAPITAL OF THE COMPANY AS AT MARCH 31, 2018, FROM THE SHAREHOLDERS / BENEFICIAL OWNERS OF EQUITY SHARES OF THE COMPANY AS ON THE RECORD DATE I.E. FEBRUARY 15, 2019, ON A PROPORTIONATE BASIS, THROUGH THE “TENDER OFFER” ROUTE AT A PRICE OF RS. 235/- (RUPEES TWO HUNDRED AND THIRTY FIVE ONLY) PER EQUITY SHARE FOR AN AGGREGATE AMOUNT NOT EXCEEDING RS. 1,050 CRORE (RUPEES ONE THOUSAND AND FIFTY CRORE ONLY)</b>	
<ol style="list-style-type: none"><li>1) The Buyback is in accordance with Article 23 of the Articles of Association of the Company and is subject to the provisions of Sections 68, 69, 70 and all other applicable provisions, if any, of the Companies Act, 2013, the Companies (Share Capital and Debentures) Rules, 2014, and in compliance with the Buyback Regulations, statutory modifications or re-enactments thereof, for the time being in force and subject to such other approvals, permissions and sanctions as may be necessary, from time to time from statutory authorities and/or regulatory authorities including but not limited to Securities and Exchange Board of India, National Stock Exchange of India Limited, BSE Limited, Registrar of Companies, Reserve Bank of India, etc.</li><li>2) The Buyback Offer Size is Rs. 1,050 crore (Rupees one thousand and fifty crore only) which represents 9.86% and 6.46% of the aggregate of the fully paid-up equity share capital and free reserves as per the last audited standalone and consolidated financial statements of the Company for the financial year ended March 31, 2018, respectively, and does not exceed 10% (for a Buyback under the board approval route as provided for under the first proviso to Section 68(2)(b) of the Act) of the aggregate of the Company’s total paid-up equity share capital and free reserves as per the last audited standalone accounts and last audited consolidated accounts of the Company for the financial year ended March 31, 2018.</li><li>3) The Letter of Offer will be sent to the Equity Shareholder(s) / Beneficial Owner(s) of Equity Shares of the Company as on the Record Date i.e. February 15, 2019.</li><li>4) The procedure for tender and settlement is set out in paragraph 20 on page no. 44 of this Letter of Offer. The form of acceptance cum acknowledgement (“Tender Form”) is enclosed together with this Letter of Offer.</li><li>5) The payment of consideration is in cash to the Eligible Shareholders. For mode of payment of consideration to the Eligible Shareholders, please refer to paragraph 20.26 on page no. 51 of this Letter of Offer.</li><li>6) A copy of the Public Announcement, the Draft Letter of Offer and this Letter of Offer (along with the Tender Form) shall be available on the website of Securities and Exchange Board of India - <a href="http://www.sebi.gov.in">http://www.sebi.gov.in</a> and on the website of the Company - <a href="http://www.coalindia.in">http://www.coalindia.in</a>.</li><li>7) Eligible Shareholders are advised to read this Letter of Offer and in particular, refer to paragraph 17 (<b>Details of Statutory Approvals</b>) and paragraph 21 (<b>Note on Taxation</b>) of this Letter of Offer before tendering their Equity Shares in the Buyback.</li></ol>	
<b>BUYBACK OPENS ON: FRIDAY, MARCH 1, 2019</b> <b>BUYBACK CLOSES ON: FRIDAY, MARCH 15, 2019</b> <b>LAST DATE OF RECEIPT OF COMPLETED TENDER FORMS AND OTHER SPECIFIED DOCUMENTS BY THE REGISTRAR TO THE BUYBACK: MONDAY, MARCH 18, 2019 BY 5.00 P.M.</b>	
<b>MANAGER TO THE BUYBACK</b>	<b>REGISTRAR TO THE BUYBACK</b>
 <p>IDBI Capital Markets &amp; Securities Limited 6th Floor, IDBI Tower, WTC Complex, Cuffe Parade, Mumbai – 400 005, Maharashtra, India <b>Tel:</b> +91 (22) 22171700 <b>Fax:</b> +91 (22) 22151787 <b>Contact Person:</b> Mr. Sumit Singh <b>Email:</b> cil.buyback@idbicapital.com <b>Website:</b> www.idbicapital.com <b>SEBI Registration Number:</b> INM000010866 <b>Validity Period:</b> Permanent <b>CIN:</b> U65990MH1993GOI075578</p>	 <p>Alankit Assignments Limited 205 – 208, Anarkali Complex, Jhandewalan Extension, New Delhi – 110055 <b>Tel:</b> +91 (11) 42541971, +91 (11) 42541958 <b>Fax:</b> +91 (11) 23552001 <b>Contact Person:</b> Mr. Abhinav Agarwal / Mr. Lalita Prasad <b>Email:</b> cilbuyback@alankit.com <b>Website:</b> www.alankit.com <b>SEBI Registration Number:</b> INR000002532 <b>Validity Period:</b> Permanent <b>CIN:</b> U74210DL1991PLC042569</p>

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## 1. SCHEDULE OF ACTIVITIES

Activity	Schedule of activities	
	Date	Day
Date of Board Meeting approving the proposal for the Buyback	February 4, 2019	Monday
Date of Public Announcement of Buyback	February 4, 2019	Tuesday
Date of publication of the Public Announcement	February 6, 2019	Wednesday
Record Date for determining the Buyback Entitlement and the names of Eligible Shareholders	February 15, 2019	Friday
<b>Date of opening of Buyback</b>	March 1, 2019	Friday
<b>Date of closing of Buyback</b>	March 15, 2019	Friday
Last date of receipt of completed Tender Forms and other specified documents including physical share certificates (if and as applicable) by the Registrar	March 18, 2019	Monday
Last date of verification of Tender Forms by Registrar	March 18, 2019	Monday
Last date of intimation to the Stock Exchange regarding acceptance or non-acceptance of tendered Equity Shares by the Registrar	March 20, 2019	Wednesday
Last date of settlement of bids on the Stock Exchange	March 22, 2019	Friday
Last date of dispatch of share certificate(s) by Registrar/payment to Eligible Shareholders/ return of unaccepted demat shares by Stock Exchange to Eligible Shareholders	March 22, 2019	Friday
Last Date of Extinguishment of Shares bought back	March 25, 2019	Monday

## 2. DEFINITION OF KEY TERMS

This Letter of Offer uses certain definitions and abbreviations which, unless the context otherwise indicates or implies or specifies otherwise, shall have the meaning as provided below. References to any legislation, act, regulation, rules, guidelines or policies shall be to such legislation, act, regulation, rules, guidelines or policies as amended, supplemented, or re-enacted from time to time and any reference to a statutory provision shall include any subordinate legislation made from time to time under that provision.

The words and expressions used in this Letter of Offer, but not defined herein shall have the meaning ascribed to such terms under the Buyback Regulations, the Companies Act, the Depositories Act, 1996, and the rules and regulations made thereunder.

<b>Act or Companies Act</b>	The Companies Act, 2013, as amended and rules framed thereunder
<b>Acquisition Window</b>	The facility for acquisition of Equity Shares through mechanism provided by the Designated Stock Exchange in the form of a separate window in accordance with SEBI circular no. CIR/CFD/POLICYCELL/1/2015 dated April 13, 2015
<b>Articles or Articles of Association</b>	Articles of Association of the Company, as amended from time to time
<b>Bharat 22 ETF</b>	Bharat 22 Exchange Traded Funded
<b>Board or Board of Directors</b>	Board of Directors of the Company (which term shall, unless repugnant to the context or meaning thereof, be deemed to include a duly authorized “Committee” thereof)
<b>Board Meeting</b>	Meeting of Board of Directors of the Company held on February 4, 2019 to approve the proposal of Buyback

<b>BSE</b>	BSE Limited
<b>Buyback Regulations</b>	Securities and Exchange Board of India (Buy-back of Securities) Regulations, 2018, as amended from time to time
<b>Buyback Committee or Committee</b>	Buyback committee comprising of Chairman cum Managing Director, Director (Finance), Shri S.B. Agnihotri, Independent Director, Shri Vinod Jain, Independent Director, Shri V.K. Thakral, Independent Director and that Company Secretary, constituted and authorized for the purposes of the Buyback by a resolution passed by the Board at its meeting held on February 4, 2019
<b>Buyback Closing Date</b>	Friday, March 15, 2019
<b>Buyback Opening Date</b>	Friday, March 1, 2019
<b>Buyback Entitlement or Entitlement</b>	The number of Equity Shares that an Eligible Shareholder is entitled to tender, in the Buyback, based on the number of Equity Shares held by such Eligible Shareholder, on the Record Date and the ratio / percentage of Buyback applicable in the category to which such Eligible Shareholder belongs
<b>Buyback or Buyback Offer or Offer</b>	Offer to buy back up to 4,46,80,850 (Four crore forty six lakh eighty thousand eight hundred and fifty) Equity Shares of Rs. 10/- each of the Company at a price of Rs. 235/- (Rupees two hundred and thirty five only) per Equity Share from the Equity Shareholders of the Company as on the Record Date, by way of Tender Offer in terms of the Buyback Regulations read with SEBI Circular, on a proportionate basis
<b>Buyback Price or Offer Price</b>	Price at which shares will be bought back from the Eligible Shareholders i.e. Rs. 235/- (Rupees two hundred and thirty five only) per Equity Share, payable in cash
<b>Buyback Period</b>	The period between the date of the Board Meeting, i.e. February 4, 2019 and the date on which the payment of consideration to the Eligible Shareholders who have accepted the Buyback is made
<b>Maximum Buyback Size or Offer Size</b>	Number of Equity Shares proposed to be bought back (i.e. up to 4,46,80,850 (Four crore forty six lakh eighty thousand eight hundred and fifty only) Equity Shares) multiplied by the Buyback Price i.e. Rs. 235/- (Rupees two hundred and thirty five only) per Equity Share amounting to an aggregate consideration not exceeding Rs. 1,050 crore (Rupees one thousand and fifty crore only). The Maximum Buyback Size does not include any expenses incurred or to be incurred for the buyback like filing fees payable to SEBI, advisors fees, transaction costs viz. brokerage, applicable taxes such as securities transaction tax, goods and service tax, stamp duty, public announcement publication expenses, printing and dispatch expenses and other incidental and related expenses
<b>Clearing Corporation</b>	Indian Clearing Corporation Limited
<b>“Company” or “Our Company” or “we” or “us” or “our”</b>	Coal India Limited
<b>Company’s Broker</b>	ICICI Securities Limited
<b>Compliance Officer</b>	Mr. M. Viswanathan, Company Secretary and Compliance Officer
<b>Draft LOF or Draft Letter of Offer</b>	The Draft letter of offer dated February 7, 2019
<b>Depositories</b>	Collectively, National Securities Depository Limited and Central Depository Services (India) Limited
<b>Designated Stock Exchange</b>	BSE Limited
<b>Director(s)</b>	Director(s) of the Company
<b>DP</b>	Depository Participant
<b>Equity Share(s) or Share(s)</b>	The Company’s fully paid-up equity share(s) of face value of Rs. 10/-

	(rupee ten only) each
<b>Eligible Person(s) or Eligible Shareholder(s)</b>	Person(s) eligible to participate in the Buyback Offer and would mean all equity shareholders/beneficial owner(s) of Equity Shares of the Company as on Record Date i.e. February 15, 2019 and excludes Person(s) who do not have the capacity under applicable law to tender shares
<b>Escrow Account</b>	Escrow account titled “Coal India Limited - Buyback 2019 - Escrow Account” opened with State Bank of India in accordance with Buyback Regulations
<b>Escrow Agent</b>	State Bank of India
<b>Escrow Agreement</b>	The escrow agreement dated February 21, 2019 entered into between the Company, the Manager to the Offer, and the Escrow Agent
<b>FEMA</b>	Foreign Exchange and Management Act, 1999, as amended from time to time, including the regulations, circulars, directions and notifications issued thereunder
<b>General Category</b>	Eligible Shareholders other than the Small Shareholders
<b>GoI</b>	The Government of India
<b>IT Act/ Income Tax Act</b>	Income-tax Act, 1961, as amended
<b>LOF or Letter of Offer</b>	This Letter of Offer dated February 25, 2019 to be filed with SEBI
<b>LODR Regulations</b>	The Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015, as amended from time to time
<b>Manager to the Buyback or Manager to the Offer</b>	IDBI Capital Markets & Securities Limited
<b>Memorandum of Association or MOA</b>	Memorandum of Association of the Company, as amended from time to time
<b>N.A.</b>	Not applicable
<b>Non-Resident Shareholders</b>	Includes NRIs, Foreign Institutional Investors (FIIs), Foreign Portfolio Investors (FPIs), Overseas Corporate Bodies (OCBs) and Foreign Nationals
<b>NSE</b>	National Stock Exchange of India Limited
<b>Offer Period or Tendering Period</b>	Period of ten working days from the Buyback Opening Date i.e. Friday, March 1, 2019 to Buyback Closing Date i.e. Friday, March 15, 2019 (both days inclusive)
<b>PA or Public Announcement</b>	The public announcement dated February 4, 2019 made in accordance with the Buyback Regulations, published on February 6, 2019 in all editions of Financial Express (English National daily), and Jansatta (Hindi National daily) and in the Kolkata edition of AajKaal (Bengali daily), each with wide circulation
<b>PAN</b>	Permanent Account Number
<b>Promoter</b>	The President of India acting through Ministry of Coal, Government of India
<b>RBI</b>	Reserve Bank of India
<b>Record Date</b>	The date for the purpose of determining the entitlement and the names of the Equity Shareholders, to whom the Letter of Offer will be sent and who are eligible to participate in the Buyback Offer in accordance with Buyback Regulations. The Record Date for this Buyback is February 15, 2019
<b>Registrar to the Buyback or Registrar to the Offer or Registrar</b>	Alankit Assignments Limited
<b>Reserved Category</b>	The Small Shareholders eligible to tender Shares in the Buyback

<b>SEBI</b>	The Securities and Exchange Board of India
<b>SEBI Circular</b>	The SEBI circular CIR/ CFD/POLICYCELL/1/2015 dated April 13, 2015 as amended via SEBI circular CFD/DCR2/CIR/P/2016/131 dated December 09, 2016, including any amendments thereof
<b>Seller Member or Seller Broker</b>	A stock broker (who is a member of the BSE) of an Eligible Shareholder, through whom the Eligible Shareholder wants to participate in the Buyback
<b>Small Shareholder</b>	A Shareholder, who holds Equity Shares of market value of not more than Rs. 2,00,000/- (Rupees Two Lakh only), on the basis of closing price of the Equity Shares on the Stock Exchange registering the highest trading volume, as on Record Date i.e. February 15, 2019
<b>Share Capital Rules</b>	Companies (Share Capital and Debentures) Rules, 2014
<b>Shareholders or Equity Shareholders or Members</b>	Holders of Equity Shares and includes beneficial owners thereof
<b>Stock Exchange Mechanism</b>	The “Mechanism for acquisition of shares through Stock Exchange” notified by SEBI Circular
<b>Stock Exchanges</b>	National Stock Exchange of India Limited and BSE Limited
<b>Tender Form</b>	Form of Acceptance–cum–Acknowledgement to be filled in and sent to the Registrar by the Eligible Shareholders to participate in the Buyback
<b>Tender Offer</b>	Method of buyback as defined in Regulation 2(i)(q) of the Buyback Regulations
<b>TRS</b>	Transaction Registration Slip generated by the exchange bidding system
<b>Working Day</b>	Working day as defined in the Buyback Regulations

### 3. DISCLAIMER CLAUSE

As required, a copy of the Letter of Offer has been submitted to the SEBI.

It is to be distinctly understood that submission of the Letter of Offer to SEBI should not, in any way be deemed/construed that the same has been cleared or approved by SEBI. SEBI does not take any responsibility either for the financial soundness of the Company to meet the Buyback commitments or for the correctness of the statements made or opinions expressed in the Letter of Offer. The Manager to the Buyback i.e. IDBI Capital Markets & Securities Limited, certifies that the disclosures made in this Letter of Offer are generally adequate and are in conformity with the provisions of the Companies Act and the Buyback Regulations. This requirement is to facilitate Eligible Shareholders to take an informed decision for tendering their Shares in the Buyback.

It should also be clearly understood that while the Company is primarily responsible for the correctness, adequacy and disclosure of all relevant information in this Letter of Offer, the Manager to the Buyback is expected to exercise due diligence to ensure that the Company discharges its duty adequately in this behalf and towards this purpose, the Manager to the Buyback has furnished to SEBI a Due Diligence Certificate dated February 7, 2019 in accordance with Buyback Regulations, which reads as follows:

“We have examined various documents and materials relevant to the Buyback, as part of the due-diligence carried out by us in connection with the finalisation of the Public Announcement and the Letter of Offer. On the basis of such examination and the discussions with the Company, we hereby state that:

- The Public Announcement and the Letter of Offer are in conformity with the documents, materials and papers relevant to the Buyback.
- All legal requirements connected with the said Buyback including SEBI (Buyback of Securities) Regulations, 2018, as amended, have been duly complied with.
- The disclosures in the Public Announcement and Letter of Offer are, to the best of our knowledge, true, fair and adequate in all material respects for the shareholders of the Company to make a well-informed decision in respect of the Buyback.
- Funds used for Buyback shall be as per the provisions of the Companies Act, 2013, as amended.”

The filing of the Letter of Offer with SEBI does not however, absolve the Company from any liabilities under the provisions of the Companies Act or from the requirement of obtaining such statutory or other clearances as may be required for the purpose of the proposed Buyback.

The Promoter/Directors declare and confirm that no information/material likely to have a bearing on the decision of investors has been suppressed/withheld and/or incorporated in the manner that would amount to mis-statement/mis-representation and in the event of it transpiring at any point of time that any information/material has been suppressed/ withheld and/or amounts to a mis-statement/misrepresentation, the Promoter/Directors and the Company shall be liable for penalty in terms of the provisions of the Companies Act and the Buyback Regulations.

The Promoter/Directors also declare and confirm that funds borrowed from banks and financial institutions will not be used for the Buyback.

#### **Special Notice to U.S. Shareholders**

The Buyback is being made for securities of an Indian company and is subject to the laws of India. It is important for U.S. Shareholders to be aware that this Letter of Offer is subject to tender offer laws and regulations in India that are different from those in the United States and has been prepared in accordance with Indian law, format and style, which differs from customary U.S. format and style. Certain of the U.S. federal securities laws apply to the Buyback as there are U.S. Shareholders. The Buyback is being treated in the United States as one to which the “Tier I” exemption mentioned in Rule 13(e)-4(h)(8) under the U.S. Securities Exchange Act of 1934, as amended, is applicable.

NEITHER THE U.S. SECURITIES AND EXCHANGE COMMISSION NOR ANY U.S. STATE SECURITIES COMMISSION OR REGULATORY BODY HAS APPROVED OR DISAPPROVED OF THIS OFFER, PASSED UPON THE FAIRNESS OR MERITS OF THIS LETTER OF OFFER OR DETERMINED WHETHER THIS LETTER OF OFFER IS ACCURATE OR COMPLETE. ANY



**Important Notice to All Shareholders**

This Letter of Offer has not been filed, registered or approved in any jurisdiction outside India. This Letter of Offer has been prepared for the purposes of compliance with the Buyback Regulations. Accordingly the information disclosed may not be the same as that which would have been disclosed if this document had been prepared in accordance with the laws and regulations of any jurisdiction outside of India. Except as otherwise required by applicable law, the Company and the Manager to the Buyback are under no obligation to update the information contained herein at any time after the date of this Letter of Offer.

This Letter of Offer does not in any way constitute an offer to sell, or an invitation to sell, any securities in any jurisdiction in which such offer or invitation is not authorized or to any person to whom it is unlawful to make such offer or solicitation would subject the Company or the Manager to the Offer to any new or additional requirements or registrations. The Letter of Offer shall be dispatched to all Shareholders whose names appear on the register of members of the Company, as of the Record Date. However, receipt of the Letter of Offer by any Shareholders in a jurisdiction in which it would be illegal to make this Offer, or where making this Offer would require any action to be taken (including, but not restricted to, registration of the Letter of Offer under any local securities laws), shall not be treated by such Shareholders as an offer being made to them. Potential users of the information contained in this Letter of Offer are requested to inform themselves about and to observe any applicable legal requirement or restrictions. Any Eligible Shareholder who tenders his, her or its Equity Shares in the Buyback shall be deemed to have declared, represented, warranted and agreed that he, she or it is authorized under the provisions of any applicable local laws, rules, regulations and statutes to participate in the Buyback.

**Forward Looking Statements:**

This Letter of Offer contains certain forward-looking statements. These forward-looking statements generally can be identified by words or phrases such as ‘aim’, ‘anticipate’, ‘believe’, ‘expect’, ‘estimate’, ‘intend’, ‘objective’, ‘plan’, ‘project’, ‘will’, ‘will continue’, ‘will pursue’ or other words or phrases of similar import. Similarly, statements that describe our strategies, objectives, plans or goals are also forward-looking statements. All forward-looking statements are subject to risks, uncertainties and assumptions about us that could cause actual results to differ materially from those contemplated by the relevant forward looking statement.

Actual results may differ materially from those suggested by forward-looking statements due to risks or uncertainties associated with expectations relating to, inter alia, regulatory changes pertaining to the industries in India in which we operate and our ability to respond to them, our ability to successfully implement our strategy, our growth and expansion, technological changes, our exposure to market risks, general economic and political conditions in India which have an impact on its business activities or investments, the monetary and fiscal policies of India, inflation, deflation, unanticipated turbulence in interest rates, foreign exchange rates, equity prices or other rates or prices, the performance of the financial markets in India and globally, changes in domestic laws, regulations and taxes and changes in competition in the industries in which the Company operates.

**Currency and Unit of Presentation**

In this Letter of Offer, references to “Rs.” and “Rupees” are to Indian Rupees i.e. the legal currency of India. Further, all data related to financials are given in Rs. crore, unless otherwise stated.

**4. TEXT OF RESOLUTION PASSED AT THE BOARD MEETING**

The Buyback through Tender Offer was considered and approved by the Board of Directors of the Company at their meeting held on February 4, 2019. The extracts of the Board resolution are as follows:

**RESOLUTION:**

**“RESOLVED THAT** pursuant to the provisions of Sections 68, 69, 70 and all other applicable provisions, if any, of the Companies Act, 2013 as amended (the **“Companies Act”**), the Companies (Share Capital and Debentures) Rules, 2014 (the **“Share Capital Rules”**) to the extent applicable, and in accordance with Article 23 of the articles of association of the Company, and in compliance with the Securities and Exchange Board of India (Buy-Back of Securities) Regulations, 2018, as amended (the **“Buyback Regulations”**), and any statutory modification(s) or re-

enactment thereof, for the time being in force and, subject to such other approvals, permissions and sanctions of Securities and Exchange Board of India (“SEBI”), Registrar of Companies, Kolkata, West Bengal (the “ROC”) and/ or other authorities, institutions or bodies (the “Appropriate Authorities”), as may be necessary and subject to such conditions and modifications as may be prescribed or imposed while granting such approvals, permissions, sanctions and exemptions which may be agreed to by the Board of Directors of the Company (the “Board” which expression shall include any committee constituted by the Board to exercise its powers, including the powers conferred by this resolution), the Board hereby approves the buy back by the Company of its fully paid-up equity shares of Rs.10 each (“Equity Share”) not exceeding **4,46,80,850** equity shares (representing 0.72% of the total number of equity shares in the paid-up share capital of the Company) at a price of **Rs. 235/- (Rupees Two hundred and Thirty five only)** per equity share (the “Buyback Offer Price”) payable in cash for an aggregate consideration not exceeding Rs. 1,050 crores (Rupees One thousand and fifty crore only) (the “Buyback Offer Size”) being **9.86%** of the aggregate of the fully paid-up equity share capital and free reserves as per the audited standalone financial statements of the Company for the financial year ended March 31, 2018, which is within the statutory limits of 10% (Ten Percent) of the aggregate of the fully paid-up equity share capital and free reserves under the Board approval route as per the provisions of the Companies Act, from the equity shareholders of the Company, as on the record date (“Record Date”), on a proportionate basis, through the Tender Offer route as prescribed under the Buyback Regulations (hereinafter referred to as the “Buyback”).

**RESOLVED FURTHER THAT** the Buyback Offer Size does not include any expenses incurred or to be incurred for the Buyback like filing fees payable to the SEBI, advisors fees, transaction costs viz. brokerage, applicable taxes such as securities transaction tax, Goods and Services Tax, stamp duty, etc., public announcement publication expenses, printing and dispatch expenses and other incidental and related expenses.

**RESOLVED FURTHER THAT** the Company, to the extent legally permissible, implement the Buyback using the “Mechanism for acquisition of shares through Stock Exchange” notified by SEBI vide circular CIR/CFD/POLICYCELL/1/2015 dated April 13, 2015 and CFD/DCR2/CIR/P/ 2016/131 dated December 09, 2016 or such other mechanism as may be applicable.

**RESOLVED FURTHER THAT** such Buyback may be made out of the Company’s free reserves and / or such other sources as may be permitted by law through “Tender Offer” route and as required by the Buyback Regulations and the Companies Act, and on such terms and conditions as the Board may deem fit.

**RESOLVED FURTHER THAT** the Company may buyback equity shares from all the existing shareholders holding equity shares of the Company on a proportionate basis, provided 15% (fifteen percent) of the number of equity shares which the Company proposes to buyback or number of equity shares entitled as per the shareholding of small shareholders as on the Record Date, whichever is higher, shall be reserved for the small shareholders, as prescribed under proviso to Regulation 6 of the Buyback Regulations.

**RESOLVED FURTHER THAT** Company has complied and shall continue to comply with Section 70 of the Companies Act, wherein:

- a) It shall not directly or indirectly purchase its own shares:
  - i. through any subsidiary company including its own subsidiary companies; or
  - ii. through any investment company or group of investment companies; or
- b) There are no defaults subsisting in the repayment of deposits, interest payment thereon, redemption of debentures or interest payment thereon or redemption of preference shares or payment of dividend due to any shareholder, or repayment of any term loans or interest payable thereon to any financial institution or banking company, in the last three years.
- c) The Company is in compliance with the provisions of Sections 92, 123, 127 and 129 of the Companies Act.

