

September 26, 2016

The Manager
Department of Corporate Services
BSE Limited
25th Floor, Phiroze Jeejeebhoy Towers
Dalal Street
Mumbai, Maharashtra- 400 001

The Manager
Listing Department
National Stock Exchange of India Limited
Exchange Plaza, C-1, Block G,
Bandra Kurla Complex Bandra East, Mumbai
Maharashtra- 400 051

Subject: CASH OFFER FOR BUYBACK BY COAL INDIA LIMITED ("COMPANY") OF EQUITY SHARES OF FACE VALUE OF Rs 10 EACH AT A PRICE OF Rs 335 (RUPEES THREE HUNDRED AND THIRTY FIVE ONLY) PER EQUITY SHARE NOT EXCEEDING 10,89,55,223 (TEN CRORES EIGHTY NINE LAKHS FIFTY FIVE THOUSAND TWO HUNDRED AND TWENTY THREE) EQUITY SHARES, ON A PROPORTIONATE BASIS THROUGH THE TENDER OFFER PROCESS ("BUYBACK OFFER").

Dear Sirs,

This is in relation to the buyback by the Company of fully paid-up equity shares of face value Rs 10 each ("Shares" or "Equity Shares") not exceeding 10,89,55,223 Equity Shares, from all the existing shareholders/ beneficial owners of Equity Shares of the Company, including the Promoters, on a proportionate basis, through the "Tender Offer" process, in accordance with the provisions of Section 68, 69, 70 and all other applicable provisions if any, of the Companies Act, 2013, as amended ("the Companies Act, 2013"), the provisions contained in Companies (Share Capital and Debentures) Rules, 2014 and in the Securities and Exchange Board of India (Buy Back of Securities) Regulations, 1998, as amended (the "Buyback Regulations").

The Buyback offer has been authorized pursuant to the resolution passed by the Board of Directors of the Company on July 11, 2016 and resolution of the Shareholders passed by way of postal ballot dated August 26, 2016;

We have been appointed by the Company to act as the Manager to the Buyback Offer in terms of the Buyback Regulations.

Please find enclosed a printed copy of the Letter of Offer dated September 23, 2016 of the Company in relation to the Buyback Offer ("Letter of Offer"), as Annexure 1, for your information and records.

Thanking you,

Yours faithfully,

For SBI Capital Markets Limited

Authorized Signatory

Name: **D. VENU**

Designation: **V.P.**

Enclosed: As above

Registered Office: 202, Maker Tower 'E', Cuffe Parade, Mumbai 400 005. Tel: +91 22 22178300, Fax: +91 22 22188332

Email:corporate.office@sbicaps.com Web: www.sbicaps.com CIN: U99999MH1986PLC040298

A Subsidiary of State Bank of India

LETTER OF OFFER

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

This 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, 1998, as amended (the "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 (SBI Capital Markets Limited) or to the Registrar to the Buyback Offer (Alankit Assignments Limited). Please refer to the section on 'Definitions' for the definition of the capitalized terms used herein.



Coal India Limited
A Maharatna Company
www.coalindia.in

Corporate Identity Number: L23109WB1973GOI028844

Registered Office address: Coal Bhawan, Premises No-04-MAR, Plot-AF-III, Action Area-1A, New Town Rajarhat, Kolkata, West Bengal-700156

Website: <https://www.coalindia.in/>

Contact Person: Mr M Viswanathan, Company Secretary and Compliance officer

Tel: +91 33 23246526, Fax: +91 33 23246510, E-mail: complianceofficer.cil@coalindia.in

CASH OFFER FOR BUYBACK OF NOT EXCEEDING 10,89,55,223 (TEN CRORES EIGHTY NINE LAKHS FIFTY FIVE THOUSAND TWO HUNDRED AND TWENTY THREE) FULLY PAID-UP EQUITY SHARES OF FACE VALUE OF ₹ 10 EACH, REPRESENTING 1.72% OF THE TOTAL NUMBER OF EQUITY SHARES IN THE ISSUED, SUBSCRIBED AND PAID-UP EQUITY SHARE CAPITAL OF THE COMPANY, FROM ALL THE EXISTING SHAREHOLDERS/ BENEFICIAL OWNERS OF EQUITY SHARES OF THE COMPANY AS ON THE RECORD DATE i.e. FRIDAY, SEPTEMBER 9, 2016, ON A PROPORTIONATE BASIS, THROUGH THE "TENDER OFFER" PROCESS AT A PRICE OF ₹ 335 (RUPEES THREE HUNDRED AND THIRTY FIVE ONLY) PER EQUITY SHARE FOR AN AGGREGATE CONSIDERATION NOT EXCEEDING ₹ 3,650 CRORES (RUPEES THREE THOUSAND SIX HUNDRED AND FIFTY CRORES ONLY)

- 1) The Buyback is in accordance with the provisions contained in Article 23 of the Articles of Association of the Company, Sections 68, 69, 70 and all other applicable provisions if any, of the Companies Act, 2013, Regulation 4(1)(a) and other applicable provisions contained in the Buyback Regulations and subject to such other approvals, permissions, sanctions and exemptions, as may be necessary, from time to time from statutory and/or regulatory authorities including but not limited to SEBI, the Stock Exchanges, Registrar of Companies (ROC) and Reserve Bank of India etc.
- 2) The Buyback Offer size represents approximately 24.95% of the aggregate of the fully paid-up share capital and free reserves, as per the audited accounts of the Company for the financial year ended March 31, 2016 and is within the statutory limits of 25% of the aggregate of the fully paid up share capital and free reserves as per the audited accounts of the Company for the financial year ended March 31, 2016.
- 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. Friday, September 9, 2016.
- 4) The procedure for tender and settlement is set out in paragraph 20 (*Procedure for Tender offer and Settlement*) on page 37 of this Letter of Offer. The Tender Form is enclosed together with this Letter of Offer.
- 5) For mode of payment of cash consideration to the Equity Shareholders, please refer to paragraph 20.30 (*Method of settlement*) on page 45 of this Letter of Offer.
- 6) A copy of the Public Announcement, the Draft Letter of Offer and this Letter of Offer (including Tender Form) is expected to be available on the website of SEBI - [http:// www.sebi.gov.in](http://www.sebi.gov.in).
- 7) Equity Shareholders are advised to refer to paragraph 17 (*Details of Statutory Approvals*) on page 33 of this Letter of Offer and paragraph 21 (*Note on Taxation*) on page 46 of this Letter of Offer before tendering their Equity Shares in the Buyback.

BUYBACK OPENS ON: MONDAY, OCTOBER 3, 2016

BUYBACK CLOSES ON: TUESDAY, OCTOBER 18, 2016

LAST DATE/ TIME OF RECEIPT OF COMPLETED TENDER FORMS AND OTHER SPECIFIED DOCUMENTS BY THE REGISTRAR TO THE BUYBACK OFFER: THURSDAY, OCTOBER 20, 2016 (BY 5.00 P.M)

All future correspondence in relation to the Buyback, if any, should be addressed to Manager to the Buyback Offer or Registrar to the Buyback Offer at the respective addresses mentioned below:

MANAGER TO THE BUYBACK OFFER



SBI CAPITAL MARKETS LIMITED

202, Maker Tower 'E', Cuffe Parade, Mumbai 400 005

Tel: +91 22 2217 8300; Fax: +91 22 2218 8332

Email: coalindiabuyback@sbicaps.com;

Website: www.sbicaps.com

Contact person: Mr. Aditya Deshpande

SEBI Registration No.: INM000003531

Validity Period: Permanent (unless suspended or cancelled by SEBI)

Corporate Identity Number: U99999MH1986PLC040298

REGISTRAR TO THE BUYBACK OFFER



Health & Wealth, We Manage Both

ALANKIT ASSIGNMENTS LIMITED

1E/13, Alankit Heights

Jhandewalan Extension, New Delhi – 110055

Tel : +91 11 42541234; 2354 1234

Fax : +91 11 4154 3474; 2355 2001

Email: alankit_cil@alankit.com, pankajg1@alankit.com

Website: www.alankit.com

Contact Person: Mr. Pankaj Goenka

SEBI Registration No.: INR000002532

Validity Period: Permanent (unless suspended or cancelled by SEBI)

Corporate Identity Number: U74210DL1991PLC042569

PLEASE NOTE THAT THE FORM OF ACCEPTANCE-CUM-ACKNOWLEDGEMENT, TRANSACTION REGISTRATION SLIP AND OTHER RELEVANT DOCUMENTS SHOULD BE SENT, WHEREEVER REQUIRED ONLY TO THE REGISTRAR TO THE BUYBACK OFFER (PLEASE REFER TO PARAGRAPHS 20. 19 TO 20.22 ON PAGES 39 TO 43)

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1. SCHEDULE OF THE ACTIVITIES OF THE OFFER

Activity	Date	Day
Date of Board Meeting approving the proposal of the Buyback	July 11, 2016	Monday
Date of declaration of the results of postal ballot for special resolution by the Shareholders of the Company, approving the Buyback Offer	August 26, 2016	Friday
Date of publication of the Public Announcement for the Buyback	August 30, 2016	Tuesday
Record Date for determining the Buyback Entitlement and the names of Eligible Shareholders	September 9, 2016	Friday
Date of Opening of the Buyback Offer	October 3, 2016	Monday
Date of Closing of the Buyback Offer	October 18, 2016	Tuesday
Last date of receipt of completed Tender Form and other specified documents including physical share certificates (if and as applicable) by the Registrar	October 20, 2016	Thursday
Last date of verification of Tender Forms by the Registrar	October 21, 2016	Friday
Last date of intimation regarding acceptance / non- acceptance of tendered Equity Shares to BSE	October 26, 2016	Wednesday
Last date of settlement of bids on the Stock Exchange	October 27, 2016	Thursday
Last date of dispatch of consideration / share certificate(s) / demat instruction(s) for return of unaccepted demat shares by Stock Exchange to Shareholder Broker	October 27, 2016	Thursday
Last date of extinguishment of Equity Shares	October 28, 2016	Friday

DEFINITION OF KEY TERMS

This Letter of Offer uses certain definitions and abbreviations which, unless the context otherwise indicates or implies or specified 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, and the rules and regulations made thereunder.