**RESOLVED FURTHER THAT** confirmation is hereby made by the Board that:

- a) all equity shares of the Company are fully paid up;
- b) the Company has not undertaken a buyback of any of its securities during the period of one year immediately preceding the date of this Board meeting;
- c) the Company shall not issue and allot any shares or other specified securities including by way of bonus or convert any outstanding ESOPs/outstanding instruments into Equity Shares, from the date of the board

- resolution for the Buyback till the expiry of the Buyback period, i.e., the date on which the payment of consideration is made to the shareholders who have accepted the Buyback;
- d) the Company, as per provisions of Regulation 24 (f) of the Buyback Regulations, shall not raise further capital for a period of one year from the expiry of the Buyback period, i.e., the date on which the payment of consideration is made to the shareholders who have accepted the Buyback, except in discharge of its subsisting obligations.
  - e) the Company shall not buy back its shares or other specified securities from any person through negotiated deal whether on or off the stock exchanges or through spot transactions or through private arrangement;
  - f) that the aggregate consideration for Buyback not exceeding Rs. 1,050 Crore (Rupees One Thousand and Fifty Crore only), does not exceed 10% of the aggregate of the fully paid-up equity share capital and free reserves as per the latest audited standalone and consolidated financial statements of the Company for the financial year ended March 31, 2018 (the last audited financial statements available as on the date of the Board meeting);
  - g) that the maximum number of equity shares proposed to be purchased under the Buyback i.e. 4,46,80,850 (Four Crore Forty Six Lakh Eighty Thousand Eight Hundred Fifty) equity shares, does not exceed 25% of the total number of equity shares in the paid-up equity share capital of the Company as per the audited balance sheet as on March 31, 2018;
  - h) the ratio of the aggregate of secured and unsecured debts owed by the Company shall not be more than twice the paid-up capital and free reserves after the Buyback as prescribed under the Companies Act, the rules made thereunder and other applicable laws;
  - i) the Company shall not make any offer of Buyback within a period of one year reckoned from the expiry of the Buyback period, i.e., the date on which the payment of consideration is made to the shareholders who have accepted the Buyback;
  - j) there is no pendency of any scheme of amalgamation or compromise or arrangement pursuant to the provisions of the Companies Act as on date.
  - k) the Company shall not buy-back its shares or other specified securities so as to delist its shares or other specified securities from the stock exchange as per Regulation 4(v) of Buyback Regulation.

**RESOLVED FURTHER THAT** the Board hereby confirms that it has made a full enquiry into the affairs and prospects of the Company and that based on such full inquiry conducted into the affairs and prospects of the Company, the Board has formed an opinion that:

- a) Immediately following the date of this Board meeting, there will be no grounds on which the Company could be found unable to pay its debts;
- b) As regards the Company's prospects for the year immediately following the date of this Board meeting, and having regard to the Board's intention with respect to the management of Company's business during that year and to the amount and character of the financial resources which will in the Board's view be available to the Company during that year, the Company will be able to meet its liabilities as and when they fall due and will not be rendered insolvent within a period of one year from the date of this Board meeting; and
- c) In forming an opinion as aforesaid, the Board has taken into account the liabilities, as if the Company were being wound up under the provisions of the Companies Act, 2013 (as amended), and the Insolvency and Bankruptcy Code, 2016, including prospective and contingent liabilities.

**RESOLVED FURTHER THAT** the proposed Buyback be implemented through Tender Offer route as prescribed under the Buyback Regulations from the equity shareholders of the Company as on the Record Date including the Promoter(s) of the Company (as disclosed under the shareholding pattern filings made by the Company from time to time under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended and Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeover) Regulations 2011, as amended ("**SEBI Takeover Regulations**") out of its free reserves and / or such other sources as may be permitted by law, and on such terms and conditions as the Board may decide from time to time, and in the absolute discretion of the Board, as it may deem fit.

**RESOLVED FURTHER THAT** Company shall not use borrowed funds, directly or indirectly, whether secured or unsecured, of any form and nature, from banks and financial institutions for paying the consideration to the equity shareholders who have tendered their Equity Shares in the Buyback.

**RESOLVED FURTHER THAT** the Company shall not Buyback the locked-in equity shares or other specified securities, if any and non-transferable equity shares or other specified securities, if any, till the pendency of the lock-in or till the equity shares or other specified securities become transferable;

**RESOLVED FURTHER THAT** as required under the provision to Section 68(6) of the Companies Act and Regulation 8(i)(b) of the Buyback Regulations the draft of the Declaration of Solvency prepared in the prescribed form and supporting affidavit, placed before the meeting be and is hereby approved and Chairman and Director (Finance), be and are hereby authorized to finalise and sign the same, for and on behalf of the Board, and the Company Secretary be and is hereby authorised to file the same with the ROC and the SEBI.

**RESOLVED FURTHER THAT** the Buyback from shareholders who are persons resident outside India including the Foreign Institutional Investors, Overseas Corporate Bodies, Foreign Portfolio Investors and shareholders of foreign nationality, if any, shall be subject to such approvals, if, and to the extent necessary or required including approvals from concerned authorities including approvals from the Reserve Bank of India under Foreign Exchange Management Act, 1999 and the rules and regulations framed there under, if any.

**RESOLVED FURTHER THAT** as per the provisions of Section 68(8) of the Companies Act, the Company will not issue same kind of shares including allotment of new shares under clause (a) of sub-section (1) of section 62 of the Companies Act or other specified securities within a period of 6 (six) months after the completion of the Buyback except by way of bonus issue or in the discharge of subsisting obligations such as conversion of warrants, stock option schemes, sweat equity or conversion of preference shares or debentures into equity shares.

**RESOLVED FURTHER THAT** no information/ material likely to have a bearing on the decision of the investors has been suppressed/ withheld and/ or incorporated in the manner that would amount to mis-statement/ misrepresentation and the event of it transpiring at any point of time that any information/ material has been suppressed/ withheld and/ or amounts to mis-statement/ misrepresentation, the Board and the Company shall be liable for penalty in terms of the provisions of the Companies Act and Buyback Regulations.

**RESOLVED FURTHER THAT** in compliance with the Buyback Regulations, the approval of Board be and is hereby accorded for appointment of IDBI Capital Markets & Securities Limited as Manager to the Buyback and for other services related to the Buyback at such fees and other terms and conditions as mutually agreed with them.

**RESOLVED FURTHER THAT** the Company is authorized to open and operate a demat escrow account with Alankit Assignments Limited for the limited purpose of the Buyback, in compliance with the requirements of the Buyback Regulations, at such terms and conditions as mutually agreed with them, and the same shall be closed once the Equity Shares bought back are extinguished.

**RESOLVED FURTHER THAT** a Committee be constituted (“**Buyback Committee**”) comprising of Chairman cum Managing Director, Director (Finance), Shri S.B. Agnihotri, Independent Director, Shri Vinod Jain, Independent Director and Shri V.K. Thakral, Independent Director and that Company Secretary shall act as the Secretary to the Buyback Committee. Further, the Buyback Committee is hereby authorized to do all such acts, deeds, matters and things as it may, in its absolute discretion deem necessary, expedient, as the Buyback Committee may consider to be in the best interests of the shareholders, including but not limited to the following:

- a) appointment of brokers, registrar, advertising agency, escrow bank, compliance officer and other advisors, depository participant, printers, consultants or representatives; if any, and settlement of the remuneration for all such intermediaries/ agencies/ persons, including by the payment of commission, brokerage, fee, charges etc. and enter into agreements/ letters in respect thereof;
- b) finalizing the terms of buyback like the entitlement ratio, the schedule of activities for Buyback including finalizing the date of opening and closing of Buyback, the timeframe for completion of the buyback;
- c) to enter into escrow arrangements as may be required in terms of the Buyback Regulations;
- d) opening, operation and closure of all necessary accounts, including bank accounts, depository accounts (including escrow account) for the purpose of payment and authorizing persons to operate the said accounts;
- e) preparation, finalizing, signing and filing of public announcement, the draft letter of offer/ letter of offer, the post Buyback public advertisement, certificates for declaration of solvency, and any other material in relation with the Buyback with the SEBI, ROC, the stock exchanges and other Appropriate Authority;
- f) making all applications to the Appropriate Authority for their requisite approvals including approvals as may be required from the Reserve Bank of India under the Foreign Exchange Management Act, 1999 and the rules and regulations framed there under, if any;

- g) Earmarking and making arrangements for adequate sources of funds for the purpose of the Buyback;
- h) extinguishment of dematerialized shares and physical destruction of share certificates and filing of certificate of extinguishment required to be filed in connection with the Buyback on behalf of the Company and/ or the Board, as required under applicable law;
- i) appoint any intermediaries / agencies / persons as may be required for the purposes of the Buyback and decide and settle the remuneration for all such intermediaries/ agencies/ persons, including by the payment of commission, brokerage, fee, charges etc and enter into agreements/ letters in respect thereof;
- j) to affix the Common Seal of the Company on relevant documents required to be executed for the buyback of shares in accordance with the provisions of the articles of association of the Company.
- k) sign, execute and deliver such other documents, deeds and writings and to do all such acts, matters and things as it may, in its absolute discretion deem necessary, expedient or proper, to be in the best interest of the shareholders for the implementation of the Buyback, and to initiate all necessary actions for preparation and issue of various documents and such other undertakings, agreements, papers, documents and correspondence as may be necessary for the implementation of the Buyback to the SEBI, RBI, ROC, stock exchanges, depositories and/or other Appropriate Authorities.
- l) obtaining all necessary certificates and reports from statutory auditors and other third parties as required under applicable law.
- m) dealing with stock exchanges (including their clearing corporations), where the equity shares of the Company are listed, and to sign, execute, and deliver such documents as may be necessary or desirable in connection with implementing the Buyback using the “Mechanism for acquisition of shares through Stock Exchange” notified by SEBI vide circular CIR/CFD/POLICYCELL/1/2015 dated April 13, 2015 and circular CFD/DCR2/CIR/P/2016/131 dated December 09, 2016, including any further amendments thereof.
- n) to delegate all or any of the authorities conferred on them to any Director(s)/ Officer(s)/ Authorized Signatory(ies)/ Representative(ies) of the Company, in order to give effect to the resolutions and to revoke and substitute such delegation / sub-delegation of authority from time to time.
- o) to give such directions as may be necessary or desirable and to settle any questions or difficulties whatsoever that may arise in relation to the Buyback.
- p) to settle and resolve any queries or difficulties raised by SEBI, stock exchanges, ROC and any other authorities whatsoever in connection to any matter incidental to and ancillary to the Buyback.

**RESOLVED FURTHER THAT** the quorum for any meeting of the Buyback Committee for implementing the Buyback shall be any two members and Buyback Committee may regulate its own proceedings and meet as often as required, to discharge its functions.

**RESOLVED FURTHER THAT** the draft of the public announcement in connection with the Buyback, prepared in the prescribed form, as placed before the Board be and is hereby approved, and that the Managing Director, Director (Finance), and the Company Secretary be and are hereby authorized to modify, finalize, sign, execute, issue and deliver the final public announcement.

**RESOLVED FURTHER THAT** for the purpose of giving effect to this resolution, the Board and the Buyback Committee be and is hereby authorized to accept and make any alteration(s), modification(s) to the terms and conditions as it may deem necessary, concerning any aspect of the Buyback, in accordance with the statutory requirements as well as to give such directions as may be necessary or desirable, to settle any questions, difficulties or doubts that may arise and generally, to do all acts, deeds, matters and things as it may, in its absolute discretion deem necessary, expedient, usual or proper in relation to or in connection with or for matters consequential to the Buyback without seeking any further consent or approval of the shareholders or otherwise to the end and intent that they shall be deemed to have given their approval thereto expressly by the authority of this resolution.

**RESOLVED FURTHER THAT** in terms of Regulation 24(iii) of the Buyback Regulations, the Company Secretary be and is hereby appointed as the Compliance Officer for the Buyback.

**RESOLVED FURTHER THAT** approval of the Board be and is hereby accorded for fixing **Friday, the 15<sup>th</sup> February 2019** as the Record Date for ascertaining the eligibility of the Shareholders to participate in the Buyback of equity shares of the Company.

**RESOLVED FURTHER THAT BSE** shall act as the designated stock exchange for the purpose of Buyback Offer.

**RESOLVED FURTHER THAT** nothing contained herein shall confer any right on any shareholder to offer and/or any obligation on the Company or the Board or the Buyback Committee to buyback any shares and / or impair any power of the Company or the Board or the Buyback Committee to terminate any process in relation to such Buyback, if so permissible by law.

**RESOLVED FURTHER THAT** the Company do maintain a register of securities bought back wherein details of equity shares bought back, consideration paid for the equity shares bought back, date of cancellation of equity shares and date of extinguishing and physically destroying of equity shares and such other particulars as may be prescribed, shall be entered and that the Company Secretary of the Company be and is hereby authorised to authenticate the entries made in the said register.

**RESOLVED FURTHER THAT** the Director (Finance) of the Company and /or the Company Secretary for the time being, be and are hereby severally authorized to file necessary e-forms with the Registrar of Companies and to do all such acts, deeds and things or incidental for signing and filing of forms, payment of fees etc. and to do all such other acts, things and deeds, as may be required for the aforesaid purpose or other services as that may be necessary to give effect to the above resolutions.

**RESOLVED FURTHER THAT** the Director (Finance) of the Company and /or the Company Secretary for the time being, be and is hereby authorised to represent the Company before the Ministry of Corporate Affairs ('MCA'), SEBI, the stock exchanges on which the Equity Shares of the Company are listed viz., BSE Limited and National Stock Exchange of India Limited or any other agencies connected with the Buyback offer of the Company and to sign and submit all forms, letters, documents or other papers that may be required for the implementation of the Buyback offer."

## 5. DETAILS OF PUBLIC ANNOUNCEMENT

The Public Announcement dated February 4, 2019, was published in the following newspapers on February 6, 2019, i.e. within 2 (two) working days from the date of passing of the board resolution approving the Buyback, in accordance with Regulation 7 of the Buyback Regulations:

Publication	Language	Date of Publication	Editions
Financial Express	English	February 6, 2019	All Editions
Jansatta	Hindi	February 6, 2019	All Editions
AajKaal	Bengali (regional language)	February 6, 2019	Kolkata Edition

The Company will publish further notices or corrigenda, if any, in the abovementioned newspapers.

The Public Announcement is available on the SEBI website at [www.sebi.gov.in](http://www.sebi.gov.in) and on the website of the Company - [www.coalindia.in](http://www.coalindia.in).

## 6. DETAILS OF THE BUYBACK

6.1 The Board of Directors hereinafter referred to as the "**Board**", (which expression includes any committee constituted by the Board to exercise its powers, including the powers conferred by this resolution) of the Company, at its meeting held on February 4, 2019 ("**Board Meeting**") approved the proposal for the buyback of up to 4,46,80,850 (Four crore forty six lakh eighty thousand eight hundred and fifty only) Equity Shares at a price of Rs. 235/- (Rupees two hundred and thirty five only) per Equity Share (the "**Buyback Price**") payable in cash for an aggregate consideration not exceeding Rs. 1,050 crore (Rupees one thousand and fifty crore only) ("**Maximum Buyback Size**") (which does not exceed 10% of the total paid-up equity capital and free reserves of the Company as per the audited standalone and consolidated financial statements of the Company for the financial year ended March 31, 2018), from the shareholders ("**Shareholders**") of the Company on a proportionate basis through a tender offer in accordance with the provisions of the Companies Act, 2013 ("**Companies Act or the Act**") and, the Companies (Share Capital and Debentures) Rules,

2014 (the “**Share Capital Rules**”), and in compliance with the Buyback Regulations (“**Buyback**” or “**Buyback Offer**”). The Maximum Buyback Size does not include any expenses incurred or to be incurred for the Buyback like filing fees payable to SEBI, advisors fees, transaction costs viz. brokerage, applicable taxes such as securities transaction tax, goods and service tax, stamp duty, public announcement publication expenses, printing and dispatch expenses and other incidental and related expenses. The Buyback is subject to receipt of any approvals of statutory, regulatory or governmental authorities as may be required under applicable laws, including the Reserve Bank of India, the Securities and Exchange Board of India (“**SEBI**”), and the stock exchanges on which the Equity Shares are listed, namely, the National Stock Exchange of India Limited (“**NSE**”) and the BSE Limited (“**BSE**”) (hereinafter together referred to as the “**Stock Exchanges**”).

- 6.2 The Buyback shall be undertaken on a proportionate basis from the Eligible Shareholders through the tender offer process prescribed under Regulation 4(iv)(a) of the Buyback Regulations. Additionally, the Buyback shall be, subject to applicable laws, facilitated by tendering of Equity Shares by Eligible Shareholders and settlement of the same, through the Stock Exchange Mechanism as specified in the SEBI Circular.
- 6.3 This Buyback from non-resident members, Overseas Corporate Bodies (OCBs) and Foreign Institutional Investors (FIIs) / Foreign Portfolio Investors (FPIs), and members of foreign nationality, if any, etc. is subject to such approvals as may be required including approvals from the Reserve Bank of India under the Foreign Exchange Management Act, 1999 and the rules, regulations framed thereunder, if any, and such approvals shall be required to be taken by such non-resident members.
- 6.4 In terms of the Buyback Regulations, under tender offer route, the Promoter of the Company, has the option to participate in the Buyback. Accordingly, the Promoter of the Company i.e., the President of India acting through the Ministry of Coal, Government of India (“**Promoter**”), has informed vide a letter, dated February 4, 2019, to participate in the Buyback and tender up to 4,46,80,850 Equity Shares.
- 6.5 The details of the paid-up equity share capital and free reserves of the Company based on the audited standalone and consolidated financial statements of the Company for the financial year ended March 31, 2018 and the Maximum Buyback Size as a percentage of the Company’s total paid-up equity share capital and free reserves is as under:

<i>Particulars</i>	<i>Standalone</i>	<i>Consolidated</i>
Issued, subscribed and fully paid up equity share capital (Rs. in Crore)	6,207.41	6,207.41
Free Reserves	4,441.74	10,049.75
Total Paid up capital and free reserves	10,649.15	16,257.16
Maximum Buyback Size (Rs. in Crore)	1,050.00	1,050.00
Maximum Buyback Size as a percentage of fully paid-up share capital and free reserves (in %)	9.86%	6.46%

The Maximum Buyback Size therefore does not exceed 10% (for a Buyback under the board approval route as provided for under the first proviso to Section 68(2)(b) of the Act) of the Company’s total paid-up equity share capital and free reserves as per the last audited standalone and consolidated statements for the financial year ended March 31, 2018.

- 6.6 Further, under the Companies Act, the number of equity shares that can be bought back in any financial year cannot exceed 25% of the total paid-up equity capital of the Company in that financial year. Accordingly, the maximum number of equity shares that can be bought back in the current financial year is 4,46,80,850 Equity Shares. Since the Company proposes to buy back up to 4,46,80,850 (Four crore forty six lakh eighty thousand eight hundred and fifty) Equity Shares constituting 0.72% of the total paid-up Equity Shares of the Company, the same is within the aforesaid 25% limit.
- 6.7 Pursuant to the proposed Buyback and depending on the response to the Buyback, the voting rights of the Promoter in the Company may increase or decrease from the existing shareholding of the total equity capital and voting rights of the Company. The Promoter is already in control over the Company and therefore any further increase in the voting rights of the Promoter will not result in any change in control of the Company. Please refer to paragraph 19.3 of this Letter of Offer for further details regarding shareholding (pre and post buyback) of the Promoter in the Company.

6.8 The Company, in compliance with regulation 4(v) of the Buyback Regulations, is not undertaking this Buyback so as to delist its Equity Shares or other specified securities from the stock exchanges.

## 7. AUTHORITY FOR THE BUYBACK

The Buyback is being undertaken by the Company in accordance with Article 23 of the Articles, the provisions of Sections 68, 69, 70 and all other applicable provisions of the Companies Act, the Rules thereunder and the Buyback Regulations. The Board at its meeting held on February 4, 2019, passed a resolution approving the Buyback of Equity Shares of the Company. The Buyback is subject to such other approvals and permissions, as may be required from statutory, regulatory or governmental authorities under applicable laws.

## 8. NECESSITY FOR THE BUYBACK

The Board of the Company, at its meeting held on February 4, 2019, considered all relevant factors, and considered it appropriate to allocate a sum not exceeding Rs. 1,050 crore (Rupees one thousand and fifty crore only) for Buyback Offer.

Thus, after considering several factors as well as benefits to the shareholders holding equity shares of the Company, the Board decided to recommend Buyback at a price of Rs. 235/- (Rupees two hundred and thirty five only) per Equity Share for an aggregate consideration not exceeding Rs. 1,050 crore (Rupees one thousand and fifty crore only).

The Buyback is being undertaken by the Company to return surplus funds to its Shareholders. Additionally, the Company's management strives to increase Shareholders' value and the Buyback would result inter alia in the following:

- i. The Buyback involves allocation of higher of number of equity shares as per their entitlement or 15% of the number of equity shares which the Company proposes to Buyback reserved for small shareholders. The Company believes that this reservation for small shareholders would benefit a large number of public Shareholders, who would get classified as "Small Shareholders;
- ii. The Buyback may help in improving return on equity, by reduction in the equity base, and other financial ratios, thereby leading to long term increase in Shareholders' value; and
- iii. The Buyback gives an option to the Eligible Shareholders to either participate in the Buyback and receive cash in lieu of equity shares accepted under the Buyback or not participate in the Buyback and enjoy a resultant increase in their percentage shareholding in the Company post the Buyback without any additional investment.

## 9. MANAGEMENT DISCUSSION AND ANALYSIS OF THE LIKELY IMPACT OF THE BUYBACK ON THE COMPANY

9.1 We believe that the Buyback is not likely to cause any impact on the profitability or earnings of the Company, except to the extent of reduction in the amount available for investment, which the Company could have otherwise deployed towards generating investment income. In the event that there is full acceptance of the Equity Shares tendered in the Buyback from Eligible Shareholders on a proportionate basis, the funds deployed by the Company towards the Buyback would not be exceeding Rs. 1,050 crore (Rupees one thousand and fifty crore only). This shall impact the investment income earned by the Company, on account of reduced amount of funds available for investments.

9.2 We believe the Buyback will not in any manner impair the ability of the Company to pursue growth opportunities or meet its cash requirements for business operation.

9.3 The Buyback will not result in a change in control or otherwise affect the existing management structure of the Company.

9.4 The aggregate shareholding of the Promoter as on February 4, 2019, i.e. the date of convening the Board Meeting, is as follows:

Sr. No.	Name	No. of Shares held	Percentage (%)
1.	President of India acting through the Ministry of Coal, Government of India	4,52,56,82,514*	72.91%



Sr. No.	Name	No. of Shares held	Percentage (%)
	<b>Total</b>	<b>4,52,56,82,514*</b>	<b>72.91%</b>

\* The shareholding of the Promoter as on the date of this Letter of Offer is 4,50,19,03,247 Equity Shares amounting to 72.52% of the total paid-up Equity Shares of the Company pursuant to a transfer undertaken by them on February 21, 2019. Please refer to paragraph 9.14 of this Letter of Offer for further details of the transfer.