Term	Description
Acceptance	Acceptance of Equity Shares, tendered by Eligible Shareholders in the Buyback Offer
Acquisition Window	The facility for acquisition of Equity Shares through mechanism provided by the BSE in the form of a separate window in accordance with the SEBI Circular
Additional Shares / Additional Equity Shares	Additional Equity Shares tendered by an Eligible Person over and above the Buyback Entitlement of such Equity Shareholder upto the Eligible Equity Shares
Articles/ AOA	Articles of Association of the Company
Board Meeting	Meeting of the Board of Directors held on July 11, 2016 approving the proposal for the Buyback Offer
Board/ Board of Directors/ Director(s)	Board of directors of the Company
BSE	BSE Limited
Buyback	Buyback of not exceeding 10,89,55,223 (Ten crores eighty nine lakhs fifty five thousand two hundred and twenty three) Equity Shares of face value of ₹ 10 each (Rupees Ten only) at a price of ₹ 335/- (Rupees Three hundred and thirty five) per Equity Share for cash aggregating up to ₹ 3,650 crores (Rupees Three thousand six hundred and fifty crores only), on a proportionate basis, from the Eligible Shareholders by way of a tender offer through the stock exchange mechanism in terms of the Buyback Regulations read with SEBI Circular
Buyback Committee	The Buyback Committee of the Board, constituted and authorized for the purposes of the Buyback by way of a resolution of the Board dated July 11, 2016
Buyback Entitlement	The number of Equity Shares that an Equity Shareholder is entitled to tender in the Buyback Offer, based on the number of Equity Shares held by that Equity Shareholder on the Record Date and the ratio of Buyback applicable in the category to which such Equity Shareholder belongs
Buyback Closing Date	Tuesday, October 18, 2016
Buyback Opening Date	Monday, October 3, 2016
Buyback Offer / Buyback / Offer	Offer by Coal India Limited to Buyback
Buyback Regulations	Securities and Exchange Board of India (Buy Back of Securities) Regulations, 1998 as amended from time to time
CDSL	Central Depository Services (India) Limited
Company/CIL/ "we"	Coal India Limited, unless the context states otherwise
Companies Act, 1956	The Companies Act, 1956, as amended (to the extent applicable)
Companies Act, 2013	The Companies Act, 2013, as amended (to the extent notified)
Company Broker	ICICI Securities Limited
Company Depository Account	A demat escrow account opened by the Company with NSDL in the name and style of "CIL-Buyback of Shares Escrow A/c"
CPSE	Central Public Sector Enterprise
Depositories	Collectively, National Securities Depository Limited and Central Depository Services (India) Limited
DIN	Director Identification Number
Draft Letter of Offer/ Offer Document	The Draft Letter of Offer dated September 7, 2016 filed with SEBI through the Manager to the Buyback Offer, containing disclosures in relation to the Buyback as specified in Schedule III of the Buyback

Term	Description
	Regulations
DP	Depository Participant
DTAA	Double Taxation Avoidance Agreement
Eligible Equity Shares	Eligible Equity Shares means the lower of: (i) Total number of Equity Shares held by an Equity Shareholder as on the Record Date; or (ii) Total number of Equity Shares tendered by an Eligible Person.
Eligible Persons / Eligible Shareholders	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. Friday, September 9, 2016
Equity Shares/ Shares	Fully paid-up equity shares of face value of ₹ 10 each of the Company
Equity Shareholders/ Shareholders	Holders of the Equity Shares of the Company
Escrow Account	The escrow account titled, “ Coal India Limited-Buyback Escrow A/c ” opened with the Escrow Agent in terms of the Escrow Agreement
Escrow Agent	Axis Bank Limited
Escrow Agreement	The escrow agreement dated September 6, 2016 entered into between the Company, Escrow Agent and SBICAP
FCNR	Foreign Currency Non Resident account
FDI	Foreign Direct Investment
FEMA	Foreign Exchange Management Act, 1999, as amended
FII(s)	Foreign Institutional Investor(s)
FPI(s)	Foreign Portfolio Investor(s)
Form / Tender Form	Form of Acceptance-cum-Acknowledgement i.e. the form to be filled in by the Shareholders to participate in the Buyback
FY/ Financial Year/ Fiscal	Period of 12 months ended March 31 of that particular year
HUF	Hindu Undivided Family
Income Tax Act	The Income-tax Act, 1961, as amended
Letter of Offer	This Letter of Offer dated September 23, 2016 containing disclosures in relation to the Buyback as specified in the Buyback Regulations, including comments received from SEBI on the Draft Letter of Offer
LTCCG	Long-term Capital Gains
Manager / Manager to the Buyback Offer / SBICAP	SBI Capital Markets Limited
NECS	National Electronic Clearing Service
NEFT	National Electronic Funds Transfer
Non-Resident Shareholders	Includes foreign nationals, non-resident persons and bodies corporate, NRI(s), FII(s), FPI(s) and erstwhile OCBs
NRI	Non Resident Indian
NSE	National Stock Exchange of India Limited
NSDL	National Securities Depository Limited
OCB	Overseas Corporate Bodies
Offer Period / Tendering Period	Period of 10 working days from the date of opening of the Buyback Offer till its closure (both days inclusive)
Offer Price / Buyback Offer Price	Price at which Equity Shares will be bought back from the Equity Shareholders i.e. ₹ 335/- (Rupees Three hundred and thirty five only) per Equity Share, payable in cash
Offer Size / Buyback Offer Size	Maximum number of Equity Shares proposed to be bought back (i.e. 10,89,55,223 (Ten crores eighty nine lakhs fifty five thousand two hundred and twenty three) Equity Shares of face value of ₹ 10 each) multiplied by the Buyback Offer Price (i.e. ₹ 335/- (Rupees Three hundred and thirty five only) per Equity Share) aggregating to approximately ₹ 3,650 crores (Rupees Three thousand six hundred and fifty crores only)
Public Announcement / PA	Announcement of the Buyback dated August 29, 2016, which was published on August 30, 2016 in the Financial Express (English national daily), Jansatta (Hindi national daily) and AajKaal (Regional Bengali language daily)
PAN	Permanent Account Number
Promoter	The President of India, acting through and represented by Ministry of Coal, Government of India

Term	Description
Ratio of Buyback	The ratio of the Buyback: (i) in case of Small Shareholders, 5 Equity Shares for every 22 Equity Shares held by such Small Shareholder on the Record Date; and (ii) for Eligible Shareholders other than Small Shareholders, 5 Equity Shares for every 337 Equity Shares held by such Eligible Shareholder on the Record Date
RBI	Reserve Bank of India
Record Date	The date for the purpose of determining the entitlement and the names of the Equity Shareholders, to whom the Letter of Offer and Tender Form will be sent and who are eligible to participate in the Buyback Offer in accordance with Buyback Regulations ie, Friday, September 9, 2016
RTGS	Real Time Gross Settlement
Registrar to the Buyback Offer/ Registrar	Alankit Assignments Limited
SEBI	Securities and Exchange Board of India
SEBI Circular	Tendering of Equity Shares by Shareholders and settlement of the same, through the stock exchange mechanism as specified by SEBI in the circular bearing number CIR/ CFD/POLICYCELL/1/2015 dated April 13, 2015
SEBI Listing Regulations	The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended
SEBI Takeover Regulations	The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as amended
Shareholder Broker	A stock broker (who is a member of the BSE) of an Eligible Person, through whom the Eligible Person wants to participate in the Buyback
Small Shareholder	An Equity Shareholder, who holds Equity Shares of market value not more than two lakh rupees, on the basis of closing price on the recognized stock exchange registering the highest trading volume, as on Record Date i.e. Friday, September 9, 2016.
STCG	Short-term Capital Gains
Stock Exchange	NSE and/or BSE
Tender Offer	Method of buyback as defined in Regulation 2(1)(o) of the Buyback Regulations
TRS	Transaction Registration Slip
Working Day	Working day shall have the meaning ascribed to it under the Buyback Regulations

3 DISCLAIMER CLAUSE

As required, a copy of this Letter of Offer has been submitted to Securities and Exchange Board of India (SEBI). It is to be distinctly understood that submission of this Letter of Offer to SEBI should not, in any way be deemed or 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 this Letter of Offer. The Manager to the Buyback Offer, SBI Capital Markets Limited, has certified that the disclosures made in this Letter of Offer are generally adequate and are in conformity with the provisions of the Companies Act, 2013 and Buyback Regulations. This requirement is to facilitate investors to take an informed decision for tendering their Equity 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 Offer 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 Offer, SBI Capital Markets Limited, has furnished to SEBI a due diligence Certificate dated September 7, 2016 in accordance with Buyback Regulations which reads as follows:

“We have examined various documents and materials contained in the annexure to this letter, as part of the due-diligence carried out by us in connection with the finalization of the Public Announcement dated August 29, 2016 and the Draft Letter of Offer dated September 7, 2016. On the basis of such examination and the discussions with the Company, we hereby state that:

- *The Public Announcement and the Draft Letter of Offer are in conformity with the documents, materials and papers relevant to the Buyback Offer.*

- *All the legal requirements connected with the said Buyback Offer including SEBI (Buy Back of Securities) Regulations, 1998, have been duly complied with.*
- *The disclosures in the Public Announcement and the Draft Letter of Offer are, to the best of our knowledge, true, fair and adequate in all material respects for the Eligible Shareholders of the Company to make a well informed decision in respect of the captioned Buyback Offer.*
- *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, 2013 or from the requirement of obtaining such statutory or other clearances as may be required for the purpose of the proposed Buyback.

The Promoter and the Board of 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/ misrepresentation 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/ Board of Directors and the Company shall be liable for penalty in terms of the provisions of the Companies Act, 2013, the Buyback Regulations and other applicable laws and regulations.

The Promoter and the Board of 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 Company has not been and will not be registered under the U.S. Investment Company Act of 1940, as amended (the “**Investment Company Act**”) and, as such, holders of the Company’s Equity Shares will not be entitled to the benefits of the Investment Company Act. No offer, sale, resale, pledge, delivery, distribution or transfer of the Equity Shares may be made except under circumstances that will not result in the Company being required to register as an investment company under the Investment Company Act. The Equity Shares have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the “**Securities Act**”), or with any securities regulatory authority of any state or other jurisdiction of the United States, and may not be offered, sold, resold, pledged, delivered, distributed or transferred, directly or indirectly, into or within the United States or to, or for the account or benefit of, U.S. persons as defined in Regulation S under the Securities Act or to any “Benefit Plan Investor” as defined in the Employee Retirement Income Security Act of 1974, as amended, or to anyone acting on behalf of such person except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and in compliance with any applicable securities laws of any state or other jurisdiction of the United States and in a manner which would not require the Company to register under the Investment Company Act.

The information contained in this Letter of Offer is exclusively intended for persons (i) (A) who are located outside the United States, who are not a U.S. person within the definition set out in Regulation S under the Securities Act and who are permitted under the laws of the relevant jurisdictions to receive the Letter of Offer or (B) who are located in the United States and are both a “qualified institutional buyer” (as defined in Rule 144A under the Securities Act) and a “qualified purchaser (as defined in Section 2(a)(51) of the Investment Company Act) and (ii) who are not, and who are not acting on behalf of, a “Benefit Plan Investor” as defined in the Employee Retirement Income Security Act of 1974, as amended (“**ERISA**”), (a “**Relevant Person**”). This Letter of Offer is only directed at Relevant Persons and any person who is not a Relevant Person should not act or rely on this Letter of Offer or any of its contents.

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.

Important Notice to All Shareholders

This Letter of Offer has been prepared for the purposes of compliance with the regulations of the Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998, as amended. 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. 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. 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 such restrictions. Any Eligible Shareholder who tenders his, her or its Equity Shares in the Buyback Offer 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.

4 TEXT OF THE RESOLUTION PASSED AT THE BOARD MEETING

The Buyback was considered and approved by the Board of Directors of the Company at their meeting held on July 11, 2016. The extracts of the minutes of the Board Meeting held at July 11, 2016 are as follows:

“RESOLVED THAT pursuant to the provisions of Section 68, 69, 70 and all other applicable provisions, if any, of the Companies Act, 2013 as amended (the “**Companies Act**”), and in accordance with the Companies (Share Capital and Debentures) Rules, 2014 (the “**Share Capital Rules**”) to the extent applicable, and in compliance with the Securities and Exchange Board of India (Buy Back of Securities) Regulations, 1998, as amended (the “**Buyback Regulations**”), and any statutory modification(s) or re-enactment thereof, for the time being in force, **Article 23** of the Articles of Association of the Company, and subject to the approval of shareholders by postal ballot or e-voting and also 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 and sanctions 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 ₹10/-each not exceeding 10,89,55,223 (Ten crore eighty nine lakhs fifty five thousand two hundred and twenty three) equity shares (representing **1.72%** of the total number of equity shares in the paid-up share capital of the Company) at a price of ₹335/- (Rupees Three hundred and thirty five only) per equity share (the “**Buy Back Offer Price**”) payable in cash for an aggregate consideration not exceeding ₹ 3650 crores (Rupees Three Thousand Six hundred and Fifty Crores only) (the “**Buyback Offer Size**”) which is not exceeding **25%** of the aggregate of the fully paid-up share capital and free reserves as per the audited accounts of the Company for the financial year ended March 31, 2016, from the equity shareholders of the Company, as on the 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 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.

RESOLVED FURTHER THAT such Buyback 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, the Company may Buyback equity shares from all the existing members holding equity shares of the Company (including Promoter) 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 in terms of 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;
- 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; and
- 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 equity shares including by way of bonus or convert any outstanding ESOPs/ outstanding instruments into equity shares, till the date of closure of this Buyback;
- d) the Company shall not buy back its shares from any person through negotiated deal whether on or off the stock exchanges or through spot transactions or through any private arrangement in the implementation of the Buyback;
- e) the aggregate consideration for Buyback not exceeding ₹3650 Crores (Rupees Three Thousand Six hundred and Fifty Crores only), does not exceed 25% of the aggregate of the fully paid-up share capital and free reserves as per the audited accounts of the Company for the financial year ended March 31, 2016 (the last audited financial statements available as on the date of the Board meeting);
- f) the maximum number of equity shares proposed to be purchased under the Buyback i.e. **10,89,55,223** (Ten crore eighty nine lakhs fifty five thousand two hundred and twenty three) equity shares, does not exceed 25% of the total number of equity shares in the paid-up share capital of the Company;
- g) the ratio of the aggregate of secured and unsecured debts owed by the Company will not be more than twice the paid-up capital and free reserves after the Buyback as prescribed under the Companies Act and rules made thereunder;
- h) there is no pendency of any scheme of amalgamation or compromise or arrangement pursuant to the provisions of the Companies Act, as on date.

RESOLVED FURTHER THAT as required by Clause (x) of Part A of Schedule II under Regulation 5(1) of the Buyback Regulations, the Board hereby confirms that the Board 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, and taking into account all the liabilities including prospective and contingent liabilities payable as if the Company was being wound up under the provisions of Companies Act, 1956 (to the extent applicable) and Companies Act (to the extent notified), as the case may be, the Board has formed an opinion that:

- a) Immediately following the date of this Board meeting, and the date on which the results of shareholders' resolution passed by way of Postal Ballot/ E-voting ("**Postal Ballot Resolution**") will be declared, approving the Buyback, 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 approving the Buyback as well as for the year immediately following the date of Postal Ballot Resolution, 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 as also from the date Postal Ballot Resolution; and
- C) In forming an opinion as aforesaid, the Board has taken into account the liabilities (including prospective and contingent liabilities), as if the Company was being wound up under the provisions of the Companies Act, 1956 (to the extent applicable) and Companies Act (to the extent notified), as the case may be.

RESOLVED FURTHER THAT the proposed Buyback be implemented from the existing shareholders including the Promoter(s) of the Company (as have been disclosed under the shareholding pattern filings made by the Company from time to time under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeover) Regulations 2011 ("**SEBI Takeover Regulations**") as the Board may consider appropriate, from its free reserves and/or surplus and/or cash balances and/or internal accruals of the Company and/or such other sources or by such mechanisms 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 the draft of the Declaration of Solvency prepared in the prescribed form, placed before the meeting be and is hereby approved and **Shri S. Bhattacharya, Chairman cum Managing Director** and **Shri C.K. Dey, Director (Finance)** be and are hereby authorized to finalise and sign the same, for and on

behalf of the Board, and **Shri M.Viswanathan, Company Secretary** be and is hereby authorised to file the same with the ROC and the SEBI.

RESOLVED FURTHER THAT Buyback from shareholders who are persons resident outside India including the Foreign Institutional Investors, Overseas Corporate Bodies, if any, shall be subject to such approvals, if, and to the extent necessary or required including approvals from 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 or other specified securities within a period of 6 months after the completion of the Buyback except by way of bonus shares or equity shares issued 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 as per the provisions of regulation 19(f) of Buyback Regulations, the Company shall not raise further capital for a period of one year from the closure of the Buyback offer, except in discharge of its subsisting obligations.

RESOLVED FURTHER THAT no information/ material likely to have a bearing on the decision of the investors has been/shall be 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 the Buyback is being proposed keeping in mind the Company's desire to enhance overall shareholders value and the Buyback would lead to reduction in total number of equity shares.

RESOLVED FURTHER THAT a Committee be and is hereby constituted ("**Buyback Committee**") comprising of **Shri S. Bhattacharya, Chairman cum Managing Director** and **Shri C.K. Dey, Director (Finance)**, **Shri Satish Balram Agnihotri, Independent Director** and **Shri Vinod Jain, Independent Director** of the Company, and that **Shri M.Viswanathan, Company Secretary** shall act as the Secretary to the Buyback Committee.

RESOLVED FURTHER THAT the Buyback Committee be and is hereby authorized, to do all such acts, deeds, matters and things as it may, in its absolute discretion deem necessary, expedient, usual or proper, as the Buyback Committee may consider to be in the best interests of the shareholders, including but not limited to:

- a) finalizing the terms of Buyback like the mechanism for the Buyback, record date, 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;
- b) entering into escrow arrangements as may be required in terms of the Buyback Regulations;
- c) 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;
- d) preparation, finalisation, signing and filing of public announcement, the draft letter of offer/ letter of offer with the SEBI, ROC, the stock exchanges and other Appropriate Authority(ies);
- e) making all applications to the Appropriate Authority(ies) for their requisite approvals including for 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;
- f) 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 Board, as required under applicable law;
- g) appointing any intermediaries / agencies / persons as may be required for the purposes of the Buyback and to 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;
- h) affixing 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.
- i) signing, executing and delivering 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.
- j) obtaining all necessary certificates and reports from statutory auditors and other third parties as required under applicable law.
- k) 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.

- l) *sub-delegating all or any of the authorisations conferred on them to any Director(s)/ Officer(s)/ Authorized Signatory(ies)/ Representative(ies) of the Company.*
- m) *giving such directions as may be necessary or desirable and to settle any questions or difficulties whatsoever that may arise in relation to the Buyback;*
- n) *settling 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.*

RESOLVED FURTHER THAT *in terms of Regulation 19(3) of the Buyback Regulations, **Shri M.Viswanathan, Company Secretary**, be and is hereby appointed as the Compliance Officer for the Buyback.*

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 Secretary be and is hereby authorised to (i) maintain a register of securities bought back wherein details of equity shares bought back be entered including 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, (ii) authenticate the entries made in the said register.*

RESOLVED FURTHER THAT *Company Secretary for the time being, be and is hereby authorized to file necessary e-forms with the Registrar of Companies, Kolkata, West Bengal, and to do all such acts, deeds and things as may be necessary to give effect to the above resolutions.”*

5 DETAILS OF PUBLIC ANNOUNCEMENT

The Public Announcement dated August 29, 2016 was published in the following newspapers on August 30, 2016, in accordance with Regulation 8(1) of the Buyback Regulations, within two working days from the date of the Shareholders’ resolution approving the Buyback through postal ballot, the result of which was declared on August 26, 2016:

Publication	Language	Editions
Financial Express	English	All editions
Jansatta	Hindi	All editions
AajKaal	Bengali (regional language)	Kolkata edition

The Public Announcement is available on the SEBI website at www.sebi.gov.in.

6 DETAILS OF THE BUYBACK

Coal India Limited has announced the Buyback of not exceeding 10,89,55,223 (Ten crores eighty nine lakhs fifty five thousand two hundred and twenty three) Equity Shares from all the existing shareholders / beneficial owners of Equity Shares as on Record Date, on a proportionate basis, through the Tender Offer process at a price of ₹ 335/- (Rupees Three hundred and thirty five) per Equity Share payable in cash for an aggregate amount of approximately ₹ 3,650 crores (Rupees Three thousand six hundred and fifty crores only). The maximum number of Equity Shares proposed to be bought back represents 1.72% of the total number of Equity Shares in the issued, subscribed and paid-up equity share capital of the Company.

The Buyback is in accordance with the provisions of Article 23 of the Articles of Association of the Company, Sections 68, 69, 70 and all other applicable provisions if any, of the Companies Act, 2013 and Regulation 4(1)(a) and other applicable provisions of the 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 and the Stock Exchange where the Equity Shares of the Company are listed.

The Company will adopt the Tender Offer process for the purpose of Buyback. The Buyback will be implemented 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 Notice Number 20150930-1 dated September 30, 2015 from BSE.

The Buyback Offer Size of ₹ 3,650 crores is approximately 24.95% of the aggregate of the fully paid-up share capital and free reserves as per the audited accounts of the Company for the financial year ended March 31, 2016 on a standalone basis which stands at ₹ 14,629.17 crores (Rupees Fourteen thousand six hundred and twenty nine point seventeen crores) and is within the statutory limits of 25% of the total paid up capital and free reserves as per the latest audited accounts of the Company. The Buyback Offer Size does not include any expenses incurred or to be incurred for the Buyback like SEBI filing fees, Stock Exchange fees, advisors fees, Public Announcement publication expenses, printing & dispatch expenses and other incidental & related expenses.

The aggregate shareholding of the Promoter as on the date of the Board Meeting (i.e. July 11, 2016) and date of publication of the Public Announcement (i.e. August 30, 2016) is as follows:

S. No	Name of shareholder	No. of Equity Shares held	No. of Equity Shares held in dematerialized form	Percentage of issued Equity Share capital
1.	The President of India acting through and represented by Ministry of Coal, Government of India	5,03,09,70,582	5,03,09,70,582	79.649

In terms of the Buyback Regulations, under the Tender Offer process, the Promoter of the Company has the option to participate in the Buyback. In this regard, the Promoter mentioned above has expressed its intention, vide its letter dated July 11, 2016, to participate in the Buyback and tender such number of equity shares which are equal to the equity shares to be bought back i.e. 10,89,55,223 (Ten crores eighty nine lakhs fifty five thousand two hundred and twenty three) equity shares.

Assuming that the Promoter tenders 10,89,55,223 (Ten crores eighty nine lakhs fifty five thousand two hundred and twenty three) Equity Shares in the Buyback (in accordance with the declaration provided by them) and if:

- All the public Shareholders participate upto their entitlement (full acceptance), then the aggregate shareholding of the Promoter, post Buyback will increase from 79.649 % to 79.845 % and the aggregate shareholding of the public in the Company shall decrease from 20.351% to 20.155 % of the post Buyback equity share capital of the Company; or
- None of the public Shareholders participate, then the aggregate shareholding of the Promoter, post Buyback will decrease from 79.649 % to 79.293 % and the aggregate shareholding of the public in the Company shall increase from 20.351% to 20.707% of the post Buyback equity share capital of the Company.

7 AUTHORITY FOR THE BUYBACK

The Buyback is in accordance with the provisions of Article 23 of the Articles of Association of the Company, Sections 68, 69, 70 and all other applicable provisions if any, of the Companies Act, 2013 and Regulation 4(1)(a) and other applicable provisions contained in the 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 Exchange and RBI etc.