- 9.5 In terms of the Buyback Regulations, under the Tender Offer route, the Promoter of the Company, has the option to participate in the Buyback. In this regard, the Promoter of the Company has expressed its intention vide a letter dated February 4, 2019, to participate in the Buyback and tender up to 4,46,80,850 Equity Shares.
- 9.6 Since the entire shareholding of the Promoter is in demat mode, the details of the date and price of acquisition/sale of entire Equity Shares that the Promoter has acquired/sold till date as per the information provided by the Promoter vide its letter dated February 4, 2019 and the disclosure filed by the Promoter with the Company on February 25, 2019, are set-out below:

Date of Transaction	Number of Equity Shares	Acquisition/ Sale Consideration (Rs.)	Nature of Transaction/Consideration
June 14, 1973	3	3,000	Allotment for cash (upon subscribing to the MoA)
June 14, 1973	1	1,000	Allotment for cash (upon subscribing to the MoA to Mr. S. K. Dhar as nominee of President of India)
June 14, 1973	1	1,000	Allotment for cash (upon subscribing to the MoA to Mr. P. K. Lahiri as nominee of President of India)
March 26, 1974	79,995	7,99,95,000	Allotment for cash
March 15, 1975	3,88,466	38,84,66,000	Allotment for cash
November 19, 1975	14,75,377	1,47,53,77,000	Partly in cash and partly in lieu of consideration other than cash.
December 31, 1975	1,50,403	15,04,03,000	Consideration other than cash
June 30, 1976	1,14,000	11,40,00,000	Consideration other than cash
September 22, 1976	3,57,600	35,76,00,000	Partly in cash and partly in lieu of consideration other than cash.
December 22, 1976	17,97,333	1,79,73,33,000	Partly in cash and partly in lieu of consideration other than cash.
December 2, 1977	4,49,240	44,92,40,000	Partly in cash and partly in lieu of consideration other than cash.
December 2, 1977	36,600	3,66,00,000	consideration other than cash
January 13, 1978	1,00,000	10,00,00,000	Allotment for cash
April 6, 1979	10,15,440	1,01,54,40,000	Allotment for cash
May 31, 1979	2,80,850	28,08,50,000	Allotment for cash
September 1, 1979	5,42,791	54,27,91,000	Partly in cash and partly in lieu of consideration other than cash
September 1, 1979	3,90,500	39,05,00,000	Allotment for cash
August 8, 1980	10,61,640	1,06,16,40,000	consideration other than cash
October 7, 1980	2,62,600	26,26,00,000	Allotment for cash
December 22, 1980	3,20,000	32,00,00,000	Allotment for cash
February 19, 1981	3,50,000	35,00,00,000	Allotment for cash
April 9, 1981	4,00,000	40,00,00,000	Allotment for cash
June 24, 1981	2,17,400	21,74,00,000	Allotment for cash
August 21, 1981	7,15,189	71,51,89,000	Allotment partly in cash and partly in lieu of consideration other than cash
September 18, 1981	6,54,400	65,44,00,000	Allotment for cash

<b>Date of Transaction</b>	<b>Number of Equity Shares</b>	<b>Acquisition/ Sale Consideration (Rs.)</b>	<b>Nature of Transaction/Consideration</b>
November 3, 1981	6,25,700	62,57,00,000	Allotment for cash
March 3, 1982	4,00,426	40,04,26,000	Allotment partly in cash and partly in lieu of consideration other than cash
June 25, 1982	16,21,000	1,62,10,00,000	Allotment for cash
September 30, 1982	11,00,000	1,10,00,00,000	Allotment for cash
May 12, 1983	19,10,000	1,91,00,00,000	Allotment for cash
September 30, 1983	13,30,000	1,33,00,00,000	Allotment for cash
November 29, 1983	9,70,000	97,00,00,000	Allotment for cash
February 21, 1984	5,80,000	58,00,00,000	Allotment for cash
February 22, 1985	49,10,000	4,91,00,00,000	Allotment for cash
May 23, 1985	7,70,000	77,00,00,000	Allotment for cash
July 15, 1985	2,50,000	25,00,00,000	Allotment for cash
August 29, 1985	4,20,000	42,00,00,000	Allotment for cash
November 20, 1985	16,30,000	1,63,00,00,000	Allotment for cash
December 20, 1985	7,50,000	75,00,00,000	Allotment for cash
March 21, 1986	10,00,000	1,00,00,00,000	Allotment for cash
May 17, 1986	4,80,000	48,00,00,000	Allotment for cash
March 17, 1987	51,70,000	5,17,00,00,000	Allotment for cash
May 14, 1987	8,80,000	88,00,00,000	Allotment for cash
July 16, 1987	11,54,074	1,15,40,74,000	Allotment partly in cash and partly in lieu of consideration other than cash
September 11, 1987	24,40,000	2,44,00,00,000	Allotment for cash
November 12, 1987	13,20,000	1,32,00,00,000	Allotment for cash
April 29, 1988	2,78,592	27,85,92,000	Allotment for cash
June 9, 1988	10,50,000	1,05,00,00,000	Allotment for cash
July 14, 1988	10,00,000	1,00,00,00,000	Allotment for cash
August 10, 1988	6,30,000	63,00,00,000	Allotment for cash
September 26, 1988	19,50,000	1,95,00,00,000	Allotment for cash
November 21, 1988	14,23,771	1,42,37,71,000	Allotment for cash
December 5, 1988	3,40,000	34,00,00,000	Allotment for cash
January 27, 1989	82,135	8,21,35,000	Allotment for cash
June 23, 1989	17,78,903	1,77,89,03,000	Allotment for cash
August 23, 1989	17,30,000	1,73,00,00,000	Allotment for cash
September 30, 1989	10,40,000	1,04,00,00,000	Allotment for cash
February 7, 1990	43,784	4,37,84,000	Allotment for cash
June 6, 1990	2,20,425	22,04,25,000	Allotment for cash
July 13, 1990	32,50,000	3,25,00,00,000	Allotment for cash
September 12, 1990	2,74,167	27,41,67,000	Allotment for cash
December 20, 1990	10,02,318	1,00,23,18,000	Allotment for cash
February 18, 1991	9,094	90,94,000	Allotment for cash
March 20, 1991	42,966	4,29,66,000	Allotment for cash
July 31, 1991	13,30,000	1,33,00,00,000	Allotment for cash

Date of Transaction	Number of Equity Shares	Acquisition/ Sale Consideration (Rs.)	Nature of Transaction/Consideration
August 22, 1991	4,15,945	41,59,45,000	Allotment for cash
November 15, 1991	4,16,068	41,60,68,000	Allotment for cash
March 20, 1992	8,11,529	81,15,29,000	Allotment for cash
June 2, 1992	3,56,466	35,64,66,000	Allotment for cash
July 27, 1992	4,20,000	42,00,00,000	Allotment for cash
August 29, 1992	379	3,79,000	Allotment for cash
December 22, 1992	2,988	29,88,000	Allotment for cash
February 19, 1993	2,00,093	20,00,93,000	Allotment for cash
June 10, 1993	4,359	43,59,000	Allotment for cash
September 2, 1993	29,154	2,91,54,000	Allotment for cash
November 15, 1993	3,431	34,31,000	Allotment for cash
March 5, 1994	26,844	2,68,44,000	Allotment for cash
May 6, 1994	10,941	1,09,41,000	Allotment for cash
July 20, 1994	3,063	30,63,000	Allotment for cash
March 6, 1995	21,15,200	2,11,52,00,000	Allotment for cash
<b>On February 16, 2010, 63,163,644 equity shares of Rs. 1,000 each were split into 6,316,364,400 equity shares of Rs. 10 each and were subsequently dematerialized</b>			
October 30, 2010	(63,16,36,440)	1,51,99,44,02,028	Divestment by way of sale of shares in IPO of Company
March 27, 2014	(2,20,37,834)	5,50,67,11,116.69	Divestment by way of sale of shares in Exchange Traded Fund ("ETF")
January 30, 2015	(63,16,36,440)	2,25,57,62,46,649.40	Divestment by way of sale of shares through Offer for Sale through Stock Exchange mechanism
April 9, 2015	(83,104)	NIL	Divestment by way of transfer as loyalty units in ETF
October 27, 2016	(7,88,42,816)	26,41,23,00,000	Buyback of Shares of the Company
January 25, 2017	(4,12,23,086)	12,01,38,36,327.38	Divestment by way off market sale of shares in Exchange Traded Fund ("ETF") to Reliance Nippon, AMC
March 24, 2017	(1,59,33,351)	4,500,923,893.89	Divestment by way off market sale shares in Exchange Traded Fund ("ETF") to Reliance Nippon, AMC
November 23, 2017	(1,92,99,613)	5,06,51,14,597	Divestment by way of sale of shares in 'Bharat 22 Exchange Traded Fund 'A'. To ICICI Prudential AMC
June 29, 2018	(1,39,91,488)	3,66,09,32,226.00	Divestment by way of Futher fund offer of sales shares in 'Bharat 22 Exchange Traded Fund 'A'. To ICICI Prudential AMC
October 31, 2018 November 1, 2018	(19,80,03,931)	52,18,30,16,603.00	Divestment of Shares by ways of Offer of Sale through Stock Exchange mechanism
December 4, 2018	(13,73,11,943)	32,27,64,52,814.49	Divestment by way of sale of shares in CPSE ETF to Reliance Nippon, AMC
December 6, 2018	(6,81,840)	17,33,37,524.00	Divestment of Shares by ways of Offer of Sale to employees of the Company and subsidiaries
February 21, 2019	(2,37,79,267)*	4,86,52,73,697.00	Divestment by way of off market sale of shares to ICICI Prudential Asset Management Company Limited pursuant to the further fund offer of 'Bharat 22 ETF'

\* Please refer to paragraph 9.14 of this Letter of Offer for further details of the transfer undertaken on February 21, 2019.

- 9.7 Consequent to the Buyback and based on the number of shares bought back within each category of shareholders, the shareholding pattern of the Company would undergo a change.
- 9.8 Assuming the response to the Buyback is to the extent of 100% (full acceptance) from all the Eligible Shareholders upto their entitlement and to the extent the Promoter has agreed to tender, and considering the transfer of Equity Shares undertaken on February 21, 2019 as disclosed in paragraph 9.14 of this Letter of Offer, the aggregate shareholding and the voting rights of the Promoter of the Company may decrease to 72.59% post Buyback from the pre Buyback shareholding (as on the Record Date) of 72.91%, and the aggregate shareholding of the public shareholders in the Company may increase to 27.41% post Buyback from the current pre Buyback shareholding (as on the Record Date) of 27.09%.
- 9.9 Pursuant to the proposed Buyback and depending on the response to the Buyback, the voting rights of the Promoter in the Company may increase or decrease from the existing shareholding of the total equity capital and voting rights of the Company. The Promoter is already in control over the Company and therefore any further increase or decrease in the voting rights of the Promoter will not result in any change in control of the Company.
- 9.10 Consequent to the Buyback and based on the number of Equity Shares bought back from the Non-Resident Shareholders, Indian financial institutions, banks, mutual funds and the public including other bodies corporate, the shareholding of the Promoter of the Company would undergo a change. The FIIs/ FPIs are advised to ensure that their investment in the Company continue to be within the limit prescribed under applicable laws, post completion of the Buyback. Please refer to paragraph 13.5 for further details.
- 9.11 The debt-equity ratio post Buyback on a standalone as well as consolidated basis will be compliant with the permissible limit of 2:1 prescribed under Section 68(2)(d) of Companies Act and Regulation 4(ii) of the Buyback Regulations, even if the response to the Buyback is to the extent of 100% (full acceptance) from all the Eligible Shareholders upto their Buyback Entitlement.
- 9.12 The Company shall not issue any Equity Shares or other specified securities (including by way of bonus) till the expiry of the Buyback period, i.e., date on which the payment of consideration to shareholders who have accepted the Buyback is made.
- 9.13 The Company shall not raise further capital for a period of 1 (one) year from the date of the expiry of the Buyback period, i.e., date on which the payment of consideration to shareholders who have accepted the Buyback is made, except in discharge of its subsisting obligations.
- 9.14 As per regulation 24(i)(e) of the Buyback Regulations, a company undertaking a buyback is required to ensure that the promoter or their associates shall not deal in the shares of the company on the stock exchanges or off-market during the period from the date of passing the resolution of the board of directors until the closing of the buyback. However, pursuant to the second further fund offer of Bharat 22 ETF, the Promoter was required to transfer Equity Shares of the Company, being one of the constituent companies of Bharat 22 ETF, to ICICI Prudential Asset Management Company Limited (“**ETF Transfer**”). Accordingly, the Company had filed an application with SEBI on February 12, 2019 seeking relaxation from the strict enforcement of regulation 24(i)(e) in regard to the ETF Transfer. SEBI, vide its order dated February 20, 2019 bearing reference number WTM/GM/CFD/91/2018-19 (“**Order**”), granted exemption/relaxation to the Company from ensuring compliance with the requirement of regulation 24(i)(e) of the Buyback Regulations, subject to the conditions that (i) the proposed Buyback shall be in accordance with the relevant provisions of the Companies Act, 2013, the Buyback Regulations and any other applicable laws; and (ii) the statements/averments made or facts and figures mentioned in the application dated February 12, 2019 filed by the Company with SEBI are true and correct. Pursuant to the Order, the Promoter has transferred 2,37,79,267 Equity Shares to the account of ICICI Prudential Asset Management Company Limited on February 21, 2019. Apart from the abovementioned transfer, the Promoter of the Company has not dealt and shall not deal in the Equity Shares of the Company in the stock exchange or off-market during the period between the date of passing of the Board Resolution of the Buyback i.e. February 4, 2019 and the date of the closure of the Buyback in accordance with the Buyback Regulations.
- 9.15 Salient financial parameters consequent to the Buyback based on the last audited standalone and consolidated financial statements of the Company for the financial year ended March 31, 2018 are as under:

Parameters	Standalone		Consolidated	
	Pre-Buyback	Post Buyback*	Pre-Buyback	Post Buyback*
Net worth (Rs. in Crore)	12,694.71	11,644.71	19,827.36	18,777.36
Return on Net worth (%)	73.25	79.85	38.60	40.76
Earnings Per Share (of Rs. 10 each)	14.97	15.08	11.31	11.39
Book Value per Share (Rs.)	20.45	18.90	31.94	30.47
P/E as per the latest audited financial results	18.92	18.79	25.05	24.87
Total Debt/ Equity Ratio	-	-	0.08	0.08

\*(Assuming full acceptance of Equity Shares in the Buyback Offer in the ratio of Buyback)

**Note:**

1. Net worth = Equity Share Capital + Reserves & Surplus net of Miscellaneous expenditures to the extent not written off excluding revaluation reserves and capital reserve.
2. Total Debt = Long Term Borrowing + Short Term Borrowings + Current Maturities of Long Term Borrowings.
3. Post-Buyback figures are disclosed on the basis of representation/estimation by the management.

The key ratios have been computed as below:

**Key Ratios Basis**

Earnings per Share – Basic (in Rs.)	Net Profit attributable to equity shareholders / number of shares outstanding at the end of the year
Book value per Share (in Rs.)	(Paid up Equity Share Capital +Reserves and Surplus) / No of Equity Shares Subscribed
Return on Net Worth ( % )	Total Comprehensive Income / Net Worth
Debt-Equity Ratio	Total Debt / Net Worth
P/E ratio	Closing price on NSE as on March 28, 2018* (i.e. Rs. 283.30 / Earnings per share)

\*Last trading day in Financial Year 2017-2018

**10. BASIS OF CALCULATING THE BUYBACK PRICE**

The Equity Shares are proposed to be bought back at a price of Rs. 235/- (Rupees two hundred and thirty five only) per Equity Share. The Buyback Price has been arrived at after considering many factors, including, but not limited to, the trends in the volume weighted average market prices of the Equity Shares of the Company on the Stock Exchanges where the Equity Shares of the Company are listed, the net worth of the Company, price earnings ratio, impact on other financial parameters and the possible impact of Buyback on the earnings per Equity Share.

Further, the Buyback Price of Rs. 235/- (Rupees two hundred and thirty five only) per Equity Share represents (i) a premium of 3.47% and 3.49% over the volume weighted average market price of the Equity Shares on the BSE and on the NSE respectively for two weeks preceding the date of intimation to the Stock Exchanges for the Board Meeting to consider the proposal of the Buyback, i.e. January 30, 2019 and (ii) A premium of 4.24% and 4.35% over the closing market price of the Equity Shares on BSE and NSE respectively, as on the date of the intimation to the Stock Exchanges for the Board Meeting to consider the proposal of Buyback, i.e. January 30, 2019 and (iii) A premium of 5.26% and 5.29% over the closing market price of the Equity Shares on BSE and NSE respectively, as on the date preceding the Board Meeting to consider the proposal of Buyback.

The closing market price of the Equity Shares as on the date of the Board Meeting i.e. February 4, 2019, was Rs. 222.05 and Rs. 222.10 on BSE and NSE and the the Buyback Price represents a premium of 5.83% and 5.81% on BSE and NSE, respectively, over such closing market price.

For financial ratios and trends in the market price of the Equity Shares please refer to paragraph 15 & 16 of this Letter of Offer respectively.

**11. SOURCES OF FUNDS FOR THE BUYBACK**

- 11.1 Assuming full acceptance, the funds that would be deployed by the Company for the purposes of the Buyback, would be an amount not exceeding Rs. 1,050 crore (Rupees one thousand and fifty crore only), excluding any expenses incurred or to be incurred for the Buyback like filing fees payable to SEBI, advisors fees, transaction costs viz. brokerage, applicable taxes such as securities transaction tax, goods and service tax, stamp duty, public announcement publication expenses, printing and dispatch expenses and other incidental and related expenses.
- 11.2 The Buyback would be financed out of free reserves and/or such other sources as may be permitted by law through “Tender Offer” route and as required by the Buyback regulations and the Companies Act, and on such terms and conditions as the Board may deem fit. The Company shall transfer from its free reserves a sum equal to the nominal value of the equity shares bought back through the Buyback to the Capital Redemption Reserve Account and the details of such transfer shall be disclosed in its subsequent audited financial statements.
- 11.3 The Company has confirmed that the funds for the Buyback will be made available out of its internal accruals and not out of funds borrowed, if any, from banks and financial institutions.

## 12. DETAILS OF ESCROW ACCOUNT AND AMOUNT DEPOSITED THEREIN

- 12.1 In accordance with Regulation 9(xi) of the Buyback Regulations, on February 21, 2019, an Escrow Agreement has been entered into amongst the Company, Manager to the Buyback and the Escrow Agent viz. State Bank of India having its registered office at State Bank Bhavan, Madame Cama Road, Nariman Point, Mumbai 400 021.
- 12.2 In terms of the Escrow Agreement, the Company (a) has opened an escrow account in the name and style “**Coal India Limited - Buyback Escrow Account 2019**” bearing the account number 38241488933; and (b) undertakes to deposit in the Escrow Account an aggregate amount of Rs. 120 crore (Rupees one hundred and twenty crore only) in cash, i.e. the aggregate of 25% of Rs. 100 crore and 10% of the Maximum Buyback Size less Rs 100 crore, by way of security for the fulfillment of its obligations under the Buyback, in compliance with the provisions of Regulation 9(xi) of the Buyback Regulations. The Manager to the Buyback is empowered to operate the Escrow Account in accordance with the Buyback Regulations.
- 12.3 The amount of cash to be deposited in the Escrow Account is in accordance to the amount required to be deposited in terms of the Buyback Regulations.
- 12.4 The Company has adequate and firm financial resources to fulfill the obligations under the Buyback and the same has been certified by Nabanita Ghosh (Membership No. 058477), Partner at Ray & Ray, Chartered Accountants (Firm Registration No. 301072E), having its office at Webel Bhavan, Ground Floor, Block – EP & GP, Sector V, Salt Lake, Kolkata – 700 091 (Tel: +91 (33) 4064 8107), vide their certificate dated February 4, 2019.
- 12.5 Based on the aforementioned certificate, the Manager to the Buyback confirms that it is satisfied that firm arrangements for fulfilling the obligations under the Buyback are in place and that the Company has the ability to implement the Buyback in accordance with the Buyback Regulations.

## 13. CAPITAL STRUCTURE AND SHAREHOLDING PATTERN

- 13.1 The present capital structure of the Company as on date of the issue of the this Letter of Offer is as follows:

Parameters	Pre-Buyback (in Rs. crore)
<b>Authorised Share Capital</b>	
8,00,00,00,000 Equity Shares of Rs. 10/- each	8,000.00
<b>Issued, Subscribed and Fully Paid-Up Share Capital</b>	
6,20,74,09,177 fully paid-up Equity Shares of Rs. 10/- each	6,207.41

- 13.2 Assuming full acceptance in the Buyback of 4,46,80,850 Equity Shares, the capital structure post Buyback would be as follows:

Parameters	Post-Buyback (in Rs. crore)
<b>Authorised Share Capital</b>	
8,00,00,00,000 Equity Shares of Rs. 10/- each	8,000.00
<b>Issued, Subscribed and Fully Paid-Up Share Capital</b>	
6,16,27,28,327 fully paid-up Equity Shares of Rs. 10/- each	6,162.73

13.3 As on the date of the Letter of Offer, there are no partly paid up equity shares and calls in arrears, there are no convertible debentures or preference shares or any other convertible instruments of the Company.

13.4 There have been no other buyback programmes of the Company since its incorporation, except as detailed below:

Sr. No.	Opening Date	Closing Date	Method of Buyback	Equity Shares bought back
1.	October 3, 2016	October 18, 2016	Tender Offer	10,89,55,223

13.5 The shareholding pattern of the Company before the Buyback, i.e., as on the Record Date i.e. February 15, 2019 and after the Buyback (assuming full subscription of 4,46,80,850 shares in the Buyback), is as follows:

Particulars	Pre-Buyback		Post-Buyback	
	Number of Shares	% to existing share capital	No. of Shares post Buyback*	% holding post Buyback*
Promoter and persons acting in concert	4,52,56,82,514 **	72.91	4,47,38,13,415	72.59
Foreign Investors (OCBs/ FIIs/ NRIs/ Non-residents/ Non-domestic companies and foreign mutual funds)	38,83,68,851	6.26	1,68,89,14,912	27.41
Indian Financial Institutions/ Banks/ Mutual Funds/ Govt. Companies	11,24,22,51,22	18.11		
Public including other Bodies Corporate	16,91,32,690	2.72		
<b>Total</b>	<b>6,20,74,09,177</b>	<b>100.00</b>	<b>6,16,27,28,327</b>	<b>100.00</b>

\* Assuming full acceptance of 4,46,80,850 Equity Shares in the Buyback in the ratio of their entitlement and taking into account the transfer by the Promoter of 2,37,79,267 Equity Shares to ICICI Prudential Asset Management Company Limited pursuant to the further fund offer of 'Bharat 22 ETF' on February 21, 2019, as disclosed in paragraph 9.14 of this Letter of Offer.

\*\* The shareholding of the Promoter as on the date of this Letter of Offer is 4,50,19,03,247 Equity Shares amounting to 72.52% of the total paid-up Equity Shares of the Company pursuant to a transfer undertaken by them on February 21, 2019. Please refer to paragraph 9.14 of this Letter of Offer for further details of the transfer.

13.6 The Promoter has not dealt in the shares or other specified securities of the Company in the stock exchange or off market, including purchase or sale of such shares or other specified securities during the twelve-month period preceding the date of publication of the Public Announcement, i.e. February 6, 2019, except for the following transactions:

Aggregate number of Equity Shares purchased or sold	Nature of Transaction	Maximum Price (Rs.)	Date of Maximum Price	Minimum Price (Rs.)	Date of Minimum Price
(1,39,91,488)	Divestment by way of Further fund offer of sales shares in 'Bharat 22 Exchange Traded Fund 'A'. To ICICI Prudential AMC	261.65	June 29, 2018	261.65	June 29, 2018
(19,80,03,931)	Divestment of Shares by ways of Offer of Sale through Stock Exchange mechanism	266.00*	October 31, 2018 November 1, 2018	266.00*	October 31, 2018 November 1, 2018
(13,73,11,943)	Divestment by way of sale of shares in CPSE ETF to Reliance Nippon, AMC	235.06	December 4, 2018	235.06	December 4, 2018
(6,81,840)	Divestment of Shares by ways of Offer of Sale to employees of the Company and subsidiaries	254.22	December 6, 2018	254.22	December 6, 2018

\* The sale of such equity shares of the Company was carried out through the Offer for Sale Mechanism on BSE and NSE on price priority basis at multiple clearing prices. The cut-off price was Rs. 266.00 (Rupees Two Hundred and Sixty Six only) per equity share.

- 13.7 Assuming full acceptance of the Buyback, the issued, subscribed and paid up equity share capital of the Company would be Rs. 6,162.73 crore comprising 6,16,27,28,327 Equity Shares of Rs. 10/- each as more fully set out in paragraph 13.2 of this Letter of Offer.
- 13.8 Assuming response to the Buyback is to the extent of 100% (full acceptance) from all the Eligible Shareholders upto their entitlement and considering the transfer of Equity Shares undertaken on February 21, 2019 as disclosed in paragraph 9.14 of this Letter of Offer, the aggregate shareholding of the Promoter of the Company shall be 72.59% post Buyback, which shall represent a decrease of 0.32% from the pre Buyback shareholding of the Promoter as on the Record Date, i.e. 72.91%.
- 13.9 Except for the transfer of 2,37,79,267 Equity Shares by the Promoter pursuant to the Order of SEBI dated February 21, 2019, as disclosed in paragraph 9.14 above, the Promoter of the Company has not entered into any transactions in relation to the Equity Shares of the Company subsequent to the date of Board Meeting till the date of this Letter of Offer.
- 13.10 There is no ongoing scheme of amalgamation or compromise or arrangement pursuant to the provisions of the Act.

#### 14. BRIEF INFORMATION OF THE COMPANY

- 14.1 The Company was originally incorporated as a private limited company with the name of 'Coal Mines Authority Limited', under the Companies Act, 1956 on June 14, 1973. Subsequently, pursuant to a shareholder's resolution dated October 15, 1975 and approval of the Ministry of Law, Justice and Company Affairs (letter number RD/T/5226) dated October 21, 1975, the name of the Company was changed to 'Coal India Limited' and the Company received a fresh certificate of incorporation consequent upon change of name dated October 21, 1975 from the Registrar of Companies, West Bengal ("RoC"). Thereafter, pursuant to a resolution passed by the shareholders dated February 16, 2010 and approval of the Ministry of Coal (letter number 38038/1/96-CA-II(Vol.II)) dated July 31, 2009, the Company was converted into a public limited company with effect from February 24, 2010.
- 14.2 The Company was granted the status of 'Maharatna' vide Office Memorandum issued by the Ministry of Heavy Industries & Public Enterprises, Department of Public Enterprises,



Government of India, bearing number 22(1)/2009-GM, dated April 10, 2011.

- 14.3 The Company has a manpower of 2,88,687 as on January 1, 2019. As of January 1, 2019, the Company operated 369 mines in 82 mining areas spread over nine provincial states of India of which 174 are underground mines, 177 are opencast mines and 18 are mixed mines. The Company also operate 16 coal washeries, (12 coking coal and 4 non-coking coal) and manage other establishments including workshops and hospitals. The Company has 27 training institutes one of them being Indian Institute of Coal Management (IICM) which is an excellent training centre which imparts multi disciplinary management development programmes to our executives, officers and management trainees. Our major consumers include power and steel companies, cement, fertilizer and brick kilns producers, amongst other industries.
- 14.4 Presently, the Company has nine wholly owned subsidiaries (seven coal producing companies, one service oriented company and one foreign subsidiary company), namely, Bharat Coking Coal Limited, Central Coalfields Limited, Eastern Coalfields Limited, Western Coalfields Limited, South Eastern Coalfields Limited, Northern Coalfields Limited, Mahanadi Coalfields, Central Mine Planning & Design Institute Limited (service oriented company) and Coal India Africana Limitada (overseas subsidiary was incorporated in Mozambique). The mines of North Eastern Coalfields in Assam are directly managed by the Company.
- 14.5 Total coal production by the Company and its subsidiaries was about 100 million tonnes in FY 1980-81 which touched upto 200 million tonnes in FY 1991-92, 300 million tonnes in FY 2003-04 & 400 million tonnes in FY 2008-09 and reached to the level of FY 567.36 million tonnes in 2017-18, which is about 84% of total coal production in the country. Coal production during FY 2018-19 till January 31, 2019 was 469.65 MT. Around 57% of the entire power generated in the country is coal based. The Company spearheads the country's coal production, and produces over 84% of the country's entire output. the Company virtually fuels and empowers the power sector in the country.