The Board of Directors at their meeting on July 11, 2016 passed a resolution approving buyback of Equity Shares of the Company and sought approval of Shareholders, as a special resolution, through the postal ballot notice dated July 11, 2016. The results of the postal ballot were announced on August 26, 2016, which is the date when the special resolution is deemed to have been passed by the Shareholders. Further, the Buyback Committee has also, at its meeting held on August 24, 2016, August 29, 2016 and September 7, 2016 and through circular resolution on September 23, 2016 passed various resolutions relating to the Buyback.

8 NECESSITY OF THE BUYBACK

Share buyback is the acquisition by a company of its own shares. The objective is to return surplus cash to the members holding equity shares of the Company. The Board at its meeting held on Monday, July 11, 2016, considered the accumulated free reserves as well as the cash liquidity reflected in the audited accounts for the financial year ended March 31, 2016 on a standalone basis and considering these, the Board decided to allocate a sum of ₹ 3,650 crores (Rupees Three thousand six hundred and fifty crores only) for returning to the members holding equity shares of the Company through the Buyback.

After considering several factors and benefits to the members holding equity shares of the Company, the Board decided to recommend Buyback of not exceeding 10,89,55,223 (Ten crores eighty nine lakhs fifty five thousand two hundred and twenty three) (representing 1.72% of the total number of equity shares in the paid-up share capital of the Company) at a price of ₹ 335/- (Rupees Three hundred and thirty five only) per equity share for an aggregate consideration not exceeding ₹ 3650 crores (Rupees Three Thousand Six hundred and Fifty Crores only). Buyback is a more efficient form of returning surplus cash to the members holding equity shares of the Company, inter-alia, for the following reasons:

- i. The Buyback will help the Company to return surplus cash to its members holding equity shares broadly in proportion to their shareholding, thereby, enhancing the overall return to members;
- ii. The Buyback, which is being implemented through the Tender Offer route as prescribed under the Buyback Regulations, would involve allocation of higher of number of shares as per their entitlement or 15% of the number of shares to be bought back, reserved for the 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 shareholder”;
- iii. The Buyback may help in improving return on equity, by reduction in the equity base, thereby leading to long term increase in shareholders’ value;
- iv. The Buyback gives an option to the members holding equity shares of the Company, who can choose to participate and get cash in lieu of equity shares to be accepted under the Buyback offer or they may choose not to participate and enjoy a resultant increase in their percentage shareholding, post the Buyback offer, without additional investment;
- v. Optimizes the capital structure.

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

- 9.1 The Buyback is not likely to cause any material impact on the profitability/ earnings of the Company except a reduction in the investment income, which the Company could have otherwise earned on the amount distributed towards Buyback. Assuming there is full response to the Buyback, the funds deployed by the Company towards the Buyback would be approximately ₹ 3,650 crores (Rupees Three thousand six hundred and fifty crores only). This shall impact the investment income earned by the Company, on account of reduced amount of funds available for investments.
- 9.2 The Buyback will not in any manner impair the ability of the Company to pursue growth opportunities or meet its cash requirements for business operations.
- 9.3 The Promoter have expressed their intention, vide its letter dated July 11, 2016, to participate in the Buyback and tender such number of equity shares which are equal to the equity shares to be bought back i.e. 10,89,55,223 (Ten crores eighty nine lakhs fifty five thousand two hundred and twenty three) equity shares. The Buyback of Equity Shares will not result in a change in control or otherwise affect the existing management structure of the Company.
- 9.4 As per the information provided by the Promoter vide their letter dated July 11, 2016, since the entire shareholding of the Promoter is in the demat mode, details of the date and cost of acquisition of the specific Equity Shares that the Promoter intend to tender cannot be provided, and hence, the details of the date and price of acquisition/ sale of all the Equity Shares that the Promoter has acquired/sold till date are set-out below:

Date of Transaction	Number of Equity Shares	Acquisition/ Sale Consideration (₹)	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

Date of Transaction	Number of Equity Shares	Acquisition/ Sale Consideration (₹)	Nature of Transaction/Consideration
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
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

Date of Transaction	Number of Equity Shares	Acquisition/ Sale Consideration (₹)	Nature of Transaction/Consideration
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
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

Date of Transaction	Number of Equity Shares	Acquisition/ Sale Consideration (₹)	Nature of Transaction/Consideration
On February 16, 2010, 63,163,644 equity shares of ₹ 1,000 each were split into 6,316,364,400 equity shares of ₹ 10 each and were subsequently dematerialized			
November 30, 2010	(63,16,36,440)	15199.44 Crores	Divestment by way of sale of shares in IPO of Company
March 27, 2014	(2,20,37,834)	550.67 Crores	Divestment by way of sale of shares in Exchange Traded Fund (“ETF”)
January 30, 2015	(63,16,36,440)	22557.63 Crores	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
Total current Shareholding	5,03,09,70,582		

- 9.5 Assuming that the Promoter i.e. the President of India acting through and represented by Ministry of Coal, Government of India, tenders 10,89,55,223 (Ten crores eighty nine lakhs fifty five thousand two hundred and twenty three) Equity Shares in the Buyback (in accordance with the declaration provided by them) and if:
- All the public Shareholders participate upto their entitlement (full acceptance), then the aggregate shareholding of the Promoter, post Buyback will increase from 79.649% to 79.845 % and the aggregate shareholding of the public in the Company shall decrease from 20.351% to 20.155% of the post Buyback equity share capital of the Company; or
 - None of the public Shareholders participate, then the aggregate shareholding of the Promoter, post Buyback will decrease from 79.649% to 79.293 % and the aggregate shareholding of the public in the Company shall increase from 20.351% to 20.707 % of the post Buyback equity share capital of the Company.
- 9.6 Consequent to the Buyback and based on the number of Equity Shares bought back from the Non-Resident Shareholders, FIIs, FPIs, Indian financial institutions, banks, mutual funds and the public including other bodies corporate, the shareholding pattern of the Company would undergo a change. The FIIs/ FPIs are advised to ensure that their investment in the Company continues to be within the limit prescribed under applicable laws, post completion of the Buyback.
- 9.7 The debt-equity ratio post Buyback will be compliant with the permissible limit of 2:1 prescribed by Section 68 (2) (d) of the Companies Act, 2013, even if the response to the Buyback is to the extent of 100% (full acceptance).
- 9.8 The Company shall not issue any equity shares or other securities (including by way of bonus) till the date of closure of the Buyback.
- 9.9 The Company shall not raise further capital for a period of one year from the closure of Buyback except in discharge of its subsisting obligations.
- 9.10 Salient financial parameters consequent to the Buyback based on the latest standalone audited financial results as on March 31, 2016, are as under:

Parameters	Pre-Buyback	*Post- Buyback
Net worth (₹ in Crores)	15533.35	11883.35
Return on Networth (%)	105.22%	137.53%
Earnings Per Equity Share (₹) (Basic & Diluted)	25.87	26.33
Book Value per Equity Share (₹)	24.59	19.14
P/E Ratio	12.95	12.72
Total Debt/ Equity Ratio	Nil	Nil

*Assuming full acceptance of Equity Shares in the Buyback Offer in the Ratio of Buyback

Note:

- Net worth = Equity Capital + Reserves & Surplus – Miscellaneous Expenditure.
- Total Debt = Long Term Borrowings + Short Term Borrowings + Current Maturities of Long Term Borrowings.

The key ratios have been computed as below:

Key Ratios basis:

Earnings per Equity Share(₹) (Basic & Diluted)	Net profit after tax attributable to the Equity Shareholders / Number of Equity Shares outstanding
Book Value per Equity Share (₹)	Net Worth / Number of Equity Shares outstanding
Return on Net worth (%)	Net profit after tax attributable to the Equity Shareholders/ Net Worth
Debt-Equity Ratio	Debt/Net Worth
P/E Ratio	Market Value per Equity Share/ Earnings per Equity Share as per the latest standalone audited financial results i.e. March 31, 2016. Market value has been taken as ₹ 334.90 (closing price on BSE as of August 30, 2016 for both pre and post Buyback P/E ratio) as Public Announcement was published on August 30, 2016

10 BASIS OF CALCULATING BUYBACK PRICE

- 10.1 The Buyback price of ₹ 335/- (Rupees Three hundred and thirty five only) per Equity Share has been arrived at after considering various factors such as the average closing prices of the equity shares of the Company on Stock Exchanges where the equity shares of the Company are listed, the net worth of the Company and the impact of the Buyback on the key financial ratios of the Company.
- 10.2 The Buyback price of ₹ 335/- (Rupees Three hundred and thirty five only) per Equity Share represents a (i) premium of 7.07% and 7.07% over the volume weighted average price of the equity shares on BSE and NSE respectively, for 2 weeks preceding the date of intimation to the BSE and NSE for the Board Meeting to consider the proposal of the Buyback; (ii) premium of 4.12% and 4.05% over the closing market price of the equity shares on BSE and NSE respectively, as on the date of the intimation to BSE and NSE for the Board Meeting to consider the proposal of the Buyback; and (iii) premium of 13.12% and 13.15% over the average of the volume weighted average price of the equity shares on BSE and NSE respectively, for 60 trading days, 3 months, 6 months preceding the date of intimation i.e. July 5, 2016 to the Stock Exchanges for the Board Meeting to consider the proposal of the Buyback. .
- 10.3 For trends in the market price of the Equity Shares, please refer to paragraph 16 (*Stock Market Data*) of this Letter of Offer.
- 10.4 The closing market price of the Equity Shares as on the date of intimation to the BSE and NSE for the Board Meeting for considering the Buyback i.e. July 5, 2016, was ₹ 321.75 and ₹ 321.95 on BSE and NSE, respectively.
- 10.5 The book value per Equity Share of the Company pre-Buyback as on March 31, 2016, on a standalone basis, was ₹ 24.59, which will decrease to ₹ 19.14 post Buyback Offer based on the assumption mentioned in notes to table on salient financial parameters in paragraph 9.10 of this Letter of Offer.
- 10.6 The earning per Equity Share of the Company pre-Buyback as on March 31, 2016, on a standalone basis, was ₹ 25.87 which will increase to ₹ 26.33 post Buyback based on the assumption mentioned in notes to table on salient financial parameters in paragraph 9.10 of this Letter of Offer.
- 10.7 The Return on Net-worth of the Company pre Buyback as on March 31, 2016, on a standalone basis, was 105.22 % which will increase to 137.53% post Buyback based on the assumption mentioned in notes to table on salient financial parameters in paragraph 9.10 of this Letter of Offer.

11 SOURCES OF FUNDS FOR THE BUYBACK

- 11.1 Assuming full acceptance, the funds that would be employed by the Company for the purpose of the Buyback of 10,89,55,223 (Ten crores eighty nine lakhs fifty five thousand two hundred and twenty three) Equity Shares at a price of ₹ 335/- (Rupees Three hundred and thirty five only) per Equity Share would be approximately ₹ 3,650 crores (Rupees Three thousand six hundred and fifty crores only).
- 11.2 Buyback will be met out of fixed deposits lying with the banks and investment in mutual funds made by the Company. The Company does not intend to raise additional debt for the explicit purposes of the Buyback. Accordingly, borrowed funds will not be used for the Buyback. However, if required, the Company may borrow funds in the ordinary course of its business.

12 DETAILS OF THE ESCROW ACCOUNT AND THE AMOUNT TO BE DEPOSITED THEREIN

- 12.1 In accordance with Regulation 10 of the Buyback Regulations, the Company has appointed Axis Bank Limited, having its registered office at 'Trishul', 3rd Floor, Opposite Samaratheshwar Temple, Law Garden, Ellis Bridge, Ahmedabad 380 006 as the Escrow Agent for Buyback, and an Escrow Agreement has been entered into amongst the Company, SBI Capital Markets Limited and Escrow Agent having its branch at Dalhousie Square, Ground Floor, Mukti Chambers, 4 Clive Row, Kolkata 700001 on September 6, 2016.
- 12.2 In accordance with the Escrow Agreement, the Company has opened an Escrow Account in the name and style "Coal India Limited- Buyback Escrow A/c" bearing account number 916020049336788 with the Escrow Agent. In compliance with the provision of Regulation 10(2) of the Buyback Regulations, the Company undertakes to deposit before the opening of the Buyback Offer an amount of ₹ 380 crores (Rupees Three Hundred and Eighty Crores only) in the Escrow Account, by way of cash, being equivalent to 25% upto ₹100 crore and 10% thereafter of the total consideration payable by the Company under the Buyback Offer, assuming full acceptance. SBI Capital Markets Limited has been empowered to operate the Escrow Account in accordance with the Buyback Regulations.
- 12.3 M/s Chaturvedi & Co., Chartered Accountants, the statutory auditors of the Company (Firm Registration number 302137E), located at "Park Centre", 2nd Floor, 24, Park Street, Kolkata-700016, Tel. No.: +91 2229-9022, Fax.: +91 2227-7567 have certified, vide their certificate dated August 31, 2016, that the Company has adequate financial resources for fulfilling all obligations under the Buyback Offer.
- 12.4 The Manager to the Buyback Offer has satisfied itself about the ability of the Company to implement the Buyback Offer in accordance with the Buyback Regulations.

13 CAPITAL STRUCTURE AND SHAREHOLDING PATTERN

- 13.1 The capital structure of the Company, as on the date of publication of the Public Announcement (i.e. August 30, 2016), is as follows:

Particulars	Aggregate value at face value (₹ in crore)
Authorised Share Capital	
800,00,00,000 Equity Shares of ₹ 10 each	8000.00
90,41,800 Non-cumulative 10% Redeemable Preference Shares of ₹1000 each	904.18
Total	8904.18
Issued, Subscribed and Paid Up Share Capital	
631,63,64,400 Equity Shares of ₹ 10 each, fully paid up	6316.36
Total	6316.36

- 13.2 During the 3 years preceding the date of publication of the Public Announcement (i.e. August 30, 2016), the Company has not bought back any Equity Shares under any Buyback programme.
- 13.3 As on the date of publication of the Public Announcement (i.e. August 30, 2016), there are no outstanding preference shares, partly paid-up Equity Shares or outstanding convertible instruments or calls in arrears.
- 13.4 The shareholding pattern of the Company pre-Buyback, as on the Record Date, as well as the post Buyback (assuming full acceptance of the Buyback) shareholding, is as shown below:

Particulars	Pre Buyback		Post Buyback	
	No. of Equity Shares	% of the existing equity share capital	No. of Equity Shares	% of the post Buyback equity share capital
Promoter	5,03,09,70,582	79.650	4,95,63,27,128	79.845
Foreign Investors (including Non Resident Indians, FIIs, FPIs and Foreign Mutual Funds)	50,39,29,704	7.978	49,61,99,187	7.994
Financial Institutions/ Banks/ Mutual Funds promoted by Banks/ Institutions	63,75,81,563	10.094	62,81,20,923	10.119
Other (public, public bodies corporate etc.)	14,38,82,551	2.278	12,67,61,939	2.042

Particulars	Pre Buyback		Post Buyback	
	No. of Equity Shares	% of the existing equity share capital	No. of Equity Shares	% of the post Buyback equity share capital
Total	6,31,63,64,400	100.00	6,20,74,09,177	100.00

- 13.5 Assuming 100% (full acceptance) response to the Buyback Offer, the issued, subscribed and paid-up equity share capital of the Company after the completion of the Buyback Offer would be as follows:

Particulars	No. of Shares	Amount (₹ in crore)
Issued, Subscribed and Paid-up Equity Shares	6,20,74,09,177	6,207.41

- 13.6 Assuming that the Promoter i.e. the President of India acting through and represented by Ministry of Coal, Government of India, tenders 10,89,55,223 (Ten crores eighty nine lakhs fifty five thousand two hundred and twenty three) Equity Shares in the Buyback (in accordance with the declaration provided by them), the aggregate shareholding of the Promoter, post Buyback will increase to 79.845% of the post Buyback equity share capital of the Company, if all the public Shareholders participate upto their entitlement (full acceptance) and will reduce to 79.293% of the post Buyback equity share capital of the Company if none of the public shareholders participate in the Buyback Offer.
- 13.7 No shares or other specified securities in the Company were either purchased or sold by the Promoter during the period of six months preceding the date of the board meeting at which the buy-back was approved and from that date till the date of notice of Postal Ballot for Buyback.

Subsequent to the date of postal ballot notice i.e. July 11, 2016, the Promoter of the Company has not entered into any transactions in relation to the Equity Shares of the Company.

- 13.8 No Equity Shares have been purchased/ sold/ transferred by the Promoter of the Company during the period of twelve months preceding the date of publication of the Public Announcement (i.e. August 30, 2016).
- 13.9 There is no pending scheme of amalgamation or compromise or arrangement pursuant to any provisions of the Companies Act, 2013.

14 BRIEF INFORMATION ABOUT THE COMPANY

- 14.1 Our 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 our Company was changed to 'Coal India Limited' and we 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, our Company was converted into a public limited company with effect from February 24, 2010.
- 14.2 Our 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 Our Company has a manpower of 3,22,404 for the year ending March 2016. As of April 1, 2016, our Company operated 413 mines in 82 mining areas spread over eight provincial states of India of which 207 are underground mines, 176 are opencast mines and 30 are mixed mines. We also operate 15 coal washeries, (12 coking coal and 3 non-coking coal) and manage other establishments including workshops and hospitals. Our Company has 27 training institutes one of them being Indian Institute of Coal Management which is an excellent training centre which imparts multidisciplinary 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, we have 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 our Company.

14.5 Total coal production by our 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 538.75 million tonnes in 2015-16, which is about 84 % of total coal production in the country. Around 72% of the entire power generated in the country is coal based. Our Company spearheads the country's coal production, and produces over 84% of the country's entire output. We virtually fuel and empower the power sector in the country.

Growth of the business of the Company

14.6 Our Company has crossed the threshold of half –a-billion tonne mark in coal off-take & production in FY 2015-16, setting the stage for a high growth in the ensuing years. We have achieved a phenomenal growth of 9.23 % & 9.01% in off-take & coal production respectively in FY 2015-16 over FY 2014-15. Power utilities of the country, which is a major coal consuming sector, were supplied with 408.75 million tonnes of coal during FY 2016 against 385.39 million tonnes in previous fiscal, by our Company registering a growth of 6.1 % and achieving 94.9 % of its target.

14.7 Apart from coal mining activities, our 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.

14.8 In order to improve renewable energy scenario in India, our Company has envisaged to develop 1000 MW solar power projects within five year's period of FY 2014-19 in collaboration with Solar Energy Corporation of India.

14.9 Our Company has entered into a joint venture with NTPC Ltd for the revival of defunct fertilizer plants at Sindri (Jharkhand) & Gorakhpur (Uttar Pradesh) for manufacture of urea and chemical. Hon'ble Prime Minister of India has laid foundation stone for revival of Gorakhpur Fertiliser plant at Gorakhpur on July 22, 2016.

14.10 Our Company has also entered into a joint venture with Rashtriya Chemicals & Fertilizers Limited, GAIL (India) Limited and Fertilizer Corporation of India Limited and incorporated Talcher Fertilizers Limited for revival of Talcher fertiliser plant at Talcher.

14.11 The Equity Shares of the Company were listed on the BSE and NSE on October 30, 2010.

14.12 Details of the changes in share capital of the Company since incorporation are as follows:

Date of Allotment	Number of Equity Shares	Face Value (₹)	Issue Price (₹)	Consideration	Reasons for Allotment	Cumulative number of Equity Shares	Cumulative Equity Share Capital (₹)	Cumulative Share Premium (₹)
June 14, 1973	3	1,000	1,000	Cash	Issued to the President of India on signing the MoA	3	3,000	Nil
June 14, 1973	1	1,000	1,000	Cash	Issued to Mr. S.K.Dhar on signing the MoA	4	4,000	Nil
June 14, 1973	1	1,000	1,000	Cash	Issued to Mr. PK.Lahiri on signing the MoA	5	5,000	Nil
March 26, 1974	79,995	1,000	1,000	Cash	Further issue to the President of India	80,000	80,000,000	Nil
March 15, 1975	388,466	1,000	1,000	Cash	Further issue to the President of India	468,466	468,466,000	Nil
November 19, 1975	1,475,377	1,000	1,000	Partly in cash and partly in lieu of consideration other than cash ⁽¹⁾	Further issue to the President of India	1,943,843	1,943,843,000	Nil

Date of Allotment	Number of Equity Shares	Face Value (₹)	Issue Price (₹)	Consideration	Reasons for Allotment	Cumulative number of Equity Shares	Cumulative Equity Share Capital (₹)	Cumulative Share Premium (₹)
December 31, 1975	150,403	1,000	1,000	Consideration other than Cash ⁽²⁾	Further issue to the President of India	2,094,246	2,094,246,000	Nil
June 30, 1976	114,000	1,000	1,000	Consideration other than Cash ⁽³⁾	Further issue to the President of India	2,208,246	2,208,246,000	Nil
September 22, 1976	357,600	1,000	1,000	Partly in cash and partly in lieu of consideration other than cash ⁽⁴⁾	Further issue to the President of India	2,565,846	2,565,846,000	Nil
December 22, 1976	1,797,333	1,000	1,000	Partly in cash and partly in lieu of consideration other than cash ⁽⁵⁾	Further issue to the President of India	4,363,179	4,363,179,000	Nil
December 2, 1977	449,240	1,000	1,000	Partly in cash and partly in lieu of consideration other than Cash ⁽⁶⁾	Further issue to the President of India	4,812,419	4,812,419,000	Nil
December 2, 1977	36,600	1,000	1,000	Consideration other than Cash ⁽⁷⁾	Further issue to the President of India	4,849,019	4,849,019,000	Nil
January 13, 1978	100,000	1,000	1,000	Cash	Further issue to the President of India	4,949,019	4,949,019,000	Nil
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	Nil
May 31, 1979	280,850	1,000	1,000	Cash	Further issue to the President of India	6,245,309	6,245,309,000	Nil
September 1, 1979	542,791	1,000	1,000	Partly in cash and partly in lieu of consideration other than cash ⁽⁸⁾	Further issue to the President of India	6,788,100	6,788,100,000	Nil