14.6 History and Growth of Business

- a. The Company has crossed the half-a-billion tonne mark in coal off-take and production in FY 2015-16, setting the stage for a high growth in the ensuing years. In FY 2017-18, the Company achieved an off-take of 580.28 MT and produced 567.36 MT with a growth of 6.8% and 2.4% respectively compared to previous year. Power utilities of the country, which is a major coal consuming sector, were supplied with 454.22 million tonnes of coal during FY 2018 against 424.40 million tones in previous fiscal, by the Company registering a growth of 6.8% and achieving 100.4% of its target. Further, coal production and off-take during FY 2018-19 till January 31, 2019 was 469.65 MT and 497.04 MT, respectively, which represents a growth of 6.6% and 4.6% compared to the same period during the previous financial year.
- b. Apart from coal mining activities, the Company has envisioned to put our footprint on renewable energy, construction of railway infrastructures in growing coalfields and coal based generation of power through its subsidiaries.
- c. On August 16, 2017, the Company was tasked by the Government of India to become a net zero energy company and it is estimated to establish 3000 MW of Solar Power projects with capital investments. To implement the solar program, the Company has entered into an MoU with Solar Energy Corporation to develop 1000 MW of solar power. Since both capital and land requirement in solar power are huge and O&M and sale of solar/thermal power being complex and requires expertise, the Company has also signed an MoU with NLC India Limited on January 08, 2018 for formation of a JV to develop 3000 MW solar and 2000 MW thermal power.
- d. The Company has entered into a Joint Venture with NTPC Limited, Indian Oil Corporation Limited, Fertilizer Corporation of India Limited and Hindustan Fertilizer Corporation Limited for revival of defunct fertilizer plants at Gorakhpur (UP), Sindari (Jharkhand) and Barauni (Bihar). At each of the above locations, a 3850 TPD neem-coated urea will be produced from Natural-Gas as primary feedstock. The foundation stone was laid by Hon'ble Prime Minister at Gorakhpur project site on July 22, 2016 and at Sindri project site on May 25, 2018.
- e. The Company has also entered into a Joint Venture with Rashtriya Chemicals & Fertilizers Limited, GAIL Limited and Fertilizer Corporation of India Limited for revival of defunct

fertilizer plants at Talcher (Odisha). A blend of coal with petcoke will be used as primary feedstock to produce 3850 TPD neem-coated urea. The foundation stone of the project was laid by Hon'ble Prime Minister on September 22, 2018.

f. Financial Growth:

The revenue from operations of the Company (standalone) on account of sale of raw coal was Rs. 362.93 crore for the financial year ended March 31, 2018 as against Rs. 306.40 crore in FY 2016-17 registering a growth 18.45% YoY.

The other major income of the Company (standalone) is the dividend income from investment from its subsidiaries. The other income for the year ended March 31, 2018 was Rs. 9,571.03 crore as against Rs. 15,004.75 crore in the FY 2016-17. There were higher dividend and Buyback income from subsidiaries in FY 2016-17. Mainly due to impact of change in gratuity ceiling from Rs. 10 lakh to 20 lakh w.e.f. March 29, 2018 as per the Payment of Gratuity (Amendment) Act, 2018, the profits of the subsidiaries declined in FY 2017-18 and also thereby the dividend received from the subsidiaries.

For the FY 2017-18 the Company's standalone PAT, which mainly consists of dividend received from subsidiaries was Rs. 9,293.42 crore, compared to Rs. 14,500.53 crore, for FY 2016-17 for the reason stated above.

g. The equity shares of the Company were listed at BSE Limited (Security Code: 533278) and National Stock Exchange of India Limited (Symbol: COALINDIA) on October 30, 2010.

h. Following is the equity share capital history of the Company since inception:

Date of Allotment/date when fully paid up	Number of Equity Shares	Face Value (Rs.)	Issue price per Equity Share (Rs.)	Consideration (cash, bonus, consideration other than cash)	Nature of Allotment	Cumulative number of Equity Shares	Cumulative Equity Share Capital (Rs.)
June 14, 1973	3	1,000	1,000	Cash	Issued to the President of India on signing the MoA	3	3,000
June 14, 1973	1	1,000	1,000	Cash	Issued to Mr. S.K.Dhar on signing the MoA	4	4,000
June 14, 1973	1	1,000	1,000	Cash	Issued to Mr. PK.Lahiri on signing the MoA	5	5,000
March 26, 1974	79,995	1,000	1,000	Cash	Further issue to the President of India	80,000	80,000,000
March 15, 1975	388,466	1,000	1,000	Cash	Further issue to the President of India	468,466	468,466,000
November 19, 1975	1,475,377	1,000	1,000	Partly in cash and partly in lieu of consideration other than cash <sup>(1)</sup>	Further issue to the President of India	1,943,843	1,943,843,000

Date of Allotment/date when fully paid up	Number of Equity Shares	Face Value (Rs.)	Issue price per Equity Share (Rs.)	Consideration (cash, bonus, consideration other than cash)	Nature of Allotment	Cumulative number of Equity Shares	Cumulative Equity Share Capital (Rs.)
December 31, 1975	150,403	1,000	1,000	Consideration other than Cash <sup>(2)</sup>	Further issue to the President of India	2,094,246	2,094,246,000
June 30, 1976	114,000	1,000	1,000	Consideration other than Cash <sup>(3)</sup>	Further issue to the President of India	2,208,246	2,208,246,000
September 22, 1976	357,600	1,000	1,000	Partly in cash and partly in lieu of consideration other than cash <sup>(4)</sup>	Further issue to the President of India	2,565,846	2,565,846,000
December 22, 1976	1,797,333	1,000	1,000	Partly in cash and partly in lieu of consideration other than cash <sup>(5)</sup>	Further issue to the President of India	4,363,179	4,363,179,000
December 2, 1977	449,240	1,000	1,000	Partly in cash and partly in lieu of consideration other than cash <sup>(6)</sup>	Further issue to the President of India	4,812,419	4,812,419,000
December 2, 1977	36,600	1,000	1,000	Consideration other than Cash <sup>(7)</sup>	Further issue to the President of India	4,849,019	4,849,019,000
January 13, 1978	100,000	1,000	1,000	Cash	Further issue to the President of India	4,949,019	4,949,019,000
April 6, 1979	1,015,440	1,000	1,000	Cash	Further issue to the President of India	5,964,459	5,964,459,000
May 31, 1979	280,850	1,000	1,000	Cash	Further issue to the President of India	6,245,309	6,245,309,000
September 1, 1979	542,791	1,000	1,000	Partly in cash and partly in lieu of consideration other than cash <sup>(8)</sup>	Further issue to the President of India	6,788,100	6,788,100,000
September 1, 1979	390,500	1,000	1,000	Cash	Further issue to the President of India	7,178,600	7,178,600,000
August 8, 1980	1,061,640	1,000	1,000	Consideration other than cash <sup>(9)</sup>	Further issue to the President of India	8,240,240	8,240,240,000
October 7, 1980	262,600	1,000	1,000	Cash	Further issue to the President of India	8,502,840	8,502,840,000
December 22, 1980	320,000	1,000	1,000	Cash	Further issue to the	8,822,840	8,822,840,000

Date of Allotment/date when fully paid up	Number of Equity Shares	Face Value (Rs.)	Issue price per Equity Share (Rs.)	Consideration (cash, bonus, consideration other than cash)	Nature of Allotment	Cumulative number of Equity Shares	Cumulative Equity Share Capital (Rs.)
					President of India		
February 19, 1981	350,000	1,000	1,000	Cash	Further issue to the President of India	9,172,840	9172,840,000
April 9, 1981	400,000	1,000	1,000	Cash	Further issue to the President of India	9,572,840	9,572,840,000
June 24, 1981	217,400	1,000	1,000	Cash	Further issue to the President of India	9,790,240	9,790,240,000
August 21, 1981	715,189	1,000	1,000	Partly in cash and partly in lieu of consideration other than cash <sup>(10)</sup>	Further issue to the President of India	10,505,429	10,505,429,000
September 18, 1981	654,400	1,000	1,000	Cash	Further issue to the President of India	11,159,829	11,159,829,000
November 3, 1981	625,700	1,000	1,000	Cash	Further issue to the President of India	11,785,529	11,785,529,000
March 3, 1982	400,426	1,000	1,000	Partly in cash and partly in lieu of consideration other than cash <sup>(11)</sup>	Further issue to the President of India	12,185,955	12,185,955,000
June 25, 1982	16,210,00	1,000	1,000	Cash	Further issue to the President of India	13,806,955	13,806,955,000
September 30, 1982	1,100,000	1,000	1,000	Cash	Further issue to the President of India	14,906,955	14,906,955,000
May 12, 1983	1,910,000	1,000	1,000	Cash	Further issue to the President of India	16,816,955	16,816,955,000
September 30, 1983	1,330,000	1,000	1,000	Cash	Further issue to the President of India	18,146,955	18,146,955,000
November 29, 1983	970,000	1,000	1,000	Cash	Further issue to the President of India	19,116,955	19,116,955,000
February 21, 1984	580,000	1,000	1,000	Cash	Further issue to the President of India	19,696,955	19,696,955,000
February 22, 1985	4,910,000	1,000	1,000	Cash	Further issue to the President of India	24,606,955	24,606,955,000

Date of Allotment/date when fully paid up	Number of Equity Shares	Face Value (Rs.)	Issue price per Equity Share (Rs.)	Consideration (cash, bonus, consideration other than cash)	Nature of Allotment	Cumulative number of Equity Shares	Cumulative Equity Share Capital (Rs.)
May 23, 1985	770,000	1,000	1,000	Cash	Further issue to the President of India	25,376,955	25,376,955,000
July 15, 1985	250,000	1,000	1,000	Cash	Further issue to the President of India	25,626,955	25,626,955,000
August 29, 1985	420,000	1,000	1,000	Cash	Further issue to the President of India	26,046,955	26,046,955,000
November 20, 1985	1,630,000	1,000	1,000	Cash	Further issue to the President of India	27,676,955	27,676,955,000
December 20, 1985	750,000	1,000	1,000	Cash	Further issue to the President of India	28,426,955	28,426,955,000
March 21, 1986	1,000,000	1,000	1,000	Cash	Further issue to the President of India	29,426,955	29,426,955,000
May 17, 1986	480,000	1,000	1,000	Cash	Further issue to the President of India	29,906,955	29,906,955,000
March 17, 1987	5,170,000	1,000	1,000	Cash	Further issue to the President of India	35,076,955	35,076,955,000
May 14, 1987	880,000	1,000	1,000	Cash	Further issue to the President of India	35,956,955	35,956,955,000
July 16, 1987	1,154,074	1,000	1,000	Partly in cash and partly in lieu of consideration other than cash <sup>(12)</sup>	Further issue to the President of India	37,111,029	37,111,029,000
September 11, 1987	2,440,000	1,000	1,000	Cash	Further issue to the President of India	39,551,029	39,551,029,000
November 12, 1987	1,320,000	1,000	1,000	Cash	Further issue to the President of India	40,871,029	40,871,029,000
April 29, 1988	278,592	1,000	1,000	Cash	Further issue to the President of India	41,149,621	41,149,621,000
June 9, 1988	1,050,000	1,000	1,000	Cash	Further issue to the President of India	42,199,621	42,199,621,000
July 14, 1988	1,000,000	1,000	1,000	Cash	Further issue to the President of India	43,199,621	43,199,621,000

Date of Allotment/date when fully paid up	Number of Equity Shares	Face Value (Rs.)	Issue price per Equity Share (Rs.)	Consideration (cash, bonus, consideration other than cash)	Nature of Allotment	Cumulative number of Equity Shares	Cumulative Equity Share Capital (Rs.)
August 10, 1988	630,000	1,000	1,000	Cash	Further issue to the President of India	43,829,621	43,829,621,000
September 26, 1988	1,950,000	1,000	1,000	Cash	Further issue to the President of India	45,779,621	45,779,621,000
November 21, 1988	1,423,771	1,000	1,000	Cash	Further issue to the President of India	47,203,392	47,203,392,000
December 5, 1988	340,000	1,000	1,000	Cash	Further issue to the President of India	47,543,392	47,543,392,000
January 27, 1989	82,135	1,000	1,000	Cash	Further issue to the President of India	47,625,527	47,625,527,000
June 23, 1989	1,778,903	1,000	1,000	Cash	Further issue to the President of India	49,404,430	49,404,430,000
August 23, 1989	1,730,000	1,000	1,000	Cash	Further issue to the President of India	51,134,430	51,134,430,000
September 30, 1989	1,040,000	1,000	1,000	Cash	Further issue to the President of India	52,174,430	52,174,430,000
February 7, 1990	43,784	1,000	1,000	Cash	Further issue to the President of India	52,218,214	52,218,214,000
June 6, 1990	220,425	1,000	1,000	Cash	Further issue to the President of India	52,438,639	52,438,639,000
July 13, 1990	3,250,000	1,000	1,000	Cash	Further issue to the President of India	55,688,639	55,688,639,000
September 12, 1990	274,167	1,000	1,000	Cash	Further issue to the President of India	55,962,806	55,962,806,000
December 20, 1990	1,002,318	1,000	1,000	Cash	Further issue to the President of India	56,965,124	56,965,124,000
February 18, 1991	9,094	1,000	1,000	Cash	Further issue to the President of India	56,974,218	56,974,218,000
March 20, 1991	42,966	1,000	1,000	Cash	Further issue to the President of India	57,017,184	57,017,184,000
July 31, 1991	1,330,000	1,000	1,000	Cash	Further issue to the	58,347,184	58,347,184,000

Date of Allotment/date when fully paid up	Number of Equity Shares	Face Value (Rs.)	Issue price per Equity Share (Rs.)	Consideration (cash, bonus, consideration other than cash)	Nature of Allotment	Cumulative number of Equity Shares	Cumulative Equity Share Capital (Rs.)
					President of India		
August 22, 1991	415,945	1,000	1,000	Cash	Further issue to the President of India	58,763,129	58,763,129,000
November, 15 1991	416,068	1,000	1,000	Cash	Further issue to the President of India	59,179,197	59,179,197,000
March 20, 1992	811,529	1,000	1,000	Cash	Further issue to the President of India	59,990,726	59,990,726,000
June 2, 1992	356,466	1,000	1,000	Cash	Further issue to the President of India	60,347,192	60,347,192,000
July 27, 1992	420,000	1,000	1,000	Cash	Further issue to the President of India	60,767,192	60,767,192,000
August 29, 1992	379	1,000	1,000	Cash	Further issue to the President of India	60,767,571	60,767,571,000
December 22, 1992	2,988	1,000	1,000	Cash	Further issue to the President of India	60,770,559	60,770,559,000
February 19, 1993	200,093	1,000	1,000	Cash	Further issue to the President of India	60,970,652	60,970,652,000
June 10, 1993	4,359	1,000	1,000	Cash	Further issue to the President of India	60,975,011	60,975,011,000
September 2, 1993	29,154	1,000	1,000	Cash	Further issue to the President of India	61,004,165	610,04,165,000
November 15, 1993	3,431	1,000	1,000	Cash	Further issue to the President of India	61,007,596	61,007,596,000
March 5, 1994	26,844	1,000	1,000	Cash	Further issue to the President of India	61,034,440	61,034,440,000
May 6, 1994	10,941	1,000	1,000	Cash	Further issue to the President of India	61,045,381	61,045,381,000
July 20, 1994	3,063	1,000	1,000	Cash	Further issue to the President of India	61,048,444	61,048,444,000
March 6, 1995	2,115,200	1,000	1,000	Cash	Further issue to the President of India	63,163,644	631,63,644,000

Date of Allotment/date when fully paid up	Number of Equity Shares	Face Value (Rs.)	Issue price per Equity Share (Rs.)	Consideration (cash, bonus, consideration other than cash)	Nature of Allotment	Cumulative number of Equity Shares	Cumulative Equity Share Capital (Rs.)
February 16, 2010	The face value of the Equity Shares of the Company was split into Rs. 10 each and consequently, the issued share capital was split from Rs. 63,163,644,000 divided into 63,163,644 Equity Shares of Rs. 1,000 each to Rs. 63,163,644,000 divided into 6,316,364,400 Equity Shares of Rs.10 each.						
October 28, 2016	(10,89,55,223)	10	335	Cash	Buyback <sup>(13)</sup>	6,20,74,09,177	62,07,40,91,770
<b>Total</b>	<b>6,20,74,09,177</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>6,20,74,09,177</b>	<b>62,07,40,91,770</b>

**Notes:**

- (1) 1,466,843 Equity Shares issued for consideration other than cash and 8,534 Equity Shares issued for cash.
- (2) Equity Shares issued to the President of India, in lieu of equivalent amount of shares of Bharat Coking Coal Limited (“**BCCL**”) received from the President of India.
- (3) 114,000 Equity Shares issued in lieu of equivalent amount of shares received from BCCL.
- (4) 200,000 Equity Shares issued for cash and 157,600 Equity Shares issued in lieu of shares received from BCCL.
- (5) 1,528,100 Equity Shares issued for cash and 269,233 Equity Shares issued in lieu of vesting of mines by the Government of India.
- (6) 4,25,000 Equity Shares issued for cash and 24,240 Equity Shares for balance consideration amount including interest due to the Government of India and due to rounding off figure at the allotment made to the President on December 22, 1976.
- (7) Equity Shares issued in consideration of net assets (written down value of assets reduced by the amount of loan liabilities) taken over from the Coal Board by the Company.
- (8) 300,000 Equity Shares issued for cash, 7,868 Equity Shares issued in lieu of equity received from Central Coalfields Limited (“**CCL**”) and 234,923 Equity Shares issued in lieu of equity shares received from BCCL.
- (9) 1,059,800 Equity Shares issued for cash and 1,840 Equity Shares issued in lieu of 1,840 equity shares received from CCL, in lieu of money received by CCL from Government of India in connection with the payment of compensation sanctioned for acquisition of land & rights under Coal Bearing Areas (Acquisition & Development) Act, 1957 (“**CBA Act**”)
- (10) 713,900 Equity Shares issued for cash and 1,289 Equity Shares issued in lieu of 1,289 equity shares received from CCL, in lieu of money received by CCL from Government of India in connection with the payment of compensation sanctioned for acquisition of land & rights under the CBA Act.
- (11) 400,000 Equity Shares issued for cash and 426 Equity Shares issued in lieu of 426 equity shares received from Western Coalfields Limited (“**WCL**”), in lieu of money received by WCL from Government of India in connection with the payment of compensation for acquisition of land & rights under the CBA Act.
- (12) 1,050,000 equity shares issued for cash and 104,074 equity shares issued in lieu of assets taken over from Central Coal Washeries Organisation.
- (13) The Company has bought back 10,89,55,223 Equity Shares at a price of Rs. 335 per Equity Share, pursuant to the Securities and Exchange Board of India (Buy Back of Securities) Regulations, 1998, and subsequent amendments thereof. The extinguishment of the Equity Shares accepted under the buy-back was completed on October 28, 2016. The buy-back was duly authorized by a resolution of the Board of Directors dated July 11, 2016 and by the shareholders by a special resolution passed through postal ballot in accordance with the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014, the results of which were announced on August 26, 2016.

14.7 The details of Board of Directors of the Company as on the date of publication of the public announcement i.e. February 6, 2019 is as follows:

Sl No	Name, Occupation, Age, DIN and Qualifications	Designation	Date of Appointment/ Re-appointment	Other Directorships
1.	<b>SHRI ANIL KUMAR JHA</b> Occupation: Service Age: 59 DIN: 06645361 Qualifications: M. Tech in Mining from ISM Dhanbad	Chairman Cum Managing Director	May 18, 2018	NIL
2.	<b>SHRI S. N. PRASAD</b> Occupation: Service Age: 59 DIN:07408431 Qualifications: MBA (Marketing) from Magadh University	Director (Marketing) & Director (Finance), Addl. Charge	February 1, 2016	1. Northern Coalfields Limited 2. Mahanadi Coalfields Limited 3. Eastern Coalfields Limited 4. South Eastern Coalfields Limited
3.	<b>SHRI BINAY DAYAL</b> Occupation: Service	Director (Technical)	October 11,2017	1. Bharat Coking Coal Limited



	<b>Age:</b> 57 <b>DIN:</b> 07367625 <b>Qualifications:</b> B. Tech (Mining) from Indian School of Mines, Dhanbad, and MBA (Marketing) from BIT, Mesra, Ranchi			2. Central Mine Planning & Design Institute Limited 3. Talcher Fertilizers Limited. 4. Hindustan Uruvarak and Rasayan Limited 5. Coal India African Limitada
4.	<b>SHRI R. P. SRIVASTAVA</b> <b>Occupation:</b> Service <b>Age:</b> 58 <b>DIN:</b> 08036468 <b>Qualifications:</b> Post Graduate Diploma in management from MDI Gurgaon	Director (P&IR)	January 31, 2018	1. Western Coalfields Limited 2. Central Coalfields Limited
5.	<b>SHRI R. K. SINHA</b> <b>Occupation:</b> Government Service <b>Age:</b> 53 <b>DIN:</b> 05351383 <b>Qualifications:</b> M.A. from Allahabad University and LL.B. from Delhi University	Part-time official Director	August 5, 2016	Mahanadi Coalfields Limited
6.	<b>MS. REENA SINHA PURI</b> <b>Occupation:</b> Government Service <b>Age:</b> 55 <b>DIN:</b> 07753040 <b>Qualifications:</b> Master in Political Science from Punjab University, Master in Public Policy from NUS Singapore and L.L.B from Delhi University	Part-time official Director	June 9,2017	1. Hindustan Zinc Limited 2. Bharat Aluminium Company Limited 3. Northern Coalfields Limited
7.	<b>Ms. LORETTA M. VAS</b> <b>Occupation:</b> Retired IAS <b>Age:</b> 64 <b>DIN:</b> 02544627 <b>Qualifications:</b> B.A (Eng.), B.Ed, M.A.(Eco.), Master in Public Administration LLB and M. Phil (Social Science)	Independent Director	November 17, 2015 to November 16,2018  (re-appointed w.e.f November 17,2018)	NIL
8.	<b>CA VINOD JAIN</b> <b>Occupation:</b> Chartered Accountant <b>Age:</b> 62 <b>DIN:</b> 0003572 <b>Qualifications:</b> B.Com (H) and L.L.B from Delhi University, Chartered Accountant, Company Secretary, Cost Accountant, DISA (ICAI)	Independent Director	November 17, 2015 to November 16,2018  (re-appointed w.e.f November 17,2018)	1. INMACS Limited 2. INMACS Finance Private Limited 3. Infrastructure Projects and Engineers Private Limited 4. INMACS Microsystems Private Limited 5. INMACS SJC Advisory Private Limited 6. INMACS Management Services Limited 7. Aptel Softek Systems Private Limited 8. Aquatech Hong Kong Private Limited 9. INMACS Managements Services Limited, British Virgin Islands. 10. INMACS Global Inc, USA
9.	<b>DR. D.C. PANIGRAHI</b> <b>Occupation:</b> Professor in ISM - Service <b>Age:</b> 57 <b>DIN:</b> 07355591 <b>Qualifications:</b> B.Tech (Mining Engg.), M.Tech (Mining Engg.), M.Tech in (Industrial Engg. and Mgt). and PhD. in Mining Engg. from ISM Dhanbad	Independent Director	November 17, 2015 to November 16,2018  (re-appointed w.e.f November 17,2018)	NIL
10.	<b>DR. KHANINDRA PATHAK</b> <b>Occupation:</b> Prof in IIT Kharagpur - Service	Independent Director	November 17, 2015 to November 16,2018	NIL

	<b>Age:</b> 58 <b>DIN:</b> 07348780 <b>Qualifications:</b> B.Tech. in Mining from ISM Dhanbad, M.Tech in Open Cast from ISM Dhanbad PhD in Mining Engg from Imperial College London.		(re-appointed w.e.f November 17, 2018)	
11.	<b>DR. S. B. AGNIHOTRI</b> <b>Occupation:</b> Professor at IIT, Mumbai <b>Age:</b> 64 <b>DIN:</b> 03390553 <b>Qualifications:</b> Master in Physics and M.Tech in Env. Sci from IIT Bombay, MA in Rural Dev. and PhD. from School of Development university of East Anglia Norwick, UK	Independent Director	November 17, 2015 to November 16, 2018  (re-appointed w.e.f November 17, 2018)	NIL
12.	<b>SHRI VINOD KUMAR THAKRAL</b> <b>Occupation:</b> Retired <b>Age:</b> 62 <b>DIN:</b> 00402959 <b>Qualifications:</b> Master in Political Science and Master in Development ADM from Birmingham University, U.K.	Independent Director	September 06, 2017	NIL
13.	<b>SHRI BHARATBHAI LAXMANBHAI GAJIPARA</b> <b>Occupation:</b> President of All India Panchayat Parisad <b>Age:</b> 60 <b>DIN:</b> 07947068 <b>Qualifications:</b> B.Com, L.L.B from Saurashtra university, Gujrat	Independent Director	September 22, 2017	NIL

14.8 The details of change in Board of Directors during the 3 years preceding the date of publication of the public announcement i.e. February 6, 2019, are as under:

S. No.	Name	Date of Appointment	Date of Cessation	Reason
1.	Shri B.K. Saxena	-	January 31, 2016	Superannuation on attaining 60 years of age
2.	Shri S.N. Prasad	February 1, 2016	-	Appointment as Director (Marketing)
3.	Smt Sujata Prasad	-	June 20, 2016	Nomination withdrawn by Ministry of Coal, pursuant to her transfer from Ministry of Coal
4.	Dr A. K. Dubey	-	August 5, 2016	Nomination withdrawn by Ministry of Coal, pursuant to his transfer from Ministry of Coal
5.	Shri R.K. Sinha	August 5, 2016	-	Appointment as Nominee Director of Ministry of Coal
6.	Shri R.P. Gupta	August 5, 2016	-	Appointment as Nominee Director of Ministry of Coal
7.	Shri R.P. Gupta	-	August 30, 2016	Nomination withdrawn by Ministry of Coal
8.	Shri Vivek Bharadwaj	August 30, 2016	-	Appointment as Nominee Director of Ministry of Coal
9.	Shri N.Kumar	-	October 18, 2016	Deceased
10.	Shri R.Mohan Das	-	March 30, 2017	Nomination withdrawn by appointing authority
11.	Shri Vivek Bharadwaj	-	June 8, 2017	Nomination withdrawn by Ministry of Coal, pursuant to his transfer from Ministry of Coal

S. No.	Name	Date of Appointment	Date of Cessation	Reason
12.	Ms. Reena Sinha Puri	June 9, 2017	-	Appointment as Nominee Director of Ministry of Coal
13.	Shri S. Bhattacharya	-	August 31, 2017	Superannuation on attaining 60 years of age
14.	Shri Vinod Kumar Thakral	September 6, 2017	-	Appointment as Independent Director
15.	Shri B.L. Gajipara	September 22, 2017	-	Appointment as Independent Director
16.	Shri Binay Dayal	October 11, 2017	-	Appointment as Director (Technical)
17.	Shri R.P.Srivastava	January 31, 2018	-	Appointment as Director (P&IR)
18.	Shri Anil Kumar Jha	May 18, 2018	-	Appointment as Chairman Cum Managing Director
19.	Shri C.K. Dey	-	September 30, 2018	Superannuation on attaining 60 years of age
20.	Ms. Loretta M Vas	-	November 16, 2018	Expiry of term of appointment
21.	CA Vinod Jain	-	November 16, 2018	Expiry of term of appointment
22.	Shri D.C. Panigrahi	-	November 16, 2018	Expiry of term of appointment
23.	Dr. Khanindra Pathak	-	November 16, 2018	Expiry of term of appointment
24.	Dr. S.B.Agnihotri	-	November 16, 2018	Expiry of term of appointment
25.	Ms. Loretta M Vas	November 17, 2018	-	Re-appointment as Independent Director
26.	CA Vinod Jain	November 17, 2018	-	Re-appointment as Independent Director
27.	Shri D.C. Panigrahi	November 17, 2018	-	Re-appointment as Independent Director
28.	Dr. Khanindra Pathak	November 17, 2018	-	Re-appointment as Independent Director
29.	Dr. S.B.Agnihotri	November 17, 2018	-	Re-appointment as Independent Director

14.9 As on February 4, 2019, i.e. the date of the Board Meeting, no directors or Key Managerial Personnel of the Company (as per the definition contained in section 2(51) of the Companies Act) of the Company hold any Equity Shares, except for the following:

Sr. No.	Name	Designation	No. of Shares held	Percentage (%)
1.	Shri Binay Dayal	Director (Technical)	300	0.00
2.	Shri M.Viswanathan	Company Secretary and Compliance Officer	400	0.00

14.10 The Buyback will not result in any benefit to any Directors of the Company / Promoter / persons in control of the Company / group companies, except to the extent of their intention to participate in the Buyback and the change in their shareholding as per the response received in the Buyback, as a result of the extinguishment of Equity Shares which will lead to a reduction in the equity share capital post Buyback.