Date of Allotment	Number of Equity Shares	Face Value (₹)	Issue Price (₹)	Consideration	Reasons for Allotment	Cumulative number of Equity Shares	Cumulative Equity Share Capital (₹)	Cumulative Share Premium (₹)
September 1, 1979	390,500	1,000	1,000	Cash	Further issue to the President of India	7,178,600	7,178,600,000	Nil
August 8, 1980	1,061,640	1,000	1,000	Consideration other than cash ⁽⁹⁾	Further issue to the President of India	8,240,240	8,240,240,000	Nil
October 7, 1980	262,600	1,000	1,000	Cash	Further issue to the President of India	8,502,840	8,502,840,000	Nil
December 22, 1980	320,000	1,000	1,000	Cash	Further issue to the President of India	8,822,840	8,822,840,000	Nil
February 19, 1981	350,000	1,000	1,000	Cash	Further issue to the President of India	9,172,840	9,172,840,000	Nil
April 9, 1981	400,000	1,000	1,000	Cash	Further issue to the President of India	9,572,840	9,572,840,000	Nil
June 24, 1981	217,400	1,000	1,000	Cash	Further issue to the President of India	9,790,240	9,790,240,000	Nil
August 21, 1981	715,189	1,000	1,000	Partly in cash and partly in lieu of consideration other than cash ⁽¹⁰⁾	Further issue to the President of India	10,505,429	10,505,429,000	Nil
September 18, 1981	654,400	1,000	1,000	Cash	Further issue to the President of India	11,159,829	11,159,829,000	Nil
November 3, 1981	625,700	1,000	1,000	Cash	Further issue to the President of India	11,785,529	11,785,529,000	Nil
March 3, 1982	400,426	1,000	1,000	Partly in cash and partly in lieu of consideration other than cash ⁽¹¹⁾	Further issue to the President of India	12,185,955	12,185,955,000	Nil
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	Nil
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	Nil

Date of Allotment	Number of Equity Shares	Face Value (₹)	Issue Price (₹)	Consideration	Reasons for Allotment	Cumulative number of Equity Shares	Cumulative Equity Share Capital (₹)	Cumulative Share Premium (₹)
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	Nil
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	Nil
November 29, 1983	970,000	1,000	1,000	Cash	Further issue to the President of India	19,116,955	19,116,955,000	Nil
February 21, 1984	580,000	1,000	1,000	Cash	Further issue to the President of India	19,696,955	19,696,955,000	Nil
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	Nil
May 23, 1985	770,000	1,000	1,000	Cash	Further issue to the President of India	25,376,955	25,376,955,000	Nil
July 15, 1985	250,000	1,000	1,000	Cash	Further issue to the President of India	25,626,955	25,626,955,000	Nil
August 29, 1985	420,000	1,000	1,000	Cash	Further issue to the President of India	26,046,955	26,046,955,000	Nil
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	Nil
December 20, 1985	750,000	1,000	1,000	Cash	Further issue to the President of India	28,426,955	28,426,955,000	Nil
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	Nil
May 17, 1986	480,000	1,000	1,000	Cash	Further issue to the President of India	29,906,955	29,906,955,000	Nil
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	Nil
May 14, 1987	880,000	1,000	1,000	Cash	Further issue to the President of India	35,956,955	35,956,955,000	Nil

Date of Allotment	Number of Equity Shares	Face Value (₹)	Issue Price (₹)	Consideration	Reasons for Allotment	Cumulative number of Equity Shares	Cumulative Equity Share Capital (₹)	Cumulative Share Premium (₹)
July 16, 1987	1,154,074	1,000	1,000	Partly in cash and partly in lieu of consideration other than cash ⁽¹²⁾	Further issue to the President of India	37,111,029	37,111,029,000	Nil
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	Nil
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	Nil
April 29, 1988	278,592	1,000	1,000	Cash	Further issue to the President of India	41,149,621	41,149,621,000	Nil
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	Nil
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	Nil
August 10, 1988	630,000	1,000	1,000	Cash	Further issue to the President of India	43,829,621	43,829,621,000	Nil
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	Nil
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	Nil
December 5, 1988	340,000	1,000	1,000	Cash	Further issue to the President of India	47,543,392	47,543,392,000	Nil
January 27, 1989	82,135	1,000	1,000	Cash	Further issue to the President of India	47,625,527	47,625,527,000	Nil
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	Nil

Date of Allotment	Number of Equity Shares	Face Value (₹)	Issue Price (₹)	Consideration	Reasons for Allotment	Cumulative number of Equity Shares	Cumulative Equity Share Capital (₹)	Cumulative Share Premium (₹)
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	Nil
February 7, 1990	43,784	1,000	1,000	Cash	Further issue to the President of India	52,218,214	52,218,214,000	Nil
June 6, 1990	220,425	1,000	1,000	Cash	Further issue to the President of India	52,438,639	52,438,639,000	Nil
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	Nil
September 12, 1990	274,167	1,000	1,000	Cash	Further issue to the President of India	55,962,806	55,962,806,000	Nil
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	Nil
February 18, 1991	9,094	1,000	1,000	Cash	Further issue to the President of India	56,974,218	56,974,218,000	Nil
March 20, 1991	42,966	1,000	1,000	Cash	Further issue to the President of India	57,017,184	57,017,184,000	Nil
July 31, 1991	1,330,000	1,000	1,000	Cash	Further issue to the President of India	58,347,184	58,347,184,000	Nil
August 22, 1991	415,945	1,000	1,000	Cash	Further issue to the President of India	58,763,129	58,763,129,000	Nil
November, 15 1991	416,068	1,000	1,000	Cash	Further issue to the President of India	59,179,197	59,179,197,000	Nil
March 20, 1992	811,529	1,000	1,000	Cash	Further issue to the President of India	59,990,726	59,990,726,000	Nil
June 2, 1992	356,466	1,000	1,000	Cash	Further issue to the President of India	60,347,192	60,347,192,000	Nil
July 27, 1992	420,000	1,000	1,000	Cash	Further issue to the President of India	60,767,192	60,767,192,000	Nil

Date of Allotment	Number of Equity Shares	Face Value (₹)	Issue Price (₹)	Consideration	Reasons for Allotment	Cumulative number of Equity Shares	Cumulative Equity Share Capital (₹)	Cumulative Share Premium (₹)
August 29, 1992	379	1,000	1,000	Cash	Further issue to the President of India	60,767,571	60,767,571,000	Nil
December 22, 1992	2,988	1,000	1,000	Cash	Further issue to the President of India	60,770,559	60,770,559,000	Nil
February 19, 1993	200,093	1,000	1,000	Cash	Further issue to the President of India	60,970,652	60,970,652,000	Nil
June 10, 1993	4,359	1,000	1,000	Cash	Further issue to the President of India	60,975,011	60,975,011,000	Nil
September 2, 1993	29,154	1,000	1,000	Cash	Further issue to the President of India	61,004,165	610,04,165,000	Nil
November 15, 1993	3,431	1,000	1,000	Cash	Further issue to the President of India	61,007,596	61,007,596,000	Nil
March 5, 1994	26,844	1,000	1,000	Cash	Further issue to the President of India	61,034,440	61,034,440,000	Nil
May 6, 1994	10,941	1,000	1,000	Cash	Further issue to the President of India	61,045,381	61,045,381,000	Nil
July 20, 1994	3,063	1,000	1,000	Cash	Further issue to the President of India	61,048,444	61,048,444,000	Nil
March 6, 1995	2,115,200	1,000	1,000	Cash	Further issue to the President of India	63,163,644	63,163,644,000	Nil
On February 16, 2010, the face value of the Equity Shares of our Company was split into ₹ 10 each and consequently, the issued share capital was split from ₹ 63,163,644,000 divided into 63,163,644 Equity Shares of ₹ 1,000 each to ₹ 63,163,644,000 divided into 6,316,364,400 Equity Shares of ₹10 each.								
Total	6,316,364,400					6,316,364,400	63,163,644,000	Nil

- (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 our 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.

14.13 The Board of Directors of the Company as on the date of publication of the Public Announcement (i.e. August 30, 2016) was as under:

Sr. No.	Name, Qualification, Occupation, Age and DIN	Date of Appointment / Re-appointment	Designation	Other Directorships
1.	SHRI S. BHATTACHARYA Qualification: Physics graduate from Presidency College, Kolkata Occupation: Service Age: 59 DIN: 00423572	January 5, 2015	Chairman Cum Managing Director	NIL
2.	SHRI R. MOHAN DAS Qualification: Post graduate degree in Sociology from Madurai University. Occupation: Service Age: 59 DIN: 01594255	June 1, 2007	Director (P&IR)	1. Western Coalfields Limited 2. Central Coalfields Limited
3.	SHRI N. KUMAR Qualification: Graduated in Mining Engineering (B.Tech Mining) from ISM Dhanbad. Occupation: Service Age: 57 DIN: 02624808	February 1, 2012	Director (Technical)	1. Bharat Coking Coal Limited, Director and CMD (Addl. Charge) 2. CMPDI Limited 3. Coal India Africana Limitada-Foreign Company, CMD (Part-time) 4. Hindustan Urvarak & Rasayan Limited, CMD (Part-time)
4.	SHRI C. K. DEY Qualification: Chartered Accountant and Cost Accountant Occupation: Service Age: 58 DIN: 03204505	March 1, 2015	Director (Finance)	1. Eastern Coalfields Limited, Director and CMD (Addl. Charge) 2. South Eastern Coalfields Limited
5.	SHRI S. N. PRASAD Qualification: MBA (Marketing) Occupation: Service Age: 57 DIN: 07408431	February 1, 2016	Director (Marketing)	1. Northern Coalfields Limited 2. Mahanadi Coalfields Limited

Sr. No.	Name, Qualification, Occupation, Age and DIN	Date of Appointment / Re-appointment	Designation	Other Directorships
6.	Ms. LORETTA M VAS Qualification: B.A (Eng.), B.Ed, M.A.(Eco.), Master in Public Administration, M. Phil (Social Science) and LLB Occupation: Retired IAS Age: 62 DIN: 02544627	November 17, 2015	Independent Director	NIL
7.	CA VINOD JAIN Qualification: B.Com (H), Chartered Accountant, Company Secretary, Cost Accountant and L.L.B, DISA (ICAI). Occupation: Practising Chartered Accountant Age: 60 DIN: 0003572	November 17, 2015	Independent Director	1. Inmacs Limited 2. Infrastructure Projects and Engineers Pvt. Ltd. 3. Inmacs Microsystems Pvt. Ltd. 4. Intergria Technologies Pvt. Ltd. 5. Inmacs Management Services Ltd. 6. AptelSoftek Systems Pvt. Ltd. 7. Aquatech Hong Kong Pvt. Ltd. 8. Inmacs Managements Services Limited- British Virgin Islands.
8.	DR. D.C. PANIGRAHI Qualification: B.Tech, M.Tech and Phd. in Mining Engg., M.Tech(Industrial Engg and Mgt) and ISM Occupation: Director in ISM-Service Age: 55 DIN: 07355591	November 17, 2015	Independent Director	NIL
9.	DR. KHANINDRA PATHAK Qualification: B.Tech. (Mining), M.Tech in (Open Cast), PhD in (Mining Engg). Occupation: Prof in IIT Kharagpur-Service Age: 56 DIN: 07348780	November 17, 2015	Independent Director	NIL
10.	DR. S.B.AGNIHOTRI Qualification: Master Physics, M.Tech (Env. Sci) from IIT Bombay,MA in (Rural Dev.),Phd. Occupation: Service (Prof in IIT, Bombay) Age: 61 DIN: 03390553	November 17, 2015	Independent Director	1. Indian Strategic Petroleum Reserves Limited
11.	SHRI R.K.SINHA Qualification: M.A. Occupation: Government Service Age: 50 DIN: 05351383	August 5, 2016	Part-time official Director	1. Northern Coalfields Limited 2. Clean Kerala Company Limited

Sr. No.	Name, Qualification, Occupation, Age and DIN	Date of Appointment / Re-appointment	Designation	Other Directorships
12	SHRI VIVEK BHARADWAJ Qualification: B.A.(Economics), MBA (Public Policy) Occupation: Government Service Age: 50 DIN: 02847409	August 30, 2016	Part-time official Director	1. South Eastern Coalfields Limited