## 15. FINANCIAL INFORMATION ABOUT THE COMPANY

15.1 The salient financial information of the Company extracted from the audited standalone financial statement for last three years being March 31, 2018, March 31, 2017 and March 31, 2016 and unaudited limited reviewed financial results for six month period ended September 30, 2018 prepared under IND-AS are given below:

(Rs.in Crore)

Key Financials	Half yearly results till September 30, 2018	For the year ended March 31, 2018	For the year ended March 31, 2017	For the year ended March 31, 2016
	(Unaudited)	(Audited)	(Audited)	(Audited)
Revenue from Operations	92.54	370.37	311.18	177.16
Other Income	991.25	9,571.03	15,004.75	17,129.39
<b>Total Income</b>	<b>1,083.79</b>	<b>9,941.40</b>	<b>15,315.93</b>	<b>17,306.55</b>
Total Expenses (excluding interest & depreciation and amortisation)	371.74	866.29	922.97	645.74
Interest	14.45	-257.86	-136.23	-123.80
Depreciation	8.38	18.14	17.52	16.41
<b>Profit Before Exceptional Items and Tax</b>	<b>689.22</b>	<b>9,314.83</b>	<b>14,511.67</b>	<b>16,768.20</b>
Exceptional Items: Expense / (Income)	-	-	-	-
<b>Profit Before Tax</b>	<b>689.22</b>	<b>9,314.83</b>	<b>14,511.67</b>	<b>16,768.20</b>
Provisions for Tax (including Deferred Tax)	9.50	21.41	11.14	175.20
Profit/(Loss) discontinuing operation	-	-	-	-
Share in JV's/Associates profit/(loss)	-	-	-	-
<b>Profit/ (Loss) for the period</b>	<b>679.72</b>	<b>9,293.42</b>	<b>14,500.53</b>	<b>16,593.00</b>
Other Comprehensive Income	0.44	5.36	3.40	-13.44
<b>Total Comprehensive Income</b>	<b>680.16</b>	<b>9,298.78</b>	<b>14,503.93</b>	<b>16,579.56</b>
Paid-up Equity Share Capital	6,207.41	6,207.41	6,207.41	6,316.36
Reserve & Surplus <i>net of Miscellaneous expenditures to the extent not written off</i> excluding revaluation reserves and capital reserves	7,167.46	6,487.30	7,712.39	9,729.45
Net worth excluding revaluation reserves, capital reserves and <i>net of Miscellaneous expenditures to the extent not written off</i>	13,374.87	12,694.71	13,919.80	16,045.81
Total Debt, excluding working capital loans	-	-	-	-

\*Prepared under IND-AS

Financial Ratios on standalone basis are as under:

Particulars	For Six Months Period ended September 30, 2018	For the year ended March 31, 2018	For the year ended March 31, 2017	For the year ended March 31, 2016
	(Unaudited)	(Audited)	(Audited)	(Audited)
Earnings per Share (in Rs.)	1.10*	14.97	23.12	26.27
Debt/ Equity Ratio	-	-	-	-
Book Value (Rs. per Share)	21.55	20.45	22.42	25.40
Return on Net worth (%)	5.09*	73.25	104.20	103.33
Total Debt/ Net worth (%)	-	-	-	-

\* Not annualized

**Notes:**

1. Net worth = Equity Capital + Reserve & Surplus net of Miscellaneous expenditures to the extent not written off excluding revaluation reserves and capital reserves.

2. Total Debt = Long Term Borrowings + Short Term Borrowings + Current Maturities of Long Term Borrowings.

**Key Ratios basis:**

Earnings per Share- Basic (in Rs.)	Net profit attributable to the equity shareholders / number of Shares outstanding at the end of the year
Book Value per Share (in Rs.)	(Paid up Equity Share Capital + Reserves and Surplus) / No. of Equity Shares Subscribed
Return on Net Worth (%)	Total Comprehensive Income/ Net Worth
Debt- Equity Ratio	Total Debt/ Net Worth

- 15.2 The salient financial information of the Company extracted from the audited consolidated financial statement for last three years being March 31, 2018, March 31, 2017 and March 31, 2016 and unaudited limited reviewed financial results for six month period ended September 30, 2018 prepared under IND-AS are given below:

(Rs. in Crore)

Key Financials	Half yearly results till September 30, 2018	For the year ended March 31, 2018	For the year ended March 31, 2017	For the year ended March 31, 2016
	(Unaudited)	(Audited)	(Audited)	(Audited)
Revenue from Operations	46,458.93	87,268.57	83,808.13	83,560.98
Other Income	4,273.63	4,658.32	5,515.60	5,940.58
<b>Total Income</b>	<b>50,732.56</b>	<b>91,926.89</b>	<b>89,323.73</b>	<b>89,501.56</b>
Total Expenses (excluding interest & depreciation and amortisation)	37,864.61	77,702.28	71,568.22	64,849.69
Financing cost including Interest	111.15	431.79	411.73	386.16
Depreciation and Amortisation	1,552.11	3,066.38	2,910.07	2,825.91
<b>Profit Before Exceptional Items and Tax</b>	<b>11,204.69</b>	<b>10,726.44</b>	<b>14,433.71</b>	<b>21,439.80</b>
Exceptional Items: Expense / (Income)	-	-	-	-
<b>Profit Before Tax</b>	<b>11,204.69</b>	<b>10,726.44</b>	<b>14,433.71</b>	<b>21,439.80</b>
Provisions for Tax (including Deferred Tax)	4,334.24	3,706.66	5,165.96	7,171.87
Profit/(Loss) discontinuing operation	-	-	-0.01	-0.01
Share in JV's/Associates profit/(loss)	0.69	0.44	-1.76	-1.14
<b>Profit/ (Loss) for the period</b>	<b>6,871.14</b>	<b>7,020.22</b>	<b>9,265.98</b>	<b>14,266.78</b>
Other Comprehensive Income	507.84	632.51	82.00	294.41
<b>Total Comprehensive Income</b>	<b>7,378.98</b>	<b>7,652.73</b>	<b>9,347.98</b>	<b>14,561.19</b>
Paid-up Equity Share Capital	6,207.41	6,207.41	6,207.41	6,316.36

<b>Key Financials</b>	<b>Half yearly results till September 30, 2018</b> <b>(Unaudited)</b>	<b>For the year ended March 31, 2018</b> <b>(Audited)</b>	<b>For the year ended March 31, 2017</b> <b>(Audited)</b>	<b>For the year ended March 31, 2016</b> <b>(Audited)</b>
Reserve & Surplus <i>net of Miscellaneous expenditures to the extent not written off</i> excluding revaluation reserves and capital reserves	21,036.47	13,619.95	18,299.56	28,498.62
Net worth excluding revaluation reserves, capital reserves and <i>net of Miscellaneous expenditures to the extent not written off</i>	27,243.88	19,827.36	24,506.97	34,814.98
Total Debt, excluding working capital loans	1,436.75	1,537.72	3,014.50	1,198.79

*\*Prepared under IND-AS*

**Financial Ratios on consolidated basis are as under:**

<b>Particulars</b>	<b>For Six Months Period ended September 30, 2018</b> <b>(Unaudited)</b>	<b>For the year ended March 31, 2018</b> <b>(Audited)</b>	<b>For the year ended March 31, 2017</b> <b>(Audited)</b>	<b>For the year ended March 31, 2016</b> <b>(Audited)</b>
Earnings per Share (in Rs.)	11.07*	11.31	14.78	22.59
Debt/ Equity Ratio	0.05	0.08	0.12	0.03
Book Value (Rs. per Share)	43.89	31.94	39.64	55.12
Return on Net worth (%)	27.08*	38.60	37.99	41.82
Total Debt/ Net worth (%)	5.27	7.76	12.25	3.44

*\* Not annualized*

**Notes:**

1. Net worth = Equity Capital + Reserves & Surplus net of Miscellaneous expenditures to the extent not written off excluding revaluation reserves and capital reserve.
2. Total Debt = Long Term Borrowings + Short Term Borrowings + Current Maturities of Long Term Borrowings.

**Key Ratios basis:**

Earnings per Share- Basic (in Rs.)	Net profit attributable to the equity shareholders / number of Shares outstanding at the end of the year
Book Value per Share (in Rs.)	(Paid up Equity Share Capital + Reserves and Surplus) / No. of Equity Shares Subscribed
Return on Net Worth (%)	Total Comprehensive Income/ Net Worth
Debt- Equity Ratio	Total Debt/ Net Worth

- 15.3 The Company shall comply with the SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, wherever and if applicable. The Company hereby declares that it has complied with Section 68, 69 and 70 and other applicable provisions of the Companies Act, 2013.

**16. STOCK MARKET DATA**

- 16.1 The Shares of the Company are listed on BSE and NSE. NSE is the stock exchange where the Equity Shares are most frequently traded.
- 16.2 The high, low and average market prices for the last three financial years (April to March periods) and the monthly high, low and average market prices for the six months preceding the date of publication of the Public Announcement, i.e. February 6, 2019, and the corresponding volumes on BSE are as follows:

Period	High <sup>^</sup> (Rs.)	Date of High	Number of Shares traded on that date	Low <sup>#</sup> (Rs.)	Date of Low	Number of Shares traded on that date	Average Price <sup>@</sup> (Rs.)	Number of shares traded in this period
<b>3 Years</b>								
April 01, 2017 - March 31, 2018	316.55	27-Feb-18	1,228,580	234.00	11-Aug-17	296,584	272.78	98,173,005
April 01, 2016 - March 31, 2017	349.85	17-Aug-16	360,806	272.05	12-Apr-16	2,022,785	310.34	99,594,976
April 01, 2015 - March 31, 2016	447.25	5-Aug-15	195,311	286.90	21-Jan-16	287,276	352.09	90,148,794
<b>6 months</b>								
January 1 to 31, 2019	241.75	1-Jan-19	140,272	218.1	28-Jan-19	205,906	230.39	3,692,949
December 1 to 31, 2018	254.1	17-Dec-18	207,156	228.5	10-Dec-18	320,662	246.50	5,626,332
November 1 to 30, 2018	271.7	9-Nov-18	246,315	239.55	30-Nov-18	472,468	259.61	8,051,951
October 1 to 31, 2018	288.3	29-Oct-18	114,628	261.55	5-Oct-18	155,960	274.81	5,183,170
September 1 to 30, 2018	289.9	3-Sep-18	87,993	264.85	28-Sep-18	172,482	278.45	2,518,390
August 1 to 31, 2018	299.6	28-Aug-18	161,133	261.5	1-Aug-18	1,345,723	282.75	6,948,412

Source: [www.bseindia.com](http://www.bseindia.com)

<sup>^</sup> High is the highest price recorded for the Equity Share of the Company during the said period

<sup>#</sup> Low is the lowest price recorded for the Equity Share of the Company during the said period

<sup>@</sup> Average price is the arithmetical average of closing prices of the during the said period

- 16.3 The high, low and average market prices for the last financial three years (April to March periods) and the monthly high, low and average market prices for the six months preceding the date of publication of the Public Announcement i.e. February 6, 2019 and the corresponding volumes on NSE are as follows:

Period	High <sup>^</sup> (Rs.)	Date of High	Number of Shares traded on that date	Low <sup>#</sup> (Rs.)	Date of Low	Number of Shares traded on that date	Average Price <sup>@</sup> (Rs.)	Number of shares traded in this period
<b>3 Years</b>								
April 01, 2017 - March 31, 2018	316.95	27-Feb-18	6,667,601	233.70	11-Aug-17	3,335,287	272.73	1,056,889,395
April 01, 2016 - March 31, 2017	349.95	17-Aug-16	5,810,868	271.65	12-Apr-16	9,281,615	310.29	925,906,353
April 01, 2015 - March 31, 2016	447.10	5-Aug-15	3,410,332	286.50	21-Jan-16	4,600,455	352.15	995,975,629
<b>6 months</b>								
January 1 to 31, 2019	242.45	1-Jan-19	2,227,003	218.05	28-Jan-19	3,917,992	230.34	92,309,226
December 1 to 31, 2018	254.50	20-Dec-18	8,601,671	228.35	10-Dec-18	17,424,227	246.45	167,072,967
November 1 to	271.85	9-Nov-18	10,993,780	239.05	30-Nov-18	12,789,209	259.79	156,037,6

Period	High^ (Rs.)	Date of High	Number of Shares traded on that date	Low# (Rs.)	Date of Low	Number of Shares traded on that date	Average Price® (Rs.)	Number of shares traded in this period
30, 2018								19
October 1 to 31, 2018	289.20	29-Oct-18	2,467,759	261.30	5-Oct-18	4,049,564	275.02	79,308,286
September 1 to 30, 2018	289.80	3-Sep-18	1,649,749	264.40	28-Sep-18	5,726,123	278.45	69,298,035
August 1 to 31, 2018	299.75	28-Aug-18	5,513,680	261.60	1-Aug-18	5,612,544	282.90	95,510,513

Source: [www.nseindia.com](http://www.nseindia.com)

^ High is the highest price recorded for the Equity Share of the Company during the said period

# Low is the lowest price recorded for the Equity Share of the Company during the said period

@ Average price is the arithmetical average of closing prices of the during the said period

- 16.4 Notice of the Board Meeting convened to consider the proposal of the Buyback was given to the BSE and NSE on January 30, 2019. The Board, at its meeting held on February 4, 2019, approved the proposal for the Buyback at Rs. 235/- per share and the intimation was sent to BSE and NSE on the same day. The closing market price of the Company as on February 1, 2019 (being one working day prior to the date on which the Board Meeting was held to approve the Buyback), on BSE was Rs. 223.25, and on NSE was Rs. 223.20, respectively. The closing market price on February 4, 2019 (being the date of Board Meeting) was Rs. 222.05 on BSE and Rs. 222.10 on NSE. The closing market price on February 5, 2019 (being the date after the date of the Board Meeting) was Rs. 216.55 on BSE and Rs. 216.40 on NSE.

## 17. DETAILS OF STATUTORY APPROVALS

- 17.1 The Buyback offer is subject to approvals, if any required, under the provisions of the Act, the Buyback Regulations, FEMA and/or such other acts in force for the time being.
- 17.2 The Buyback of shares from Non-Resident Shareholders Overseas Corporate Bodies (OCBs) and Foreign Institutional Investors (FIIs) / Foreign Portfolio Investors (FPIs), and members of foreign nationality, if any, etc., will be subject to approvals, if any, of the appropriate authorities, including RBI under FEMA, as applicable. It is the obligation of such Non-Resident Shareholders, to obtain such approvals and submit such approvals along with the tender form, so as to enable them to tender equity shares in the buyback and for the Company to purchase such Equity Shares, tendered. The Company will have the right to make payment to the Eligible Shareholders in respect of whom no prior RBI approval is required and not accept Equity Shares from the Eligible Shareholders in respect of whom prior RBI approval is required in the event copies of such approvals are not submitted.
- 17.3 By agreeing to participate in the Buyback, the Non-Resident Shareholders give the Company the authority to make, sign, execute, deliver, acknowledge and perform all applications to file regulatory reportings, if required, including FC-TRS form, if necessary and undertake to provide assistance to the Company for such regulatory reporting, if required by the Company.
- 17.4 As of date, there is no other statutory or regulatory approval required to implement the Buyback, other than that indicated above. If any statutory or regulatory approval becomes applicable subsequently, the Buyback Offer will be subject to such statutory or regulatory approval(s). In the event of any delay in receipt of any statutory / regulatory approvals, changes to the proposed timetable of the Buyback Offer, if any, shall be intimated to the Stock Exchanges.

## 18. DETAILS OF THE REGISTRAR TO THE BUYBACK AND INVESTOR SERVICE CENTRE

The Company has appointed the following as the Registrar to the Buyback:



Name : **Alankit Assignments Limited**



**Address** : 205 – 208, Anarkali Complex,  
Jhandewalan Extension,  
New Delhi – 110055

**Contact Person** : Mr. Abhinav Agarwal  
Mr. Lalita Prasad

**Phone** : +91 (11) 42541971, +91 (11) 42541958

**Fax** : +91 (11) 23552001

**Email** : cilbuyback@alankit.com

**Website** : www.alankit.com

**CIN** : U74210DL1991PLC042569

**SEBI Registration Number:** INR000002532

In case of any query, the Shareholders may contact the Registrar to the Buyback, from Monday to Friday between 10:00 am to 5:00 pm on all working days except public holidays at the above-mentioned address.

Eligible Shareholders are required to submit their form(s) with their broker for bidding. After entering a valid bid, the Seller Broker/Eligible Shareholder, shall send the Tender Form, along with the requisite documents, either by registered post / courier, to the Registrar to the Buyback, superscribing the envelope as “Coal India Limited Buyback Offer 2019”, or hand deliver the same to the Registrar at the address mentioned above in paragraph 18. Eligible Shareholders holding Equity Shares in the dematerialized form are requested to refer to paragraph 20.22.

**PLEASE NOTE THAT IT IS NOT MANDATORY FOR ELIGIBLE SHAREHOLDERS HOLDING AND TENDERING EQUITY SHARES IN DEMAT FORM TO SUBMIT THE TENDER FORM AND THE TRS.**

**ELIGIBLE SHAREHOLDERS ARE REQUESTED TO NOTE THAT THE TENDER FORM, TRS AND OTHER RELEVANT DOCUMENTS SHOULD NOT BE SENT TO THE COMPANY OR TO THE MANAGERS TO THE BUYBACK.**

## **19. PROCESS AND METHODOLOGY FOR THE BUYBACK**

- 19.1 The Company proposes to Buyback upto 4,46,80,850 Equity Shares from the existing Eligible Shareholders of Equity Shares of the Company, on a proportionate basis, through the Tender Offer route at a price of Rs. 235/- (Rupees two hundred and thirty five only) per Equity Share, payable in cash for an aggregate consideration not exceeding Rs. 1,050 crore (Rupees one thousand and fifty crore only), which represents 9.86% and 6.46% of the aggregate of the fully paid-up equity share capital and free reserves as per the last audited standalone and consolidated financial statements of the Company, respectively. The maximum number of Equity Shares proposed to be bought back represents approximately 0.72% of the total paid-up equity share capital of the Company as on March 31, 2018. The Buyback is in accordance with Article 23 of the Articles of Association of the Company and subject to the provisions of Section 68, 69 and 70 and all other applicable provisions, if any, of the Companies Act and in compliance with Buyback Regulations and subject to such other approvals, permissions and sanctions as may be necessary, from time to time from statutory authorities including but not limited to SEBI, Stock Exchanges, RBI etc.
- 19.2 The aggregate shareholding of the Promoter as on the date of publication of the public announcement i.e. February 6, 2019 is 4,52,56,82,514 Equity Shares, which represents 72.91% of the existing equity share capital of the Company. In terms of the Buyback Regulations, under the Tender Offer route, the Promoter of the Company, has the option to participate in the Buyback. In this regard, the Promoter of the Company has expressed its intention vide a letter dated February 4, 2019, to participate in the Buyback and tender up to 4,46,80,850 Equity Shares.
- 19.3 Assuming response to the Buyback Offer is to the extent of 100% from all the Eligible Shareholders upto their entitlement (full acceptance) and considering the transfer of Equity Shares undertaken on February 21, 2019 as disclosed in paragraph 9.14 of this Letter of Offer, the aggregate shareholding of the Promoter of the Company shall be 4,47,38,13,415 Equity Shares amounting to 72.59% of the post Buyback equity share capital of the Company, which shall represent a decrease of 0.32% from the pre Buyback shareholding of the Promoter as on the Record Date, i.e. 72.91%.

### **19.4 Record Date, Ratio of Buyback as per the Buyback Entitlement of each category**

- a. The Board of Directors on February 4, 2019 has fixed Friday, February 15, 2019 as the Record Date for the purpose of determining the entitlement and the names of the Equity Shareholders, who are eligible to participate in the Buyback Offer.
- b. The Equity Shares proposed to be bought back by the Company shall be divided in two categories:
  1. Reserved category for Small Shareholders ( “**Reserved Category**”); and
  2. General category for all Eligible Shareholders other than Small Shareholders (“**General Category**”)
- c. As defined under Regulation 2(i)(n) of the Buyback Regulations, a “Small Shareholder” is a Shareholder who holds Equity Shares whose market value, on the basis of closing price on NSE as on Record Date, is not more than Rs. 2,00,000/- (Rupees Two Lakh only). As on the Record Date, the closing price on NSE, having the highest trading volume was Rs. 219.95 per Equity Share, accordingly all Shareholders holding not more than 909 Equity Shares as on the Record Date are classified as ‘Small Shareholders’ for the purpose of the Buyback Offer.
- d. Based on the above definition, there are 6,72,740 Small Shareholders with aggregate shareholding of 8,84,81,953 Equity Shares, as on the Record Date, which constitutes 1.43% of the outstanding number of Equity Shares of the Company and 198.03% of the maximum number of Equity Shares which are proposed to be bought back as part of this Buyback Offer.
- e. In compliance with Regulation 6 of the Buyback Regulations, the reservation for the Small Shareholders, will be 67,02,128 Equity Shares which is higher of:
  - i. Fifteen percent of the number of Equity Shares which the Company proposes to Buyback i.e. 15% of 4,46,80,850 Equity Shares which works out to 67,02,128 Equity Shares; or
  - ii. The number of Equity Shares to which the Small Shareholders are entitled, as per their shareholding as on Record Date i.e.  $[(8,84,81,953/6,20,74,09,177) \times 4,46,80,850]$  which works out to 6,36,892 Equity Shares.

All the outstanding fully paid up Equity Shares have been used for computing the entitlement of Small Shareholders since the Promoter also intend to offer Equity Shares held by them in the Buyback.
- f. Based on the above analysis and in accordance with Regulation 6 of the Buyback Regulations, 67,02,128 Equity Shares have been reserved for the Small Shareholders (“**Reserved Category**”) and accordingly, the General Category for all other Eligible Shareholders shall consist of 3,79,78,722 Equity Shares (“**General Category**”).
- g. Based on the above, the entitlement ratio of Buyback for both categories is decided as below:

#### Category Entitlement Ratio of Buyback

Category	Entitlement Ratio of Buyback*
Reserved Category	4 Equity Shares out of every 53 fully paid-up Equity Shares held on the Record Date
General Category	1 Equity Shares out of every 162 fully paid-up Equity Shares held on the Record Date

*\*The above Ratio of Buyback is approximate and providing indicative Buyback Entitlement. Any computation of entitled Equity Shares using the above Ratio of Buyback may provide a slightly different number due to rounding-off. The actual Buyback Entitlement for Reserved category for Small Shareholders is 7.5745680338% and General category for all other Eligible Shareholders is 0.6206761514%.*

#### 19.5 Fractional entitlements

If the entitlement under Buyback, after applying the above mentioned ratios to the Equity Shares held on Record Date, is not a round number (i.e. not in the multiple of 1 Equity Share) then the

fractional entitlement shall be ignored for computation of entitlement to tender Equity Shares in the Buyback Offer, for both categories of Eligible Shareholders.

On account of ignoring the fractional entitlement, those Small Shareholders who hold 13 or less Equity Shares as on Record Date, will be dispatched a Tender Form with zero entitlement. Such Small Shareholders are entitled to tender additional Equity Shares as part of the Buyback Offer and will be given preference in the acceptance of one Equity Share, if such Small Shareholders have tendered additional Equity Shares.

#### 19.6 **Basis of acceptance of Equity Shares validly tendered in the Reserved Category**

Subject to the provisions contained in this Letter of Offer, the Company will accept the Shares tendered in the Buyback Offer by the Small Shareholders in the Reserved Category in the following order of priority:

- a. Full acceptance (100%) of Shares from Small Shareholders in the Reserved Category who have validly tendered their Shares, to the extent of their Buyback Entitlement, or the number of Shares tendered by them, whichever is less.
- b. Post the acceptance as described in paragraph 19.6(a) above, in case, there are any Shares left to be bought back from the Small Shareholders in the Reserved Category, the Small Shareholders who were entitled to tender zero Shares (on account of fractional entitlement), and have tendered additional Shares, shall be given preference and one Equity Share each from the additional Shares tendered by these Small Shareholders shall be bought back in the Reserved Category.
- c. Post the acceptance as described in paragraph 19.6(a) and (b), in case, there are any validly tendered unaccepted Shares in the Reserved Category (“**Reserved Category Additional Shares**”) and Shares left to be bought back in Reserved Category, the Reserved Category Additional Shares shall be accepted in a proportionate manner and the acceptances shall be made in accordance with the Buyback Regulations, i.e. valid acceptances per Eligible Shareholder shall be equal to the Reserved Category Additional Shares tendered by the Eligible Shareholder divided by the total Reserved Category Additional Shares and multiplied by the total number of Shares remaining to be bought back in Reserved Category. For the purpose of this calculation, the Reserved Category Additional Shares taken into account for such Small Shareholders, from whom one Equity Share has been accepted in accordance with paragraph 19.6(b), shall be reduced by one.
- d. Adjustment for fractional results in case of proportionate acceptance, as described in paragraph 19.6(c), will be made as follows:
  - For any Small Shareholder, if the number of Additional Shares to be accepted, calculated on a proportionate basis is not in the multiple of 1 (one) and the fractional acceptance is greater than or equal to 0.50 (point five zero), then the fraction would be rounded off to the next higher integer.
  - For any Small Shareholder, if the number of Additional Shares to be accepted, calculated on a proportionate basis is not in the multiple of 1 and the fractional acceptance is less than 0.50, then the fraction shall be ignored.

#### 19.7 **Basis of acceptance of Equity Shares validly tendered in the General Category**

Subject to the provisions contained in this Letter of Offer, the Company will accept the Shares tendered in the Buyback Offer by Eligible Shareholders (other than Small Shareholders) in the General Category in the following order of priority:

- a. Full acceptance (100%) of Shares from Eligible Shareholders in the General Category who have validly tendered their Shares, to the extent of their Buyback Entitlement, or the number of Shares tendered by them, whichever is less.
- b. Post the acceptance as described in paragraph 19.7 (a), in case, there are any validly tendered unaccepted Shares in the General Category (“**General Category Additional Shares**”) and Shares left to be bought back in General Category, the General Category Additional Shares shall be accepted in a proportionate manner and the acceptances shall be made in accordance with the Buyback Regulations, i.e. valid acceptances per Shareholder shall be equal to the

General Category Additional Shares by the Shareholder divided by the total General Category Additional Shares and multiplied by the total number of Shares remaining to be bought back in General Category.

- c. Adjustment for fractional results in case of proportionate acceptance, as described in paragraph 19.7 (b), will be made as follows:
- For any Eligible Shareholder, if the number of Additional Shares to be accepted, calculated on a proportionate basis is not in the multiple of 1 and the fractional acceptance is greater than or equal to 0.50, then the fraction would be rounded off to the next higher integer.
  - For any Eligible Shareholder, if the number of Additional Shares to be accepted, calculated on a proportionate basis is not in the multiple of 1 and the fractional acceptance is less than 0.50, then the fraction shall be ignored.

#### 19.8 **Basis of acceptance of Equity Shares between the two categories**

- a. After acceptances of tenders, as mentioned in paragraph 19.6 and 19.7, in case, there are any Shares left to be bought back in one category (“**Partially Filled Category**”) and there are additional unaccepted validly tendered Shares (“**Further Additional Shares**”) in the second category (“**Over Tendered Category**”), then the Further Additional Shares in the Over Tendered Category shall be accepted in a proportionate manner i.e. valid acceptances per Shareholder shall be equal to Further Additional Shares validly tendered by the Shareholder in the Over Tendered Category divided by the total Further Additional Shares in the Over Tendered Category and multiplied by the total Shares left to be bought back in the Partially Filled Category.
- b. If the Partially Filled Category is the General Category and the Over Tendered Category is the Reserved Category, then any Small Shareholder who has received a Tender Form with zero Buyback Entitlement and who has tendered Additional Shares shall be eligible for priority acceptance of one Equity Share before acceptance in paragraph 19.8(a) out of the Shares left to be bought back in the Partially Filled Category provided no acceptance could take place from such Shareholder in accordance with paragraph 19.6.
- c. Adjustment for fraction results in case of proportionate acceptance, as defined in paragraph 19.8(a) and (b):
- For any Eligible Shareholder, if the number of Further Additional Shares to be accepted, calculated on a proportionate basis is not in the multiple of 1 and the fractional acceptance is greater than or equal to 0.50, then the fraction would be rounded off to the next higher integer.
  - For any Eligible Shareholder, if the number of Further Additional Shares to be accepted, calculated on a proportionate basis is not in the multiple of 1 and the fractional acceptance is less than 0.50, then the fraction shall be ignored.

In case of any practical issues, resulting out of rounding-off of Shares or otherwise, the Buyback Committee or any person(s) authorized by the Buyback Committee will have the authority to decide such final allocation with respect to such rounding-off or any excess of Equity Shares or any shortage of Equity Shares after allocation of Equity Shares as set out in the process described in paragraph 19.

#### 19.9 **For avoidance of doubt, it is clarified that, in accordance with the clauses above:**

- Shares accepted under the Buyback from each Eligible Shareholder, shall be lower of the following:
  - the number of Shares tendered by the respective Eligible Shareholder and
  - the number of Shares held by the respective Eligible Shareholder, as on the Record Date.
- Shares tendered by any Eligible Shareholder over and above the number of Shares held by such Eligible Shareholder as on the Record Date shall not be considered for the purpose of acceptance.

## 19.10 Clubbing of Entitlement

In order to ensure that the same shareholders with multiple demat accounts/ folios do not receive a higher entitlement under the Small Shareholder category, the Company will club together the Equity Shares held by such shareholders with a common PAN for determining the category (Small Shareholder or General) and entitlement under the Buyback. In case of joint shareholding, the Company will club together the Equity Shares held in cases where the sequence of the PANs of the joint shareholders is identical. In case of Eligible Shareholders holding Equity Shares in physical form, where the sequence of PANs is identical and where the PANs of all joint shareholders are not available, the Company will check the sequence of the names of the joint holders and club together the Equity Shares held in such cases where the sequence of the PANs and name of joint shareholders are identical. The shareholding of institutional investors like mutual funds, pension funds / trusts, insurance companies, etc. with a common PAN will not be clubbed together for determining the category and will be considered separately where these Equity Shares are held for different schemes and have a different demat account nomenclature based on information prepared by the Registrar as per the shareholder records received from the Depositories. Further, the Equity Shares held under the category of “clearing members” or “corporate body margin account” or “corporate body – broker” as per the beneficial position data as on Record Date with common PAN are not proposed to be clubbed together for determining their entitlement and will be considered separately, where these Equity Shares are assumed to be held on behalf of clients.

## 20. PROCEDURE FOR TENDERING SHARES AND SETTLEMENT

- 20.1 The Buyback is open to all Eligible Shareholders of the Company holding Equity Shares either in physical and/or dematerialized form on the Record Date.
- 20.2 The Company proposes to effect the Buyback through the Tender Offer route, on a proportionate basis. The Letter of Offer and Tender Form, outlining the terms of the Buyback as well as the detailed disclosures as specified in the Buyback Regulations, will be mailed/dispatched to Eligible Shareholders.
- 20.3 The Eligible Shareholders who have registered their email IDs with the depositories / the Company, shall be dispatched the Letter of Offer through electronic means. The Eligible Shareholders who have not registered their email ids with the depositories / the Company, shall be dispatched the Letter of Offer through physical mode by registered post / speed post / courier. In case of non-receipt of Letter of Offer and the Tender Form, please follow the procedure as mentioned in paragraph 20.25 below.
- 20.4 An unregistered shareholder may also tender his shares for buy-back by submitting the duly executed transfer deed for transfer of shares, purchased prior to Record Date, in his name, along with the offer form, copy of his PAN card and of the person from whom he has purchased shares and other relevant documents as required for transfer, if any. For further details, please refer to paragraph 20.23 of this Letter of Offer.
- 20.5 The Company will not accept any Equity Shares offered for Buyback which are under any restraint order of a court for transfer/ sale of such shares or where loss of share certificates has been notified to the Company and the duplicate share certificates have not been issued either due to such request being under process as per the provisions of law or otherwise. The Company shall comply with Regulation 24(v) of the Buyback Regulations which states that the Company shall not buyback locked-in Equity Shares and non-transferable Equity Shares till the pendency of the lock-in or till such Equity Shares become transferable. The Company shall also not accept the Equity Shares offered for Buyback where the title to such Equity Shares is under dispute or otherwise not clear.
- 20.6 Eligible Shareholders will have to transfer the Equity Shares from the same demat account in which they were holding the Equity Shares as on the Record Date and in case of multiple demat accounts, Eligible Shareholders are required to tender the applications separately from each demat account. In case of any changes in the demat account in which the Equity Shares were held as on Record Date, such Eligible Shareholders should provide sufficient proof of the same to the Registrar to the Buyback and such tendered Equity Shares may be accepted subject to appropriate verification and validation by the Registrar to the Buyback. The Board or Buyback Committee authorized by the Board will have the authority to decide such final allocation in case of non-receipt of sufficient proof by such Eligible Shareholder.
- 20.7 Eligible Shareholders' participation in Buyback is voluntary. Eligible Shareholders holding Equity Shares of the Company may choose to participate and get cash in lieu of shares to be accepted under

the Buyback or they may choose not to participate. Eligible Shareholders holding Equity Shares of the Company may also accept a part of their entitlement. Eligible Shareholders holding Equity Shares of the Company also have the option of tendering Additional Shares (over and above their entitlement) and participate in the shortfall created due to non-participation of some other Eligible Shareholders, if any. The acceptance of any Equity Shares tendered in excess of the Buyback Entitlement by the Eligible Shareholder shall be in terms of the procedure outlined herein.

- 20.8 The maximum tender under the Buyback by any Eligible Shareholder cannot exceed the number of Equity Shares held by the Eligible Shareholder as on the Record Date.
- 20.9 The Company shall accept all the Equity Shares validly tendered for the Buyback by Eligible Shareholders, on the basis of their Buyback Entitlement as on the Record Date.
- 20.10 As elaborated under paragraph 19.4(g) above, the Equity Shares proposed to be bought as a part of the Buyback are divided into two categories: (a) Reserved Category for Small Shareholders and (b) the General Category for all other Eligible Shareholders. The Buyback Entitlement of Eligible Shareholders in each category shall be calculated accordingly.
- 20.11 Post acceptance of the Equity Shares tendered on the basis of Buyback Entitlement, Equity Shares left to be bought as a part of the Buyback, if any, in one category shall first be Accepted, in proportion to the Equity Shares tendered, over and above their Buyback Entitlement, by Eligible Shareholders in that category, and thereafter, from Eligible Shareholders who have tendered over and above their Buyback Entitlement, in other category.
- 20.12 The Buyback shall be implemented using the “Mechanism for acquisition of shares through Stock Exchange” notified by SEBI Circular and following the procedure prescribed in the Companies Act, the Share Capital Rules and the Buyback Regulations and as may be determined by the Board (including the Buyback committee authorized to complete the formalities of the Buyback) and on such terms and conditions as may be permitted by law from time to time.
- 20.13 For implementation of the Buyback, the Company has appointed ICICI Securities Limited as the registered broker to the Company (the “**Company’s Broker**”) to facilitate the process of tendering of Equity Shares through Stock Exchange Mechanism for the Buyback as described in this paragraph 20.12. In the tendering process, the Company’s Broker may also process the orders received from the Eligible Shareholders. The contact details of the Company’s Broker are as follows



**Name:** ICICI Securities Limited  
**Address:** ICICI Centre, H.T. Parekh Marg  
Churchgate, Mumbai 400 020  
**Contact Person:** Mitesh Shah/ Arjun A Mehrotra  
**Tel:** + 91 (22) 2288 2460  
**Fax:** + 91 (22) 2282 6580  
**Email:** coalindia.buyback@icicisecurities.com  
**Website:** www.icicisecurities.com  
**SEBI Registration No.:** INZ000183631  
**CIN:** L67120MH1995PLC086241

- 20.14 The Company will request BSE to provide the separate acquisition window to facilitate placing of sell orders by shareholders who wish to tender Equity Shares in the Buyback. BSE would be the designated stock exchange for the Buyback (“**Designated Stock Exchange**”). The details of the platform will be specified by BSE from time to time. In case Eligible Shareholders’ Stock Broker is not registered with BSE, Eligible Shareholders may choose to approach Company’s Broker to place its bid.
- 20.15 All Eligible Shareholders may place orders in the Acquisition Window, through their respective stock brokers (“**Seller Member(s)**”).
- 20.16 In the event Seller Member(s) are not registered with the Designated Stock Exchange or if the Eligible Shareholders do not have any stock broker then that Eligible Shareholders can approach any stock broker registered with the Designated Stock Exchange and can make a bid by using quick unique client code (“**UCC**”) facility through that stock broker registered with the Designated Stock Exchange after submitting the details as may be required by the stock broker to be in compliance

with the Buyback Regulations. In case Eligible Shareholders is not able to bid using quick UCC facility through any other stock broker registered with the Designated Stock Exchange, then the Eligible Shareholders may approach Company's Broker viz. ICICI Securities Limited, to bid by using quick UCC facility after submitting requisite documents.

Eligible Shareholders approaching a stock broker registered with the Designated Stock Exchange (with whom they do not have an account) may have to submit the requisite documents as may be required. The requirement of documents and procedures may vary from broker to broker, and may *inter alia* include:

**In case of Eligible Seller being an individual**

**If Eligible Seller is registered with KYC Registration Agency (“KRA”): Forms required:**

- Central Know Your Client (CKYC) form including FATCA, IPV, OSV if applicable
- Know Your Client (KYC) form Documents required (all documents self-attested):
  - Bank details (cancelled cheque)
- Demat details only if Equity Shares are in demat mode (Demat Master /Latest Demat statement)

**If Eligible Seller is not registered with KRA: Forms required:**

- CKYC form including FATCA, IPV, OSV if applicable
- KRA form
- KYC form Documents required (all documents self-attested):
  - PAN card copy
  - Address proof
  - Bank details (cancelled cheque)
- Demat details only if Equity Shares are in demat mode (Demat master /Latest Demat statement)

It may be noted that other than submission of above forms and documents in person verification may be required.

**In case of Eligible Seller is HUF:**

**If Eligible Seller is registered with KYC Registration Agency (“KRA”): Forms required:**

- Central Know Your Client (CKYC) form of KARTA including FATCA, IPV, OSV if applicable
- Know Your Client (KYC) form Documents required (all documents self-attested):
  - Bank details (cancelled cheque)
- Demat details only if Equity Shares are in demat mode (Demat Master /Latest Demat statement)

**If Eligible Seller is not registered with KRA: Forms required:**

- CKYC form of KARTA including FATCA, IPV, OSV if applicable
- KRA form
- Know Your Client (KYC) form Documents required (all documents self-attested):
  - PAN card copy of HUF & KARTA
  - Address proof of HUF & KARTA
  - HUF declaration
  - Bank details (cancelled cheque)
- Demat details only if Equity Shares are in demat mode (Demat master /Latest Demat statement)

It may be noted that other than submission of above forms and documents in person verification

may be required.

**In case of Eligible Seller other than Individual and HUF:**

If Eligible Seller is KRA registered: Form required

- Know Your Client (KYC) form Documents required (all documents certified true copy)
  - Bank details (cancelled cheque)
- Demat details only if Equity Shares are in demat mode (Demat master /Latest Demat statement)
- FATCA, IPV, OSV if applicable
- Latest list of Directors/authorised signatories/partners/trustees
- Latest shareholding pattern
- Board resolution
- Details of ultimate beneficial owner along with PAN card and address proof
- Last 2 years financial statements

If Eligible Seller is not KRA registered: Forms required:

- KRA form
- Know Your Client (KYC) form Documents required (all documents certified true copy):
  - PAN card copy of company/ firm/trust
  - Address proof of company/ firm/trust
  - Bank details (cancelled cheque)
- Demat details only if Equity Shares are in demat mode (Demat Master /Latest Demat statement)
- FATCA, IPV, OSV if applicable
- Latest list of Directors/authorised signatories /partners/trustees
- PAN card copies & address proof of Directors/authorised signatories/partners/trustees
- Latest shareholding pattern
- Board resolution/partnership declaration
- Details of ultimate beneficial owner along with PAN card and address proof
- Last 2 years financial statements
- MOA/Partnership deed /trust deed

Additionally, registered Equity Shareholders holding Equity Shares in Physical form must also provide the documents mentioned in paragraph 20.23(a).

It may be noted that above mentioned list of documents is an indicative list. The requirement of documents and procedures may vary from broker to broker.

- 20.17 All Eligible Shareholders, through their respective Seller Member will be eligible and responsible to place orders in the acquisition window. All Eligible Shareholders can enter orders for Equity Shares in demat form as well as Equity Shares in physical form.
- 20.18 During the Tendering Period, the order for selling the Equity Shares will be placed in the acquisition window by Eligible Shareholders through their respective Seller Members during normal trading hours of the secondary market.
- 20.19 Modification/ cancellation of orders and multiple bids from a single Shareholder will be allowed during the Tendering Period of the Buyback offer. Multiple bids made by single Shareholder for selling the Equity Shares shall be clubbed and considered as 'one' bid for the purposes of acceptance.
- 20.20 The cumulative quantity tendered shall be made available on website of the Designated Stock Exchange at [www.bseindia.com](http://www.bseindia.com) throughout the trading session and will be updated at specific intervals during the Tendering Period.



20.21 All documents sent by the Eligible Shareholders will be at their own risk. Eligible Shareholders are advised to safeguard adequately their interests in this regard.

**20.22 Procedure to be followed by Eligible Shareholders holding Equity Shares in the dematerialised form**

- a) Eligible Shareholders who desire to tender their Equity Shares in the electronic form under Buyback would have to do so through their respective Seller Member by indicating to their Seller Member the details of Equity Shares they intend to tender under the Buyback.
- b) The Seller Member would be required to place an order/ bid on behalf of the Eligible Shareholders who wish to tender Equity Shares in the Buyback using the acquisition window of the Designated Stock Exchange. Before placing the bid, the Eligible Shareholder would be required to transfer the tendered Equity Shares to the special account of the Clearing Corporation, by using the early pay in mechanism of the depository prior to placing the order/ bid on the platform of the Stock Exchanges by the Seller Member. For further details, Eligible Shareholders may refer to the circulars issued by the Designated Stock Exchange/ Clearing Corporation.
- c) The details of the settlement number of the special account of the Clearing Corporation under which the Equity Shares are to be transferred in the account of Clearing Corporation for the Buyback will be provided in a separate circular to be issued by the Clearing Corporation.
- d) For custodian participant orders for demat Equity Shares early pay-in is mandatory prior to confirmation of order/bid by custodian. The custodian shall either confirm or reject the orders not later than the closing of trading hours (i.e., 3:30 p.m.) on the last day of the Tendering Period (i.e., the Buyback Closing Date). Thereafter, all unconfirmed orders shall be deemed to be rejected. For all confirmed custodian participant orders, order modification shall revoke the custodian confirmation and the revised order shall be sent to the custodian again for confirmation.
- e) Upon placing the bid, the Seller Member shall provide a TRS generated by the exchange bidding system to the Eligible Shareholder. TRS will contain the details of order submitted like bid ID number, application number, DP ID, client ID, number of Equity Shares tendered, etc.
- f) Eligible Shareholders shall also provide all relevant documents, which are necessary to ensure transferability of the Equity Shares in respect of the Tender Form to be sent. Such documents may include (but not limited to):
  - i. Duly attested power of attorney, if any person other than the Eligible Shareholder has signed the Tender Form;
  - ii. Duly attested death certificate and succession certificate/ legal heirship certificate/court approved scheme of merger/amalgamation for a company, in case any Eligible Shareholder has expired; and
  - iii. In case of companies, the necessary certified corporate authorizations (including board and/ or general meeting resolutions).
- g) in case of demat equity shares, submission of Tender Form and TRS is not mandatory. After the receipt of the demat Equity Shares by the Clearing Corporation and a valid bid in the exchange bidding system, the Eligible Shareholders holding Equity Shares in demat form have successfully tendered the Equity Shares in the Buyback.
- h) The Eligible Shareholders will have to ensure that they keep the DP account active and unblocked to receive credit in case of return of Equity Shares due to rejection or due to prorated Buyback decided by the Company. Further, Eligible Shareholders will have to ensure that they keep the savings bank account attached with the DP account active and updated to receive credit remittance due to acceptance of Buyback of shares by the Company.
- i) The details of the account opened with DP as given below in to which the Equity Shares tendered are to be transferred:

DP ID	IN300118
DP Name	Alankit Assignments Limited

Beneficiary Client ID	11758483
Client Account Name	Coal India Ltd – Buyback 2019 Escrow Account

**20.23 Procedure to be followed by Eligible Shareholders holding Equity Shares in physical form**

- a) Eligible Shareholders who are holding physical Equity Shares and intend to participate in the Buyback will be required to approach their respective Seller Members along with the complete set of documents for verification procedures to be carried out including the (i) original share certificate(s), (ii) valid share transfer form(s) (i.e., form SH-4) duly filled and signed by the transferors (i.e. by all registered Eligible Shareholders in same order and as per the specimen signatures registered with the Company) and duly witnessed at the appropriate place authorizing the transfer in favour of the Company, (iii) self-attested copy of the Eligible Shareholder's PAN Card, (iv) the Tender Form duly signed (in case the Equity Shares are in joint names, the Tender Form must be signed by all Eligible Shareholders in the same order in which they hold the Equity Shares), and (v) any other relevant documents such as power of attorney, corporate authorization (including board resolution/ specimen signature), notarized copy of death certificate and succession certificate or probated will, if the original shareholder has deceased, etc., as applicable. In addition, if the address of an Eligible Shareholder has undergone a change from the address registered in the Register of Members of the Company, such Eligible Shareholder would be required to submit a self-attested copy of address proof consisting of any one of the following documents: valid Aadhar Card, Voter Identity Card or Passport.
- b) Based on the documents mentioned in paragraph 20.23(a) above, the concerned Seller Member shall place the bid on behalf of the Eligible Shareholder holding Equity Shares in physical form who wishes to tender Equity Shares in the Buyback using the acquisition window of the Stock Exchanges. Upon placing the bid, the Seller Member shall provide a TRS generated by the Stock Exchanges' bidding system to the Eligible Shareholder. TRS will contain the details of order submitted like Folio No., Certificate No., Distinctive No., No. of Equity Shares tendered etc.
- c) After placing the Bid, the Seller Member of the Eligible Shareholder has to deliver the original share certificate(s) and documents (as mentioned in paragraph 20.23(a) above along with TRS either by registered post or courier or hand delivery to the Registrar (at the address mentioned at paragraph 18 above not later than 2 (two) days from the Buyback Closing Date, by Monday, March 18, 2019 by 5:00 p.m. The envelope should be super scribed as "Coal India Limited Buyback Offer 2019". One copy of the TRS will be retained by Registrar and it will provide acknowledgement of the same to the Seller Member/ Eligible Shareholder.
- d) Eligible Shareholder holding physical Equity Shares should note that physical Equity Shares will not be accepted unless the complete set of documents are submitted. Acceptance of the physical Equity Shares for the Buyback shall be subject to verification as per the Buyback Regulations and any further directions issued in this regard. The Registrar will verify such bids based on the documents submitted on a daily basis and till such time the Stock Exchanges shall display such bids as 'unconfirmed physical bids'. Once the Registrar confirms the bids, it will be treated as 'confirmed bids'.
- e) All documents as mentioned above, shall be enclosed with the valid Tender Form, otherwise the Equity Shares tendered will be liable for rejection. The Equity Shares shall be liable for rejection on the following grounds amongst others: (i) If there is any other company's equity share certificate(s) enclosed with the Tender Form instead of the Equity Share certificate(s) of the Company; (ii) If the transmission of Equity Shares is not completed, and the Equity Shares are not in the name of the Eligible Shareholders; (iii) If the Eligible Shareholders tender Equity Shares but the Registrar to the Buyback does not receive the Equity Share certificate(s); (iv) In case the signature on the Tender Form and Form SH-4 does not match as per the specimen signature recorded with Company/Registrar and Transfer Agent of the Company.
- f) In case any Eligible Shareholder has submitted Equity Shares in physical form for dematerialization, such Eligible Shareholders should ensure that the process of getting the Equity Shares dematerialized is completed well in time so that they can participate in the Buyback before Buyback Closing Date.

**20.24 For Equity Shares held by Eligible Shareholders, being Non-Resident Shareholders of Equity Shares (Read with paragraph 17 "Details of the Statutory Approvals"):**

- a) Eligible Shareholders, being Non-Resident Shareholders of Equity Shares (excluding FIIs) shall also enclose a copy of the permission received by them from RBI, if applicable, to acquire the Equity Shares held by them.
- b) In case the Equity Shares are held on repatriation basis, the Non-Resident Eligible Shareholder shall obtain and enclose a letter from its authorised dealer / bank confirming that at the time of acquiring such Equity Shares, payment for the same was made by the non-resident Eligible Shareholder from the appropriate account (e.g. NRE a/c.) as specified by RBI in its approval. In case the Non-Resident Seller is not in a position to produce the said certificate, the Equity Shares would be deemed to have been acquired on non-repatriation basis and in that case the Non-Resident Seller shall submit a consent letter addressed to the Company, allowing the Company to make the payment on a non-repatriation basis in respect of the valid Equity shares accepted under the Buyback.
- c) If any of the above stated documents (as applicable) are not enclosed along with the Tender Form, the Equity Shares tendered under the Buyback are liable to be rejected.

**THE NON RECEIPT OF THE LETTER OF OFFER BY, OR ACCIDENTAL OMISSION TO DISPATCH THE LETTER OF OFFER TO ANY PERSON WHO IS ELIGIBLE TO RECEIVE THE SAME TO PARTICIPATE IN THE BUYBACK, SHALL NOT INVALIDATE THE BUYBACK OFFER IN ANY WAY.**

**20.25 In case of non-receipt of the Letter of Offer:**

- a) **In case the Equity Shares are in dematerialised form:** An Eligible Shareholder may participate in the Buyback by downloading the Tender Form from the website of the Company i.e. [www.coalindia.in](http://www.coalindia.in) or the website of the Registrar, [www.alankit.com](http://www.alankit.com) or by providing their application in writing on plain paper, signed by all Equity Shareholders, stating name and address of Shareholder(s), number of Equity Shares held as on the Record Date, Client ID number, DP Name/ ID, beneficiary account number and number of Equity Shares tendered for the Buyback
- b) **In case the Equity Shares are in physical form:** An Eligible Shareholder may participate in the Buyback by providing their application in writing on plain paper signed by all Eligible Shareholders stating name, address, folio number, number of Equity Shares held, share certificate number, number of Equity Shares tendered for the Buyback and the distinctive numbers thereof, enclosing the original share certificate(s), copy of Eligible Shareholders' PAN card(s) and executed share transfer form in favour of the Company. The transfer form SH-4 can be downloaded from the Company's website i.e. [www.coalindia.in](http://www.coalindia.in). After placing the Bid through Seller Member, the Seller Member of the Eligible Shareholders must ensure that the Tender Form, along with the TRS and requisite documents (as mentioned in paragraph 20.23(a) above), reach the Registrar not later than 2 (two) days from the Buyback Closing Date, Monday, March 18, 2019 by 5:00 p.m. If the signature(s) of the Eligible Shareholders provided in the plain paper application differs from the specimen signature(s) recorded with the Registrar and Transfer Agent of the Company or are not in the same order (although attested), such applications are liable to be rejected under this Buyback.