- 14.14 The details of changes in the Board of Directors during the last 3 years from the date of publication of the Public Announcement (i.e. August 30, 2016) are as under:

Name, Designation and DIN	Date of Appointment	Date of Cessation	Reasons
Shri S. Bhattacharya Chairman cum Managing Director DIN- 00423572	January 5, 2015	Continuing	Appointed as Chairman cum Managing Director
Shri C.K. Dey Director (Finance) DIN-03204505	March 1, 2015	Continuing	Appointed as Director (Finance)
Shri S.N. Prasad Director (Marketing) DIN:07408431	February 1, 2016	Continuing	Appointed as Director (Marketing)
Ms. Loretta M Vas Independent Director DIN-02544627	November 17, 2015	Continuing	Appointed as Independent Director
CA Vinod Jain Independent Director DIN-00003572	November 17, 2015	Continuing	Appointed as Independent Director
Shri D.C. Panigrahi Independent Director DIN-07355591	November 17, 2015	Continuing	Appointed as Independent Director
Dr. Khanindra Pathak Independent Director DIN-07348780	November 17, 2015	Continuing	Appointed as Independent Director
Dr. S.B.Agnihotri Independent Director DIN:03390553	November 17, 2015	Continuing	Appointed as Independent Director
Shri R.K. Sinha Part-time official Director DIN:05351383	August 5, 2016	Continuing	Appointed as Nominee Director from Ministry of Coal
Shri Vivek Bharadwaj Part time official Director DIN-02847409	August 30, 2016	Continuing	Appointed as Nominee Director from Ministry of Coal
Shri S. Narsing Rao Chairman cum Managing Director DIN-00800362	April 24, 2012	June 25, 2014	Resigned
Shri A. Chatterjee Director (Finance) DIN-03042453	November 1, 2012	February 28, 2015	Superannuated on attaining 60 years of age
Dr. R.N Trivedi Independent Director DIN-03243439	October 31, 2013	September 10, 2014	Ceased to be a director as he was not re-appointed by shareholders at AGM of the Company

Name, Designation and DIN	Date of Appointment	Date of Cessation	Reasons
Shri Alok Perti Independent Director DIN-00475747	October 31, 2013	September 8, 2014	Resigned
Shri C. Balakrishnan Independent Director DIN-00040416	December 19, 2013	September 9, 2014	Resigned
Dr. Noor Mohammad Independent Director DIN-00040416	December 19, 2013	September 10, 2014	Ceased to be a director as he was not re-appointed by shareholders at AGM of the Company
Shri Prakash Independent Director DIN-00784911	February 6, 2014	September 2, 2014	Resigned
Prof Indranil Manna Independent Director DIN-06832106	February 6, 2014	September 10, 2014	Ceased to be a director as he was not re-appointed by shareholders at AGM of the Company
Shri B.K. Saxena Director (Marketing) DIN-02123135	June 19, 2012	February 1, 2016	Superannuated on attaining 60 years of age
Smt. Sujata Prasad Part-time official Director DIN-06587461	May 3, 2013	June 20, 2016	Ceased to be a director as she was transferred from Ministry of Coal
Dr. A. K. Dubey Part-time official Director DIN-02766755	April 3, 2013	August 4, 2016	Ceased to be a director as his nomination was withdrawn by Ministry of Coal
Shri R.P. Gupta Part-time official Director DIN-03388822	August 5, 2016	August 30, 2016	Ceased to be a director as his nomination was withdrawn by Ministry of Coal

- 14.15 The Buyback will not result in any benefit to the Promoter or Board of Directors, except to the extent of the cash consideration received by them from the Company pursuant to their respective participation in the Buyback in their capacity as Shareholders of the Company, 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 reduction in the Equity Share Capital post Buyback. Only following director from the Board of Directors of the Company hold the following Equity Shares as on the date of publication of the Public Announcement (i.e. August 30, 2016):

S. No.	Name of director	No. of Equity Shares held	No. of Equity Shares held in dematerialised form	Percentage of issued Equity Share capital
1.	Shri N.Kumar	400	400	Negligible

15 FINANCIAL INFORMATION ABOUT THE COMPANY

- 15.1 The salient financial information of the Company, as extracted from the standalone audited financial results for the last three financial years (prepared as per Accounting Standards and law prevailing on that date) is detailed below:

(₹ in Crore)

Key Financials	For the year ended March 31, 2016 (Audited)	For the year ended March 31, 2015 (Audited)	For the year ended March 31, 2014 (Audited)
Revenue from Operations	165.53	387.12	317.34
Other Income	17127.10	14143.40	16086.76
Total Income	17292.63	14530.52	16404.10
Total Expenses	779.10	878.63	983.63

Key Financials	For the year ended March 31, 2016 (Audited)	For the year ended March 31, 2015 (Audited)	For the year ended March 31, 2014 (Audited)
Interest	110.11	243.82	258.54
Depreciation	15.13	7.17	6.41
Exceptional Items: Expense / (Income)	Nil	Nil	Nil
Profit Before Tax	16513.53	13651.89	15420.47
Provisions for Tax (including Deferred Tax)	170.00	268.50	411.93
Profit/ (Loss) After Tax	16343.53	13383.39	15008.54
Paid-up Equity Share Capital	6316.36	6316.36	6316.36
Reserve & Surplus <i>net of Miscellaneous expenditures to the extent not written off</i> excluding revaluation reserves	9216.99	10417.83	10128.88
Net worth excluding revaluation reserves and <i>net of Miscellaneous expenditures to the extent not written off</i>	15533.35	16734.19	16445.24
Total Debt, excluding working capital loans	Nil	Nil	Nil

15.2 Financial Ratios (from standalone audited financial results of the Company), for the last three financial years are as under:

Particulars	For the year ended March 31, 2016 (Audited)	For the year ended March 31, 2015 (Audited)	For the year ended March 31, 2014 (Audited)
Earnings per Equity Share (₹) (Basic & Diluted)	25.87	21.19	23.76
Debt/ Equity Ratio	Nil	Nil	Nil
Book Value per Equity Share (₹)	24.59	26.49	26.04
Return on Net worth (%)	105.22%	79.98%	91.26%
Total Debt/ Net worth (%)	Nil	Nil	Nil

Notes:

1. Net worth = Equity Capital + Reserves & Surplus – Miscellaneous Expenditure.
2. Total Debt = Long Term Borrowings + Short Term Borrowings + Current Maturities of Long Term Borrowings.

Key Ratios basis:

Earnings per Equity Share(₹) (Basic & Diluted)	Net profit after tax attributable to the Equity shareholders / Number of Equity Shares outstanding
Book Value per Equity Share (₹)	Net worth/ Number of Equity Shares outstanding
Return on Networth (%)	Net Profit after tax attributable to the Equity shareholders/ Net worth
Debt- Equity Ratio	Debt/ Net Worth

15.3 The Company shall comply with the SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as may be applicable. The Company hereby declares that it has complied with Sections 68, 69 and 70 of the Companies Act, 2013. The Company further declares that it will comply with Regulation 23 of the Buyback Regulations.

16 STOCK MARKET DATA

16.1 The Company's Equity Shares are listed on the BSE and NSE. The high, low and average market prices in preceding three financial years (April to March period) and the monthly high, low and average market prices for the six months preceding the date of publication of Public Announcement (i.e. August 30, 2016) and the corresponding volumes on the BSE and NSE is as follows:

For BSE:

Period	High^ (₹)	Date of High	Number of Shares traded on that date	Low# (₹)	Date of Low	Number of shares traded on that date	Avera ge Price @ (₹)	Total volume of traded in the period (No. of Shares)
Preceding 3 years								
April 01, 2015 - March 31, 2016	447.25	August 05, 2015	195,311	286.90	January 21, 2016	287,276	352.08	901,48,794
April 01, 2014 - March 31, 2015	423.85	June, 11, 2014	726,199	275.30	April 04, 2014	254,809	360.63	987,34,383
April 01, 2013 - March 31, 2014	330.65	June 03, 2013	113,848	238.35	August 30, 2013	259,468	284.80	746,07,305
Preceding 6 months								
August, 2016	349.85	August 17, 2016	360,806	320.90	August, 04, 2016	211,176	333.82	108,95,085
July, 2016	335.80	July 21, 2016	520,091	309.60	July 01, 2016	696,043	323.01	63,41,943
June, 2016	318.80	June 23, 2016	181,118	289.15	June 01, 2016	702,349	309.86	88,77,038
May, 2016	296.00	May 30, 2016	550,846	272.65	May 04, 2016	491,111	283.17	137,41,203
April, 2016	293.80	April 01, 2016	417,799	272.05	April 12, 2016	2022,785	282.63	88,76,641
March, 2016	334.00	March 08, 2016	2276,46 3	291.05	March 31, 2016	315,747	305.15	108,50,422

(Source – BSE)

*High and Low price for the period are based on intraday prices and Average Price is based on average of closing price.

For NSE:

Period	High^ (₹)	Date of High	Number of Shares traded on that date	Low# (₹)	Date of Low	Number of shares traded on that date	Avera ge Price @ (₹)	Total volume of traded in the period (Shares)
Preceding 3 years								
April 01, 2015 - March 31, 2016	447.10	August 05, 2015	34,10,332	286.50	January 21, 2016	46,00,455	352.15	99,59,75,629
April 01, 2014 - March 31, 2015	423.70	June 11, 2014	71,66,116	275.05	April 04, 2014	110,61,864	360.67	102,87,84,278

Period	High^ (₹)	Date of High	Number of Shares traded on that date	Low# (₹)	Date of Low	Number of shares traded on that date	Average Price @ (₹)	Total volume of traded in the period (Shares)
April 01, 2013 - March 31, 2014	330.70	June 03, 2013	14,89,728	238.20	August 30, 2013	34,74,788	284.86	70,71,20,308
Preceding 6 months								
August, 2016	349.95	August 17, 2016	58,10,868	320.65	August 04, 2016	18,08,553	333.73	767,46,003
July, 2016	335.80	July 21, 2016	63,55,171	309.55	July 01, 2016	22,25,864	323.10	564,94,805
June 2016	318.90	June 23, 2016	15,65,312	289.05	June 01, 2016	58,43,470	309.97	684,16,364
May 2016	295.95	May 30, 2016	1,78,63,356	272.40	May 04, 2016	66,41,861	283.09	720,52,089
April 2016	293.75	April 01, 2016	40, 21,684	271.65	April 12, 2016	92,81,615	282.56	944,19,433
March 2016	333.00	March 08, 2016	1,36,26,475	291.00	March 31, 2016	87,88,685	305.08	884,37,379

(Source – NSE)

16.2 The closing market price of the Equity Shares of the Company:

- As on July 08, 2016 i.e. the trading day before July 11, 2016 being the date of Board Meeting approving the Buyback was ₹ 311.65 per Equity Share on BSE and ₹ 311.70 per Equity Share on NSE.
- As on July 11, 2016, i.e. the date of Board Meeting approving the Buyback was ₹ 320.50 per Equity share on BSE and ₹ 320.90 per Equity share on NSE.
- As on July 12, 2016 i.e. the day immediately after July 11, 2016, being the date of Board Meeting approving the Buyback was ₹ 316.85 per Equity Share on BSE and ₹ 317.05 per Equity Share on NSE.
- As on August 30, 2016 i.e. the date of publication of Public Announcement was issued, was ₹ 334.90 per Equity Share on BSE and ₹ 334.65 per Equity Share on NSE.