**Please note that Eligible Shareholder(s) who intend to participate in the Buyback will be required to approach their respective Seller Member (along with the complete set of documents for verification procedures) and have to ensure that their bid is entered by their respective Seller Member or broker in the electronic platform to be made available by the Designated Stock Exchange before the Buyback Closing Date.**

**The Company shall accept Equity Shares validly tendered by the Eligible Shareholder(s) in the Buyback on the basis of their shareholding as on the Record Date and the Buyback Entitlement. Eligible Shareholder(s) who intend to participate in the Buyback using the 'plain paper' option as mentioned in this paragraph are advised to confirm their entitlement from the Registrar to the Buyback Offer, before participating in the Buyback.**

- c) The participation of the Eligible Shareholders in the Buyback is entirely at the discretion of the Eligible Shareholders. The Company does not accept any responsibility for the decision of any Eligible Shareholder to either participate or to not participate in the Buyback. The Company will not be responsible in any manner for any loss of Share certificate(s) and other documents during transit and the Eligible Shareholders are advised to adequately safeguard

their interest in this regard.

## 20.26 Method of Settlement

Upon finalization of the basis of acceptance as per Buyback Regulations:

- 1 The settlement of trades shall be carried out in the manner similar to settlement of trades in the secondary market and as intimated by the Clearing Corporation from time to time and in compliance with the SEBI Circular.
- 2 The Company will pay the consideration to the Company's Broker who will transfer the funds pertaining to the Buyback to the Clearing Corporation's bank accounts as per the prescribed schedule. For demat Equity Shares accepted under the Buyback, the Clearing Corporation will make direct funds payout to respective Eligible Shareholders. If Eligible Shareholders' bank account details are not available or if the funds transfer instruction is rejected by RBI/Bank, due to any reason, such funds will be transferred to the concerned Seller Members' settlement bank account for onward transfer to such Eligible Shareholders holding Equity Shares in dematerialized form.
- 3 In case of certain client types viz. Non-Resident Shareholders. (where there may be specific RBI and other regulatory requirements pertaining to funds pay-out) who do not opt to settle through custodians, the funds pay-out would be given to their respective Seller Member's settlement accounts for releasing the same to the respective Eligible Shareholder's account. For this purpose, the client type details would be collected from the Depositories, whereas amount payable to the Eligible Shareholder pertaining to the bids settled through custodians will be transferred to the settlement bank account of the custodian, each in accordance with the applicable mechanism prescribed by the Designated Stock Exchange and the Clearing Corporation from time to time.
- 4 For the Eligible Shareholders holding Equity Shares in physical form, the funds payout would be given to their respective Seller Member's settlement accounts for releasing the same to the respective Eligible Shareholder's account.
- 5 The Equity Shares bought back in demat form would be transferred directly to the demat account of the Company opened for the Buyback ("**Company Demat Account**") provided it is indicated by the Company's Broker or it will be transferred by the Company's Broker to the Company Demat Account on receipt of the Equity Shares from the clearing and settlement mechanism of the Designated Stock Exchange.
- 6 The Eligible Shareholders will have to ensure that they keep the DP account active and unblocked to receive credit in case of return of Equity Shares, due to rejection or due to non-acceptance of shares under the Buyback.
- 7 Excess demat Equity Shares or unaccepted demat Equity Shares, if any, tendered by the Eligible Shareholders would be returned to them by the Clearing Corporation directly to the respective Eligible Shareholder's DP account, as part of the exchange payout process. If the securities transfer instruction is rejected in the depository system, due to any issue then such securities will be transferred to the Seller Member's depository pool account for onward transfer to the Eligible Shareholder. In case of custodian participant orders, excess demat Shares or unaccepted demat Shares, if any, will be returned to the respective custodian participant. The Seller Members would return these unaccepted Equity Shares to their respective clients on whose behalf the bids have been placed. Any excess physical Equity Shares pursuant to proportionate acceptance/rejection will be returned back to the Eligible Shareholders directly by the Registrar. The Company is authorized to split the share certificate and issue new consolidated share certificate for the unaccepted Equity Shares, in case the Equity Shares accepted by the Company are less than the Equity Shares tendered in the Buyback by Eligible Shareholders holding Equity Shares in the physical form.
- 8 The Company's Broker would also issue a contract note to the Company for the Equity Shares Accepted under the Buyback. If Eligible Shareholders bank account details are not available or if the fund transfer instruction is rejected by RBI or bank, due to any reasons, then the amount payable to Eligible Shareholders will be transferred to the Seller Member for onward transfer to the Eligible Shareholder.
- 9 Eligible Shareholders who intend to participate in the Buyback should consult their respective

Seller Members for payment to them of any cost, charges and expenses (including brokerage) that may be levied by the Seller Member upon the Eligible Shareholders for tendering Equity Shares in the Buyback (secondary market transaction). The Buyback consideration received by the Eligible Shareholders from their respective Seller Members, in respect of accepted Equity Shares, could be net of such costs, charges and expenses (including brokerage) and the Manager and the Company accepts no responsibility to bear or pay such additional cost, charges and expenses (including brokerage) incurred solely by the Eligible Shareholders.

- 10 The Equity Shares lying to the credit of the Company Demat Account and the Equity Shares bought back and accepted in physical form will be extinguished in the manner and following the procedure prescribed in the Regulations.

#### 20.27 **Rejection Criteria**

The Equity Shares tendered by Eligible Shareholders would be liable to be rejected on the following grounds:

For Eligible Shareholders holding shares in the dematerialized form if:

- a) the Shareholder is not a Eligible Shareholder of the Company as on the Record Date; or
- b) If there is a name mismatch in the dematerialised account of the Shareholder and PAN.

For Eligible Shareholders holding Equity Shares in the physical form if:

- a) The documents mentioned in the Tender Form for Eligible Shareholders holding Equity Shares in physical form are not received by the Registrar on or before the close of business hours Monday, March 18, 2019 by 5:00 p.m.;
- b) If there is any other company's share certificate enclosed with the Tender Form instead of the share certificate of the Company;
- c) If the transmission of Equity Shares is not completed, and the Equity Shares are not in the name of the Eligible Shareholders;
- d) If the Eligible Shareholders bid the Equity Shares but the Registrar does not receive the physical Equity Share certificate; or
- e) In the event the signature in the Tender Form and Form SH-4 do not match as per the specimen signature recorded with Company or Registrar and Transfer Agent.
- f) The documents mentioned in instruction number 3 and 4 of the Tender Form for physical Equity Shareholders are not received by the Registrar before the close of business hours to the Registrar on or before Monday, March 18, 2019 by 5:00 p.m..
- g) Where there exists any restraint order of a Court/ any other competent authority for transfer / disposal/ sale or where loss of share certificates has been notified to the Company or where the title to the Equity Shares is under dispute or otherwise not clear or where any other restraint subsists.

## 21. **NOTE ON TAXATION**

Given below is a broad summarization of the applicable sections of the Income Tax Act, 1961 ("Income Tax Act") relating to treatment of income tax in case of Buyback of listed equity shares on the stock exchange:

### 21.1 **CLASSIFICATION OF SHARES AND SHAREHOLDERS:**

- i. **Based on the provisions of the Income Tax Act, shares can be classified under the following two categories:**
  - a. Shares held as investment (Income from transfer taxable under the head "Capital Gains")

- b. Shares held as stock-in-trade (Income from transfer taxable under the head “Profits and Gains from Business or Profession”)
- ii. **Based on the provisions of the Income Tax Act, shareholders can be classified under the following categories:**
  - a. **Resident Shareholders being:**
    - Individuals, HUF, AOP and BOI
    - Others
  - b. **Non Resident Shareholders being:**
    - NRIs
    - FIIs
    - Others :
      - ▶ Company
      - ▶ Other than Company

## 21.2 Shares held as investment

- i. For non-residents, taxability of capital gains would be subject to beneficial provisions of applicable Double Taxation Avoidance Agreement (‘DTAA’);
- ii. The taxability of gains as per the provisions of the Income Tax Act, 1961:
  - a. Nature of capital gains as per the provisions of the Income Tax Act, 1961.

As per the provisions of the Income Tax Act, 1961, for the purpose of determining as to whether the capital gains are short-term or long-term in nature:

- Section 2(42A) – Where a capital asset, being listed equity shares of the Company being bought back, is held for a period of less than or equal to 12 months prior to the date of transfer, the same shall be treated as a short-term capital asset, and the gains arising therefrom shall be taxable as short-term capital gains (STCG).
- Section 2(42A) – Similarly, where listed equity shares are held for a period of more than 12 months prior to the date of transfer, the same shall be treated as a long-term capital asset, and the gains arising therefrom shall be taxable as long-term capital gains (LTCG).
- b. Capital gains on buyback of shares are governed by the provisions of section 46A of the Income Tax Act, 1961. As per the provisions of section 46A, buyback of shares held as investment, would attract capital gains in the hands of shareholders as per provisions of section 48 of the Income Tax Act, 1961.

### **Buyback of shares through a recognized stock exchange**

- iii. Where transaction for transfer of such equity shares (i.e. buyback) is entered into through a recognized stock exchange and such transaction is chargeable to Securities Transaction Tax (STT), the taxability is as under (for all categories of shareholders):
  - a. LTCG arising from such transaction would be exempt under section 10(38) of the Income Tax Act, 1961; and
  - b. STCG arising from such transaction would be subject to tax @ 15% under section 111A of the Income Tax Act, 1961.

Further, in case of resident Individual or HUF, the benefit of maximum amount which is not chargeable to income-tax is considered while computing the tax on such STCG.

## 21.3 Shares held as stock-in-trade

- i. If the shares are held as stock-in-trade by any of the Shareholders of the Company, the gains would be characterized as business income. In such a case, the provisions of section 46A of the Income Tax Act would not apply.
- ii. Resident Shareholders:
  - a. For individuals, HUF, AOP, BOI, profits would be taxable at slab rates;
  - b. For persons other than individuals, HUF, AOP, BOI profits would be taxable at the applicable rate;
  - c. No benefit of indexation by virtue of period of holding would be available in any case.
- iii. Non Resident Shareholders:
  - a. For Non Residents, taxability of profits as business income would be subject to beneficial provisions of applicable DTAA;
  - b. Where DTAA provisions are not applicable:
    - For non-resident individuals, HUF, AOP, BOI, profits would be taxable at slab rates;
    - For foreign companies, profits would be taxed in India @ 40%;
    - For other non-resident shareholders, such as foreign firms, profits would be taxed in India @ 30%.

#### 21.4 TAX DEDUCTION AT SOURCE:

- i. In case of Resident Shareholders

In absence of any specific provision under the Income Tax Act, 1961, the Company shall not deduct tax on the consideration payable to resident shareholders pursuant to the said Buyback.

- ii. In the case of Non Resident Shareholders.

Since the buyback is through the stock exchange, the responsibility of discharge of the tax due on the gains (if any) is on the non-resident shareholder. It is therefore recommended the non-resident shareholder may consult their custodians / authorized dealers / tax advisors appropriately.

#### 21.5 THE TAX RATE AND OTHER PROVISIONS MAY UNDERGO CHANGES:

- i. In addition to the above Capital Gain Tax, Surcharge and Health & Education Cess are leviable as under:
  - a. In case of foreign companies and FIIs : Surcharge is levied @ 2% on the amount of income tax, if total income exceeds Rs.1 crore but does not exceed Rs.10 crore and @ 5% on the amount of income-tax if total income exceeds Rs.10 crore;
  - b. In case of other non-resident assesses (i.e. other than foreign companies) : Surcharge @ 15% for non-resident individual / HUF / AOP / BOI, where the total income exceeds Rs.1 crore; and @ 10% in case of others, where the total income is in between Rs.50 lakh and Rs.1 crore;
  - c. In case of domestic companies : Surcharge @ 7% is levied where the total income exceeds Rs.1 crore but does not exceed 10 crore and @ 12% is levied where the total income exceeds Rs.10 crore;
  - d. In case of resident assesses (i.e. other than domestic companies): Surcharge @ 15%, where the total income exceeds Rs.1 crore; and @ 10% in case of others, where the total income is in between Rs.50 lakh and Rs.1 crore;

- e. Further in the case of a Senior Citizen (who is 60 years or more, but less than 80 years as on 31.03.2019), where the total income is more than Rs.3 lakh, Health & Education Cess of 4% will be levied on the amount of income tax plus surcharge;
  - f. Further in the case of a Super Senior Citizen (who is 80 years or more at any time during the financial year beginning on 1<sup>st</sup> April, 2018), where the total income is more than Rs.5 lakh, Health & Education Cess of 4% will be levied on the amount of income tax plus surcharge;
  - g. Further in the case of any other resident individual, every HUF / AOP / BOI / artificial juridical person, where the total income is more than Rs.2.5 lakh, Health & Education Cess of 4% will be levied on the amount of income tax plus surcharge.
- ii. The above note on taxation sets out the provisions of law in a summary manner only and is not a complete analysis or listing of all potential tax consequences of the disposal of equity shares.
  - iii. All the above benefits are as per the current tax laws (including amendments made by the Finance Act, 2018), legislation, its judicial interpretation and the policies of the regulatory authorities are subject to change from time to time, and these may have a bearing on the benefits listed above. Accordingly, any change or amendments in the law or relevant regulations would necessitate a review of the above.
  - iv. Several of these benefits are dependent on the shareholders fulfilling the conditions prescribed under the provisions of the relevant sections under the relevant tax laws.

## 22. DECLARATION FROM THE BOARD OF DIRECTORS

Declaration as required under clause (ix) and clause (x) of Schedule I to the Buyback Regulations:

The Board of Directors confirms that:

1. there are no defaults subsisting in the repayment of deposits or interest payment thereon, redemption of debentures or interest payment thereon, or redemption of preference shares, or payment of dividend due to any shareholder, or repayment of any term loans or interest payable thereon to any financial institution or banking company;
2. the Board of Directors of the Company has confirmed that it has made a full enquiry into the affairs and prospects of the Company and has formed an opinion that:
  - a. immediately following the date of the Board Meeting, there will be no grounds on which the Company could be found unable to pay its debts;
  - b. as regards the Company's prospects for the year immediately following the date of the Board Meeting, and having regard to the Board's intention with respect to the management of Company's business during that year and to the amount and character of the financial resources which will in the Board's view be available to the Company during that year, the Company will be able to meet its liabilities as and when they fall due and will not be rendered insolvent within a period of one year from the date of the Board Meeting; and
  - c. in forming its opinion aforesaid, the Board has taken into account the liabilities (including prospective and contingent liabilities) as if the Company were being wound up under the provisions of the Companies Act, 1956, or the Companies Act or the Insolvency and Bankruptcy Code, 2016, including prospective and contingent liabilities.

Sd/-

Anil Kumar Jha  
Chairman & Managing Director

DIN: 06645361

Sd/-

Shyam Nandan Prasad  
Director (Marketing)/  
Director (Finance) - Addl. Charge

DIN: 07408431



## 23. AUDITOR'S CERTIFICATE

The text of the report dated February 4, 2019 of Ray & Ray, Chartered Accountants, the Statutory Auditors of the Company, addressed to the Board is reproduced below:

### Quote

#### **Statutory Auditor's Report as prescribed in Clause (xi) of Schedule I of the Securities Exchange Board of India (Buy-back of Securities) Regulations, 2018**

To,  
The Board of Directors,  
Coal India Limited,  
Coal Bhawan, Premises No-04  
MAR, Plot No-AF-III, Action  
Area-1A, New town, Rajarhat,  
Kolkata-700156

**Sub: Proposed buyback of Equity Shares of not exceeding 10% of the aggregate of the fully paid-up equity share capital and free reserves as per the audited accounts of the Company for the financial year ended March 31, 2018, on proportionate basis (the "Buy-back"), from the Eligible Shareholders by way of a tender offer through the stock exchange mechanism by Coal India Limited (the "Company").**

1. This report is issued in accordance with the terms of engagement letter dated February 04, 2019. We, M/s Ray & Ray, Chartered Accountants, the Statutory Auditors of the Company, have been informed that the Board of Directors of the Company in their meeting held on February 04, 2019 have decided to buy back the Company's fully paid up equity shares in pursuance of the provisions of Section 68, 69 and 70 of the Companies Act, 2013 at a price of Rs. 235 (Rupees Two Hundred and Thirty Five only) per share, and in terms of the requirements of Clause (xi) of Schedule I of the Securities and Exchange Board of India (Buy-Back of Securities) Regulations, 2018 (hereinafter the "SEBI Buy-back Regulations").
2. The statement of permissible capital payment ("**Annexure A**") as at March 31, 2018 (hereinafter referred together as the "**Statement**") is prepared by the management of the Company, and same is initialed by us for identification purpose only.

#### **Management Responsibility Statement**

3. The preparation of the Statement in accordance with Section 68 (2) of the Companies Act, 2013 and the compliance with the SEBI Buy-back Regulations, is the responsibility of the management of the Company, including the computation of the amount of the permissible capital payment, the preparation and maintenance of all accounting and other relevant supporting records and documents. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the Statement and applying an appropriate basis of preparation; and making estimates that are reasonable in the circumstances.

#### **Auditors' Responsibility Statement**

4. Pursuant to the requirements of the SEBI Buy-back Regulations, it is our responsibility to provide reasonable assurance:
  - i. Whether we have inquired into the state of affairs of the Company in relation to the audited financial statement for the year ended March 31, 2018, March 31, 2017 and March 31, 2016 and unaudited financial results which were subjected to limited review for six months ended September 30, 2018.
  - ii. If the amount of permissible capital payment as stated in "**Annexure A**", has been properly determined considering the audited standalone financial statements in accordance with Section 68(2) of the Companies Act, 2013; and
  - iii. If the Board of Directors in their meeting dated February 04, 2019, have formed the opinion as specified in clause (x) of Schedule I to the SEBI Buy-back Regulations on reasonable grounds that the Company,

having regard to its state of affairs, will not, be rendered insolvent within a period of one year from that date.

5. The financial statements referred to in paragraph 4 above, which we have considered for the purpose of this report, have been audited by M/s. Chaturvedi & Co, Chartered Accountants, the previous statutory auditors of the Company (the “**Previous Auditors**”), on which they have issued an unmodified audit opinion vide their reports dated May 29, 2018, May 29, 2017 and May 28, 2016.
6. We have conducted our examination of the Statement in accordance with the Guidance Note on Reports or Certificates for Special Purposes, issued by The Institute of Chartered Accountant of India. The Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by The Institute of Chartered Accountant of India.
7. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.
8. Based on inquires conducted and our examination as above, we report that:
  - i. We have inquired into the state of affairs of the Company in relation to its audited financial statements as at and for the year ended March 31, 2018, March 31, 2017 and March 31, 2016 and unaudited financial results which were subjected to limited review for six months ended September 30, 2018
  - ii. The amount of permissible capital payment (including premium) towards the proposed buy back of equity shares computed in the Statement attached herewith is in our view has been properly determined in accordance with Section 68 (2) of the Companies Act, 2013.
  - iii. The Board of Directors of the Company in their meeting held on February 04, 2019, have formed their opinion as specified in clause (x) of Schedule I of the SEBI Buy-back Regulations, on reasonable grounds that the Company having regard to its state of affairs, shall not be rendered insolvent within a period of one year from that date.

#### **Restriction on Use**

9. The report is addressed to and provided to the Board of Directors of the Company pursuant to the requirements of the SEBI Buy-back Regulations solely to enable the Board of Directors of the Company to include it in Public Announcement, the Draft Letter of Offer and the Letter of Offer and other documents pertaining to the Buyback to be sent to the shareholders of the Company and / or filed with various statutory, regulatory or governmental authorities / agencies such as Registrar of Companies, Securities and Exchange Board of India, stock exchanges and for providing to other parties, including the Manager to the offer, in connection with buy-back of not exceeding 4,46,80,850 (Four Crore Forty Six Lakh Eighty Thousand Eight Hundred and Fifty only) equity shares, in pursuance of provisions of section 68, 69 and 70 of the Companies Act, 2013, the SEBI Buy-back Regulations and should not be used for any other purpose or by any other person.

For **RAY & RAY**  
Chartered Accountants  
(Firm's Registration No. 301072E)

(Nabanita Ghosh)  
Partner

Membership No. 058477  
UDIN: 19058477AAAAAA1376

Place: New Delhi  
Date: February 04, 2019

#### **Annexure A**

#### **Coal India Limited**

Statement of permissible capital payment towards the Buy-back of equity shares (including premium):

Particulars	Amount (Rs. in Crore) As on March 31, 2018	
	Standalone	Consolidated
<b>Issued, subscribed and fully paid equity shares:</b>		
620,74,09,177 Equity Shares of Rs. 10/- each, fully paid	6,207.41	6,207.41
<b>Total- A</b>	<b>6,207.41</b>	<b>6,207.41</b>
<b>Free Reserves</b>		
General Reserve	4,238.05	19,651.32
Retained Earnings	203.69	(9,601.57)
<b>Total- B</b>	<b>4,441.74</b>	<b>10,049.75</b>
<b>Total C= A+B</b>	<b>10,649.15</b>	<b>16,257.16</b>
Maximum amount permissible for the Buy-back i.e.10% of the aggregate fully paid-up equity share capital and free reserves pursuant to Section 68(2) of the Companies Act requiring Board Resolution.	1,064.92	1,625.72
Amount approved by the Board of Directors for buy-back in the meeting held on February 04, 2019	1,050.00	1,050.00

### Unquote

#### 24. DOCUMENTS FOR INSPECTION

Copies of the following documents will be available for inspection at the registered office of the Company at Premises no-04-MAR, Plot no-AF-III, Action Area-1A, Newtown, Rajarhat, Kolkata 700156 on any working day (i.e. Monday to Friday) between 11:00 am to 2:00 pm during the Offer Period .

- a) Copy of the Certificate of Incorporation and the Memorandum and Articles of Association of Coal India Limited
- b) Copy of the annual reports of Coal India Limited for the years ended March 31, 2018, March 31, 2017 and March 31, 2016, and the limited review standalone results for the six month period ended September 30, 2018;
- c) Copy of the resolution passed by the Board of Directors at the meeting held on February 4, 2019 approving proposal for Buyback;
- d) Copy of Certificate dated February 4, 2019 received from Ray & Ray, Chartered Accountants, the Statutory Auditors of the Company, in terms of clause (xi) of Schedule II of the Buyback Regulations;
- e) Copy of Declaration of solvency and an affidavit in form SH-9 as prescribed under section 68(6) of the Companies Act;
- f) Copy of Escrow Agreement dated February 21, 2019 between Coal India Limited, the Manager to the Buyback and the Escrow Agent;
- g) Certificate dated February 4, 2019 received from Nabanita Ghosh (Membership No. 058477), Partner at Ray & Ray, Chartered Accountants (Firm Registration No. 301072E), certifying that the Company has made firm financing arrangements for fulfilling the obligations under the Buyback, in accordance with the Regulations;
- h) Copy of Public Announcement dated February 4, 2019 regarding Buyback of Equity Shares; and
- i) Copy of SEBI observation letter no. SEBI/HO/CFD/DCR1/OW/P/2019/5127/1 dated February 25, 2019.

#### 25. DETAILS OF THE COMPLIANCE OFFICER

The Company has designated the following as the Compliance Officer for the Buyback:

**Name** : Mr. M. Viswanathan

**Designation** : Company Secretary and Compliance Officer  
**Address** : Premises no-04-MAR, Plot no-AF-III, Action Area-1A, Newtown,  
Rajarhat, Kolkata-700156  
**Phone** : +91 (33) 23246526  
**Fax** : +91 (33) 23246510  
**Email** : mviswanathan2.cil@coalindia.in  
**Website** : www.coalindia.in

In case of any clarifications or to address investor grievance, the Shareholders may contact the Compliance Officer, from Monday to Friday between 10 am to 5 pm on all working days except public holidays, at the above-mentioned address.

## 26. REMEDIES AVAILABLE TO SHAREHOLDERS/ BENEFICIAL OWNERS

In case of any grievance relating to the Buyback (e.g. non-receipt of the Buyback consideration, share certificate, demat credit etc.) the investor can approach the Compliance Officer and/or Manager to the Buyback and/or the Registrar to the Buyback for redressal.

If the Company makes any default in complying with the provisions of Section 68 of the Companies Act or any rules made there-under, or any regulation or under clause (f) of subsection (2) of Section 68 of the Companies Act, the Company or any officer of the Company who is in default shall be punishable with imprisonment for a term and its limit, or with a fine and its limit or with both in terms of the Companies Act.

The address of the concerned office of the Registrar of Companies is as follows:

### **The Registrar of Companies (Kolkata, West Bengal)**

Nizam Palace  
2nd MSO Building  
2nd Floor, 234/4, A.J.C.B. Road  
Kolkata - 700020  
Phone: +91 (33) 2287 7390  
Fax: +91 (33) 22903795  
Email: roc.kolkata@mca.gov.in

## 27. DETAILS OF THE MANAGER TO THE BUYBACK

The Company has appointed the following as Manager to the Buyback:



IDBI Capital Markets & Securities Limited  
6th Floor, IDBI Tower, WTC Complex,  
Cuffe Parade  
Mumbai – 400 005, Maharashtra, India  
Tel: +91 (22) 22171700  
Fax: +91 (22) 22151787  
Contact Person: Mr. Sumit Singh  
Email: cil.buyback@idbicapital.com  
Website: www.idbicapital.com  
SEBI Registration Number: INM000010866  
Validity Period: Permanent  
CIN: U65990MH1993GOI075578

## 28. LEGAL COUNSEL TO THE BUYBACK OFFER

### ***Domestic Legal Counsel to the Buyback***

#### **KHAITAN & CO**

One Indiabulls Centre, 10th & 13th Floor, Tower 1,

841 Senapati Bapat Marg, Mumbai - 400 013, India  
Tel: +91 (22) 6636 5000  
Fax: +91 (22) 6636 5050

*International Legal Counsel to the Buyback*

**HERBERT SMITH FREEHILLS LLP**

50 Raffles Place, #24-01 Singapore Land Tower, Singapore 048623

Tel: +65 6868 8000

Fax: +65 6868 8001

**29. DECLARATION BY THE DIRECTORS**

As per Regulation 24(i)(a) of the Buyback Regulations, the Board of Directors of the Company accepts full responsibility for all the information contained in this Letter of Offer. This Letter of Offer is issued under the authority of the Board and in terms of the resolution passed by the Board on February 4, 2019.

For and on behalf of the Board of Directors of  
**Coal India Limited**

Sd/-	Sd/-	Sd/-
Anil Kumar Jha Chairman & Managing Director  DIN: 06645361	Shyam Nandan Prasad Director (Marketing)/ Director (Finance) - Addl. Charge  DIN: 07408431	M. Viswanathan Company Secretary  Membership No. ACS-13644

Date: February 25, 2019  
Place: New Delhi / Kolkata

Enclosure:

1. Tender Form for Demat Shareholders
2. Tender Form for Physical Shareholders

**FORM OF ACCEPTANCE-CUM-ACKNOWLEDGEMENT  
(FOR EQUITY SHAREHOLDERS HOLDING SHARES IN DEMATERIALIZED FORM)**

**Bid Number:**

**Date:**

<b>BUY-BACK OPENS ON:</b>	<b>FRIDAY, MARCH 1, 2019</b>	
<b>BUY-BACK CLOSES ON:</b>	<b>FRIDAY, MARCH 15, 2019</b>	
<b>For Registrar / collection center use</b>		
<b>Inward No.</b>	<b>Date</b>	<b>Stamp</b>
<b>Status (please tick appropriate box)</b>		
<input type="checkbox"/> <b>Individual</b>	<input type="checkbox"/> <b>FII</b>	<input type="checkbox"/> <b>Insurance Co.</b>
<input type="checkbox"/> <b>Foreign Co.</b>	<input type="checkbox"/> <b>NRI/OCB</b>	<input type="checkbox"/> <b>FVCI</b>
<input type="checkbox"/> <b>Body Corporate</b>	<input type="checkbox"/> <b>Bank / FI</b>	<input type="checkbox"/> <b>Pension / PF</b>
<input type="checkbox"/> <b>VCF</b>	<input type="checkbox"/> <b>Partnership/LLP</b>	<input type="checkbox"/> <b>Others (specify)</b>
<b>India Tax Residency Status: Please tick appropriate box</b>		
<input type="checkbox"/> <b>Resident in India</b>	<input type="checkbox"/> <b>Non-Resident in India</b>	<b>Resident of</b> _____ <b>(Shareholder to fill the country of residence)</b>
<b>Route of Investment (For NR Shareholders only)</b>		
<input type="checkbox"/> <b>Portfolio Investment Scheme</b>	<input type="checkbox"/> <b>Foreign Investment Scheme</b>	

To,  
**Coal India Limited,**  
Premises no-04-MAR, Plot no-AF-III, Action Area-1A,  
Newtown, Rajarhat, Kolkata 700156

**Dear Sirs,**

**Sub: Letter of Offer dated February 25, 2019 to Buy back up to 4,46,80,850 Equity Shares of Coal India Limited (the "Company") at a price of Rs. 235/- (Rupees two hundred and thirty five only) per Equity Share (the "Buyback Price") payable in cash**

- I / We having read and understood the Letter of Offer issued by the Company hereby tender / offer my / our Equity Shares in response to the Buyback on the terms and conditions set out below and in the Letter of Offer.
- I / We authorize the Company to buyback the Equity Shares offered (as mentioned above) and to issue instruction(s) to the Registrar to the Buyback to extinguish the Equity Shares.
- I / We hereby warrant that the Equity Shares comprised in this Tender Offer are offered for Buyback by me / us free from all liens, equitable interest, charges and encumbrance.
- I / We declare that there are no restraints / injunctions or other covenants of any nature which limits / restricts in any manner my / our right to tender Equity Shares for Buyback and that I / We am / are legally entitled to tender the Equity Shares for Buyback.
- I / We agree that the Company will pay the Buyback Price only after due verification of the validity of documents and that the consideration will be paid as per the Stock Exchange mechanism.
- I / We agree to return to the Company any Buyback consideration that may be wrongfully received by me / us.
- Details of Equity Shares held and tendered / offered for Buy-back:

<b>Particulars</b>	<b>In Figures</b>	<b>In Words</b>
<b>Number of Equity Shares held as on Record Date (February 15, 2019)</b>		
<b>Number of Equity Shares Entitled for Buy-back (Buy-back Entitlement)</b>		
<b>Number of Equity Shares offered for Buy-back (Including Additional Shares, if any)</b>		

**Note:** An Eligible Shareholder may tender Equity Shares over and above his / her Buyback Entitlement. Number of Equity Shares validly tendered by any Eligible Shareholder up to the Buyback Entitlement of such Eligible Shareholder shall be accepted to the full extent. The Equity Shares tendered by any Eligible Shareholder over and above the Buyback Entitlement of such Eligible Shareholder shall be accepted in accordance with Paragraph 19 of the Letter of Offer. Equity Shares tendered by any Eligible Shareholder over and above the number of Equity Shares held by such Eligible Shareholder as on the Record Date shall not be considered for the purpose of Acceptance.

- I / We agree that the excess demat Equity Shares or unaccepted demat Shares, if any, tendered would be returned to the Selling Member by Clearing Corporation in payout.
- Applicable for all Non-resident shareholders.
  - I / We undertake to pay income taxes in India on any income arising on such Buyback accordance with prevailing income tax laws in India. I / We also undertake to indemnify the Company against any income tax liability on any income earned on such Buyback of shares by me / us. Details of bank account of the sole or first Shareholder to be incorporated in the consideration warrant (to be mandatorily filled).
  - I / We, being a Non-Resident Shareholder, agree to obtain and submit all necessary approvals, if any and to the extent required from the concerned authorities including approvals from the Reserve Bank of India ("RBI") under Foreign Exchange Management Act, 1999, as amended (the "FEMA Regulations") and the rules and regulations framed there under, for tendering Equity Shares in the Buyback, and also undertake to comply with the reporting requirements, if applicable, under the FEMA Regulations and any other rules, regulations and guidelines, in regard to remittance of funds outside India.

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**ACKNOWLEDGMENT SLIP: COAL INDIA LIMITED – BUYBACK OFFER**  
*(To be filled by the Equity Shareholder) (Subject to verification)*

DP ID	Client ID
Received from Mr./Ms./Mrs.	
<b>Form of Acceptance-cum-Acknowledgement, Original TRS along with:</b>	
No. of Equity Shares offered for Buyback (In Figures)	(in words)
Please quote Client ID No. & DP ID No. for all future correspondence	Stamp of Broker

10. I / We undertake to execute any further documents and give any further assurances that may be required or expedient to give effect to my / our tender / offer and agree to abide by any decision that may be taken by the Company to effect the Buyback in accordance with the Companies Act, Buyback Regulations and any other applicable laws
11. Non-resident shareholders (including NRIs, OCBs and FIIs) are requested to enclose a consent letter indicating the details of transfer i.e. number of Equity Shares to be transferred, the name of the investee company whose shares are being transferred i.e. "Coal India Limited" and the price at which the Equity Shares are being transferred i.e. "Price determined in accordance with the Buyback Regulations" duly signed by the shareholder or his/its duly appointed agent and in the latter case, also enclose the power of attorney.
12. Details of Account with Depository Participant (DP):

Name of the Depository (tick whichever is applicable)		NSDL		CDSL
Name of the Depository Participant				
DP ID No.				
Client ID No. with the DP				

13. Equity Shareholders Details:

Particulars	First/Sole Holder	Joint Holder 1	Joint Holder 2	Joint Holder 3
Full Name(s) Of the Holder				
Signature(s)*				
PAN				
Address of the Sole/First Equity Shareholder				
Telephone No. of Sole/First Equity Shareholder		Email ID of Sole/First Equity Shareholder		

\* Corporate must affix rubber stamp and sign.

**Instructions:**

**This Tender Form has to be read along with the Letter of Offer and is subject to the terms and conditions mentioned in the Letter of Offer and this Tender Form**

- This Offer will open on Friday, March 1, 2019 and close on Friday, March 15, 2019.
- This Tender form has to be read along with the Letter of Offer and is subject to the terms and conditions mentioned in the Letter of Offer and this Tender Form.
- Shareholders who desire to tender their equity shares in the dematerialized form under the Buyback would have to do so through their respective Selling Member by indicating the details of equity shares they intend to tender under the Buyback offer.
- Shareholders may submit their duly filled Tender Form to the office of Registrar to the Buyback Offer (as mentioned in Paragraph 18 of the Letter of Offer) only post placing the bid via the Seller Member.
- In case any registered entity that has merged with another entity and the merger has been approved and has come into effect but the process of getting the successor company as the registered shareholder is still incomplete, then such entity along with the Tender Form should file a copy of the following documents:
  - Approval from the appropriate authority for such merger;
  - The scheme of merger; and
  - The requisite form filed with MCA intimating the merger.
- The Buyback shall be rejected for demat shareholders in case of receipt of the completed Tender Form and other documents but non-receipt of Shares in the special account of the Clearing Corporation or a non-receipt of valid bid in the exchange bidding system.**
- The shares in the Offer shall be rejected if the tenderer is not an Eligible Shareholder of the Company as on the Record date or if there is a name mismatch in the demat account of the Shareholder
- The Shareholders will have to ensure that they keep the DP Account active and unblocked to receive credit in case of return of Equity Shares due to rejection or due to prorated Buyback as may be decided by the Company / Registrar to the Buyback, in accordance with the Buyback Regulations.
- Eligible Shareholders to whom the Offer is made are free to tender shares to the extent of their entitlement in whole or in part or in excess of their entitlement, but not exceeding their holding as on Record Date.
- All documents sent by Eligible Shareholders will be at their own risk. Eligible Shareholders are advised to safeguard adequately their interests in this regard.
- By agreeing to participate in the Buyback the NR and NRI shareholders give the Company the authority to make, sign, execute, deliver, acknowledge and perform all applications to file regulatory reporting, if required, including FC-TRS form, if necessary and undertake to provide assistance to the Company for such regulatory reporting, if required by the Company.

*All capitalised items not defined herein shall have the meaning ascribed to them in the Letter of Offer.*

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**ALL FUTURE CORRESPONDENCE IN CONNECTION WITH THIS BUYBACK, IF ANY, SHOULD BE ADDRESSED TO REGISTRAR TO THE BUYBACK AT THE FOLLOWING ADDRESS QUOTING YOUR CLIENT ID AND DP ID:**

**Investor Service Centre: Coal India Limited - Buyback offer**

Alankit Assignments Limited

205 – 208, Anarkali Complex, Jhandewalan Extension, New Delhi – 110055

**Contact Person:** Mr. Abhinav Agarwal/ Mr. Lalita Prasad

**Tel:** +91 (11) 42541971, +91 (11) 42541958; **Fax:** +91 (11) 23552001; **E-mail:** cilbuyback@alankit.com

**Website:** www.alankit.com; **SEBI Registration Number:** INR000002532

**CIN:** U74210DL1991PLC042569

**FORM OF ACCEPTANCE-CUM-ACKNOWLEDGEMENT  
(FOR EQUITY SHAREHOLDERS HOLDING SHARES IN PHYSICAL FORM)**

**Bid Number:**  
**Date:**

<b>BUY-BACK OPENS ON:</b>		<b>FRIDAY, MARCH 1, 2019</b>	
<b>BUY-BACK CLOSSES ON:</b>		<b>FRIDAY, MARCH 15, 2019</b>	
<b>For Registrar / Collection Centre use</b>			
<b>Inward No.</b>	<b>Date</b>	<b>Stamp</b>	
<b>Status (please tick appropriate box)</b>			
<input type="checkbox"/> <b>Individual</b>	<input type="checkbox"/> <b>FII</b>	<input type="checkbox"/> <b>Insurance Co.</b>	
<input type="checkbox"/> <b>Foreign Co.</b>	<input type="checkbox"/> <b>NRI/OCB</b>	<input type="checkbox"/> <b>FVCI</b>	
<input type="checkbox"/> <b>Body Corporate</b>	<input type="checkbox"/> <b>Bank / FI</b>	<input type="checkbox"/> <b>Pension / PF</b>	
<input type="checkbox"/> <b>VCF</b>	<input type="checkbox"/> <b>Partnership/LLP</b>	<input type="checkbox"/> <b>Others (specify)</b>	
<b>India Tax Residency Status: Please tick appropriate box</b>			
<input type="checkbox"/> <b>Resident in India</b>	<input type="checkbox"/> <b>Non-Resident in India</b>	<input type="checkbox"/> <b>Resident of _____ (Shareholder to fill the country of residence)</b>	
<b>Route of Investment (For NR Shareholders only)</b>			
<input type="checkbox"/> <b>Portfolio Investment Scheme</b>		<input type="checkbox"/> <b>Foreign Investment Scheme</b>	

To,  
**Coal India Limited,**  
Premises no-04-MAR, Plot no-AF-III, Action Area-1A,  
Newtown, Rajarhat, Kolkata 700156

**Dear Sirs,**

**Sub: Letter of Offer dated February 25, 2019 to Buy back up to 4,46,80,850 Equity Shares of Coal India Limited (the "Company") at a price of Rs. 235/- (Rupees two hundred and thirty five only) Per Equity Share (the "Buyback Price") Payable in cash**

- I/ We (having read and understood the Letter of Offer issued by the Company) hereby tender / Offer my / our Equity Shares in response to the Buyback on the terms and conditions set out below and in the Letter of Offer.
- I/ We authorize the Company to Buyback the Equity Shares offered (as mentioned above) and to issue instruction(s) to extinguish the Equity Shares.
- I/ We hereby warrant that the Equity Shares comprised in this Tender Offer are offered for Buyback by me/us free from all liens, equitable interest, charges and encumbrance.
- I/ We declare that there are no restraints/ injunctions or other covenants of any nature which limits/ restricts in any manner my/ our right to tender Equity Shares for Buyback and that I/ We am/ are legally entitled to tender the Equity Shares for Buyback.
- I/ We agree that the Company is not obliged to accept any Equity Shares offered for Buyback where loss of share certificates has been notified to the Company.
- I/ We agree that the Company will pay the Buyback Price only after due verification of the validity of the documents and that the consideration may be paid to the first named Eligible Shareholder as per SEBI notified Stock Exchange mechanism.
- I/ We agree to return to the Company any Buyback consideration that may be wrongfully received by me / us.
- I/ We undertake to execute any further documents and give any further assurances that may be required or expedient to give effect to my/our tender/offer and agree to abide by any decision that may be taken by Company to effect the Buyback in accordance with the Companies Act and Buyback Regulations.
- I/ We authorize the Company to split the Share Certificate and issue new consolidated Share Certificate for the unaccepted Equity shares in case the Equity Shares accepted by the Company are less than the Equity Shares tendered in the Buyback.
- I/We undertake to execute such further documents and give such further assurances that may be required for expedient to give effect to my/our tender/ offer and agree to abide by any decision that may be taken by the Company to effect the Buyback in accordance with the Companies Act, 2013, Buyback Regulations and any other applicable laws.

11. Details of Equity Shares held and tendered / offered for Buy-back:

<b>Particulars</b>	<b>In Figures</b>	<b>In Words</b>
<b>Number of Equity Shares held as on Record Date (February 15, 2019)</b>		
<b>Number of Equity Shares Entitled for Buyback (Buyback Entitlement)</b>		
<b>Number of Equity Shares offered for Buyback (including Additional Shares, if any)</b>		

Note: An Eligible Shareholder may tender Equity Shares over and above his / her Buyback Entitlement. Number of Equity Shares validly tendered by any Eligible Shareholder up to the Buyback Entitlement of such Eligible Shareholder shall be accepted to the full extent. The Equity Shares tendered by any Eligible Shareholder over and above the Buyback Entitlement of such Eligible Shareholder shall be accepted in accordance with paragraph 19 of the Letter of Offer. Equity Shares tendered by any Eligible Shareholder over and above the number of Equity Shares held by such Eligible Shareholder as on the Record Date shall not be considered for the purpose of Acceptance.

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**ACKNOWLEDGMENT SLIP: COAL INDIA LIMITED – BUYBACK OFFER**  
*(To be filled by the Equity Shareholder) (Subject to verification)*

<b>Folio No.</b>	
<b>Received from Mr./ Ms./Mrs.</b>	
<b>Form of Acceptance-cum-Acknowledgement, Original TRS along with:</b>	
<b>No. of Equity Shares offered for Buy-back (In figures)</b>	<b>(in words)</b>
<b>Stamp of Broker/Registrar</b>	



12. Details of Share Certificate(s) enclosed:

Total No. of Share Certificates Submitted:

Sr. No.	Folio No.	Share Certificate No.	Distinctive No(s)		No. of Shares
			From	To	
<b>Total</b>					

In case the number of folios and share certificates enclosed exceed 3 nos., Please attach a separate sheet giving details in the same format as above

13. Details of the bank account of the sole or first Eligible Shareholder to be incorporated in the consideration warrant (to be mandatorily filled):

Name of the Bank	Branch and City	IFSC and MICR Code	Account Number (indicate type of account)

14. Details of other Documents (Please ✓ as appropriate, if applicable) enclosed:

Power of Attorney	Previous RBI approvals for acquiring the Equity Shares of Coal India Limited hereby tendered in the Buyback
Death Certificate	Succession Certificate
Self-attested copy of PAN	Corporate authorisations
TRS	Others (please specify)

15. Applicable for all Non-resident shareholders

I/We undertake to pay income taxes in India on any income arising on such Buyback and taxable in accordance with prevailing income tax laws in India within 7th day of the succeeding months in which the Shares are bought back by the Company. I/We also undertake to indemnify the Company against any income tax liability on any income earned on such Buyback of shares by me/us.

16. Equity Shareholders Details:

Particulars	First/Sole Holder	Joint Holder 1	Joint Holder 2	Joint Holder 3
Full Name(s) Of the Holder				
Signature(s)*				
PAN				
Address of the Sole/First Equity Shareholder				
Telephone No. of Sole/First Equity Shareholder		Email ID of Sole/First Equity Shareholder		

\* Corporate must affix rubber stamp and sign.

**Instructions:****This Tender Form has to be read along with the Letter of Offer and is subject to the terms and conditions mentioned in the Letter of Offer and this Tender Form**

- This Offer will open on Friday, March 1, 2019 and close on Friday, March 15, 2019.
- This Tender Form has to be read along with the Letter of Offer and is subject to the terms and conditions mentioned in the Letter of Offer and this Tender Form.
- Eligible Shareholders who wish to tender their Equity Shares in response to this Buyback Offer should submit the following documents to their Selling Member (Seller Broker), who in turn would deliver the said documents along with the Transaction Registration Slip (TRS) to the Registrar; the documents should be sent to the Registrar only after the placement of a valid bid; non-submission of the below mentioned documents directly to the Registrar shall result in the rejection of the tendered Equity Shares
  - The Tender Form duly signed (by all Equity Shareholders in case shares are in joint names) the same order in which they hold the shares.
  - Original share certificates
  - Valid share transfer form(s) (SH-4) duly filled and signed by the transferors (i.e. by all registered Shareholders in same order and as per the specimen signatures registered with the Company/Registrar) and duly witnessed at the appropriate place authorizing the transfer in favor of the Company
  - Self-attested copy of the Shareholder's PAN Card
  - Any other relevant documents such as (but not limited to):
    - Duly attested Power of Attorney if any person other than the Equity Shareholder has signed the relevant Tender Form
    - Notarized copy of death certificate and succession certificate or probated will, as applicable, if the original Shareholder has deceased
    - Necessary corporate authorisations, such as Board Resolutions etc., in case of companies
  - In addition to the above, if the address of the Shareholder has undergone a change from the address registered in the Register of Members of the Company, the Shareholder would be required to submit a self-attested copy of address proof consisting of any one of the following documents: valid Aadhar Card, Voter Identity Card or Passport.
- In case any registered entity that has merged with another entity and the merger has been approved and has come into effect but the process of getting the successor company as the registered shareholder is still incomplete, then such entity along with the Tender Form file a copy of the following documents:
  - Approval from the appropriate authority for such merger;
  - The scheme of merger; and
  - The requisite form filed with MCA intimating the merger.
- Eligible Shareholders whom the Buyback Offer is made are free to tender Equity Shares to the extent of their entitlement in whole or in part or in excess of their entitlement, but not exceeding the number of Shares held by them as on Record Date.
- All documents / remittances sent by or to Eligible Shareholders will be at their own risk and the Eligible Shareholders are advised to adequately safeguard their interests in this regard.
- For procedure followed by Eligible Shareholders for tendering shares in the buyback offer, please refer to Paragraph 20 of the Letter of Offer.
- All documents as mentioned above shall be enclosed with the valid Tender Form otherwise the shares will be liable for rejection. The shares shall be liable for rejection on the following grounds amongst others:
  - If any other company share certificates are enclosed with the Tender Form instead of the share certificate of the Company;
  - Non-submission of Notarized copy of death certificate and succession certificate / probated/Will, as applicable in case any Eligible Shareholder has deceased.
  - If the Eligible Shareholder(s) bid the shares but the Registrar does not receive the share certificate; or
  - In case the signature in the Tender Form and Form SH-4 doesn't match as per the specimen signature recorded with Company / Registrar.
  - If necessary corporate authorizations under official stamp are not accompanied with tender form
- By agreeing to participate in the Buyback the NR and NRI shareholders give the Company the authority to make, sign, execute, deliver, acknowledge and perform all applications to file regulatory reporting, if required, including FC-TRS form, if necessary and undertake to provide assistance to the Company for such regulatory reporting, if required by the Company. The Equity Shares tendered in the buyback shall be rejected if (i) the Shareholder is not a Eligible Shareholder of the Company on the Record Date; (ii) if there is a name mismatch in the share certificate of the Shareholder; or (iii) the documents mentioned in the Tender Form for Eligible Shareholders holding Equity Shares in physical form are not received by the Registrar on or before the close of business hours of Monday, March 18, 2019 by 5:00 p.m.

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**ALL FUTURE CORRESPONDENCE IN CONNECTION WITH THIS BUYBACK, IF ANY, SHOULD BE ADDRESSED TO REGISTRAR TO THE BUYBACK AT THE FOLLOWING ADDRESS QUOTING YOUR CLIENT ID AND DP ID:**

**Investor Service Centre: Coal India Limited - Buyback offer**  
 Alankit Assignments Limited  
 205 – 208, Anarkali Complex, Jhandewalan Extension, New Delhi – 110055

**Contact Person:** Mr. Abhinav Agarwal/ Mr. Lalita Prasad  
**Tel:** +91 (11) 42541971, +91 (11) 42541958; **Fax:** +91 (11) 23552001; **E-mail:** cilbuyback@alankit.com  
**Website:** www.alankit.com; **SEBI Registration Number:** INR000002532  
**CIN:** U74210DL1991PLC042569

**Form No. SH-4**

**Securities Transfer Form**

[Pursuant to section 56 of the Companies Act, 2013 and sub-rule (1) of rule 11 of the Companies (Share Capital and Debentures) Rules 2014]

**Date of execution** .....

**FOR THE CONSIDERATION** stated below the “Transferor(s)” named do hereby transfer to the “Transferee(s)” named the securities specified below subject to the conditions on which the said securities are now held by the Transferor(s) and the Transferee(s) do hereby agree to accept and hold the said securities subject to the conditions aforesaid.

**CIN:** L23109WB1973GOI028844  
**Name of the company (in full):** Coal India Limited  
**Name of the Stock Exchange where the company is listed, if any:** National Stock Exchange of India Limited and BSE Limited

**DESCRIPTION OF SECURITIES:**

Kind/Class of securities (1)	Nominal value of each unit of security (2)	Amount called up per unit of security (3)	Amount paid up per unit of security (4)

No. of Securities being Transferred		Consideration Received (Rs)	
In Figures	In Words	In words	In figures

Distinctive Number	From				
	To				
<b>Corresponding Certificate Nos:</b>					

**TRANSFEROR’S PARTICULARS**

Registered Folio Number	
Name(s) in full	Signature (s)
1.	
2.	
3.	

I, hereby confirm that the Transferor has signed before me.

<b>Signature of the Witness</b>	
<b>Name of the Witness</b>	
<b>Address of Witness</b>	
	<b>Pin Code:</b>

**TRANSFEEE'S PARTICULARS**

	1	2	3
<b>Name in full</b>			
<b>Father's/ Mother's/ Spouse Name</b>			
<b>Address,  Mobile/Ph. No. E-mail ID Pin Code</b>			
<b>Occupation</b>			
<b>Existing folio no., if any</b>			
<b>PAN No.</b>			
<b>Signature</b>			

**Folio No. of Transferee:** \_\_\_\_\_

**Specimen Signature of Transferee(s)**

- 1. \_\_\_\_\_
- 2. \_\_\_\_\_
- 3. \_\_\_\_\_

**Existing Folio No. If any**

- 1. \_\_\_\_\_
- 2. \_\_\_\_\_

**Value of stamp affixed: Rs.** \_\_\_\_\_

**Enclosures:**

- (1) Certificate of shares or debentures or other securities
- (2) If no certificate is issued, Letter of allotment.
- (3) Copy of PAN CARD of all the Transferees (For all listed Cos).
- (4) Other, Specify.....

**Stamps:**

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**For office use only**

Checked by \_\_\_\_\_  
Signature tallied by \_\_\_\_\_  
Entered in the Register of Transfer on \_\_\_\_\_ vide Transfer No. \_\_\_\_\_  
Approval Date \_\_\_\_\_  
Power of attorney/Probate/Death Certificate/Letter of Administration  
Registered on \_\_\_\_\_ at No. \_\_\_\_\_