17 DETAILS OF STATUTORY APPROVALS

- The Buyback Offer is subject to approval, if any required, under the provisions of the Companies Act, 2013, FEMA, the Buyback Regulations and/or such other applicable rules and regulations in force for the time being.
- Buyback from Non-Resident Shareholders will be subject to approvals, if any, of the appropriate authorities as applicable. Non-Resident Indians (“NRI”) and erstwhile Overseas Corporate Bodies (“OCB”) must obtain all approvals required to tender the Equity Shares held by them in this Buyback (including without limitation the approval from the RBI). It is the obligation of such Non-Resident Shareholders, NRI, OCB shareholders, to obtain such approvals and submit such approvals alongwith 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.
- As of date, there is no other statutory or regulatory approval required by the Company to implement the Buyback Offer, 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 Exchange.

18. DETAILS OF REGISTRAR TO THE BUYBACK OFFER

Shareholder Brokers are required to send the Tender Form, physical share certificate, TRS and other documents by superscribing the envelope as “CIL Buyback Offer 2016” to the Registrar to the Buyback Offer at their below office, so that the same are received within 2 (two) days from the Buyback Closing Date i.e. by Thursday, October 20, 2016:

Alankit Assignments Limited

1E/13, Alankit Heights

Jhandewalan Extension, New Delhi – 110055

Tel : +91-11-42541234 , +91-11-23541234

Fax : +91-11-4154 3474; +91-11-2355 2001

Contact Person: Mr. Pankaj Goenka

Email: alankit_cil@alankit.com, pankajg1@alankit.com

Website: www.alankit.com

SEBI Registration No.: INR000002532

Validity Period: Permanent (unless suspended or cancelled by SEBI)

CIN: U74210DL1991PLC042569

TENDER FORM, TRS AND OTHER RELEVANT DOCUMENTS SHOULD NOT BE SENT TO THE COMPANY OR TO THE MANAGER TO THE BUYBACK OFFER.

EQUITY SHAREHOLDERS ARE ADVISED TO ENSURE THAT THE TENDER FORM, TRS AND OTHER RELEVANT DOCUMENTS ARE COMPLETE IN ALL RESPECTS; OTHERWISE THE SAME ARE LIABLE TO BE REJECTED.

19. PROCESS AND METHODOLOGY FOR THE BUYBACK

- 19.1 The Company proposes to buyback not exceeding 10,89,55,223 (Ten crores eighty nine lakhs fifty five thousand two hundred and twenty three) Equity Shares from all the existing shareholders/ beneficial owners of Equity Shares of the Company as on the Record Date (i.e. as on Friday, September 9, 2016), on a proportionate basis, through the Tender Offer process at a price of ₹ 335/- (Rupees Three hundred and thirty five only) per Equity Share, payable in cash for an aggregate amount of approximately ₹ 3,650 crores (Rupees Three thousand six hundred and fifty crores only). The maximum number of Equity Shares proposed to be bought back represents 1.72% of the total paid-up equity share capital of the Company. The Buyback is in accordance with the provisions of Article 23 of the Articles of Association of the Company, Sections 68, 69, 70 and all other applicable provisions, if any, of the Companies Act, 2013, Regulation 4(1)(a) and other applicable provisions contained in the 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 Exchange, RBI etc. The Buyback Offer Size of ₹ 3,650 crores is approx. 24.95% of the aggregate of the fully paid-up share capital and free reserves as per the audited accounts of the Company for the financial year ended March 31, 2016, on a standalone basis, which stands at ₹14,629.17 crores (Rupees Fourteen thousand six hundred and twenty nine point seventeen crores) and is within the statutory limits of 25% of the fully paid up share capital and free reserves as per the audited accounts of the Company, on a standalone basis, for the Financial Year ended March 31, 2016.
- 19.2 The aggregate shareholding of the Promoter is 5,03,09,70,582 (Five hundred and three crores, nine lakhs seventy thousand five hundred and eighty two) Equity Shares, which represents 79.649% of the existing Equity Share capital of the Company. In terms of the Buyback Regulations, under the Tender Offer process, the promoter of a company has the option to participate in the Buyback. In this regard, the Promoter of the Company as listed in paragraph 6 of this Letter of Offer has expressed its intention, vide its letter dated July 11, 2016, to participate in the Buyback and tender such number of equity shares which are equal to the equity shares to be bought back i.e. 10,89,55,223 (Ten crores eighty nine lakhs fifty five thousand two hundred and twenty three) equity shares.
- 19.3 Assuming that the Promoter i.e. the President of India acting through and represented by Ministry of Coal, Government of India, tenders 10,89,55,223 (Ten crores eighty nine lakhs fifty five thousand two hundred and twenty three) Equity Shares in the Buyback (in accordance with the declaration provided by them), the

aggregate shareholding of the Promoter, post Buyback will increase to 79.845 % of the post Buyback equity share capital of the Company, if all the public Shareholders participate upto their entitlement (full acceptance) and will reduce to 79.293% of the post Buyback equity share capital of the Company if none of the public Shareholders participate in the Buyback Offer.

19.4 Record Date, ratio of Buyback and entitlement of each Shareholder

- a) The Buyback Committee in its meeting held on August 29, 2016 announced Friday, September 9, 2016 as Record Date for the purpose of determining the entitlement and the names of the 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:
 - Reserved category for Small Shareholders (“**Reserved Category**”); and
 - General category for all shareholders other than Small Shareholders (“**General Category**”)
- c) As defined in the Buyback Regulations, a “**Small Shareholder**” is a shareholder who holds Equity Shares having market value, on the basis of closing price on the Stock Exchange in which the highest trading volume as on Record Date, of not more than ₹ 2,00,000/- (Rupees Two Lakhs). As on Record Date, the volume of shares traded on NSE was 21,94,843 shares and on BSE was 1,06,643 shares. Accordingly, NSE being the exchange with highest turnover, the closing price was ₹ 332.20 and hence all shareholders holding not more than 602 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 6,27,372 Small Shareholders with aggregate shareholding of 7, 23,80,632 Shares, as on Record Date, which constitutes 1.146 % of the outstanding paid up equity capital of the Company and 66.431 % of the number of 10,89,55,223 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 higher of:
 - i. Fifteen percent of the number of Equity Shares which the Company proposes to Buyback i.e. 15% of 10,89,55,223 Equity Shares which works out to 1,63,43,283 Equity Shares; or
 - ii. The number of Equity Shares entitled as per their shareholding as on Record Date [i.e. $(10,89,55,223 / 6,31,63,64,400) \times 7,23,80,632$] which works out to 12,48,542 Equity Shares.

All the outstanding Equity Shares have been used for computing the entitlement of Small Shareholders since the Promoter also intends to offer Equity Shares held by them in the Buyback.

In case the total number of Equity Shares held by the Small Shareholders on the Record Date is less than higher of (i) and (ii) above, the maximum number of Equity Shares reserved for Small Shareholders will be restricted to the total number of Equity Shares held by the Small Shareholders as on Record Date.

- f) Based on the above and in accordance with Regulation 6 of the Buyback Regulations, 1,63,43,283 Equity Shares will be reserved for Small Shareholders. Accordingly, General Category shall consist of 9,26,11,940 Equity Shares.
- g) Based on the above entitlements, the ratio of Buyback for both categories is decided as below:

Category	Ratio of Buyback
Reserved Category	5 Equity Shares out of every 22 fully paid-up Equity Shares held on the Record Date
General Category	5 Equity Shares out of every 337 fully paid-up Equity Shares held on the Record Date

19.5 Fractional Entitlements

If the Buyback Entitlement, after applying the abovementioned 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 Shareholders.

On account of ignoring the fractional entitlement, those Small Shareholders who hold 4 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 for 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 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 in the Reserved Category, the Small Shareholders who were entitled to tender zero Shares (on account of ignoring the 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) above, 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 Shareholder shall be equal to the Reserved Category Additional Shares tendered by the 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) above, shall be reduced by one.
- d) Adjustment for fractional results in case of proportionate acceptance, as described in paragraph 19.6 (c) above, will be made as follows:
 - For any 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 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 Shareholders (other than Small Shareholders) in the General Category in the following order of priority:

- a) Full Acceptance of Shares from 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) above, 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 tendered 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) above, will be made as follows:
- For any 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 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 Shares between Categories

- a) After acceptances of tenders, as mentioned in 19.6 and 19.7 above, 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 Additional Shares in the Further Additional Shares in the Over Tendered Category shall be accepted in a proportionate manner i.e. valid acceptances per shareholder from such Additional Shares shall be equal to the Further Additional Shares validly tendered by a 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 tendered Additional Shares shall be eligible for priority acceptance of one Equity Shares before acceptance in paragraph 19.8 (a) above 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(b).
- c) Adjustment for fraction results in case of proportionate acceptance, as defined in paragraph 19.8 (a) above:
- For any 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 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.

19.9 For avoidance of doubt, it is clarified that the Shares accepted under the Buyback Offer from each Shareholder, in accordance with paragraphs 19.4, 19.6, 19.7 and 19.8 above, shall be lower of the following:

- the number of Shares tendered by the respective Shareholder, and
- the number of Shares held by the respective Shareholder, as on the Record Date.

19.10 For the avoidance of doubt, it is clarified that the Equity Shares tendered by any Shareholder over and above the number of Shares held by such Shareholder as on the Record Date shall not be considered for the purpose of Acceptance in accordance with paragraphs 19.4, 19.6, 19.7, 19.8 and 19.9 above.

20 PROCEDURE FOR TENDER OFFER AND SETTLEMENT

20.1 The Buyback is open to all Eligible Person(s).

20.2 The Company proposes to effect the Buyback through Tender Offer process, on a proportionate basis. The Letter of Offer and Tender Form, outlining the terms of the Buyback Offer as well as the detailed disclosures as specified in the Buyback Regulations, will be mailed or despatched to Equity Shareholders of the Company whose names appear on the register of members of the Company, or who are beneficial owners of Equity Shares as per the records of Depositories, on the Record Date.

The Eligible Shareholders whose email Ids are not registered with the Depository Participants shall be sent the Letter of Offer (including the Tender Form) in physical form by registered post/speed post/ courier. The Eligible Shareholders whose email Ids are registered with the Depository Participants shall be sent the Letter of Offer (including the Tender Form) by email either as text or as an attachment or as a notification providing electronic link / url (uniform resource locator), including a read receipt. However, in case a physical copy of the Letter of Offer is required by any Eligible Shareholder who has been sent the Letter of Offer by email, then a request may be made to the Registrar to the Buyback Offer in writing on plain paper stating name, address, number of Equity Shares held as on the Record Date, Client ID number, DP Name/ID, beneficiary account number and upon receipt of such a request, the same shall be provided to such Shareholder.

- 20.3 The Company will not accept any Equity Shares offered for Buyback where there exists any restraint order of a Court 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.
- 20.4 The Company shall comply with Regulation 19(5) of the Buyback Regulations which states that the Company shall not buyback the locked-in Equity Shares and non-transferable Equity Shares till the pendency of the lock-in or till the Equity Shares become transferrable.
- 20.5 Shareholders' participation in Buyback will be voluntary. Shareholders can choose to participate, in part or in full, and get cash in lieu of the Shares accepted under the Buyback or they may choose not to participate and enjoy a resultant increase in their percentage shareholding, post Buyback, without additional investment. Shareholders may also accept a part of their Buyback Entitlement. Shareholders also have the option of tendering additional Shares (over and above their Buyback Entitlement) and participate in the shortfall created due to non-participation of some other Shareholders, if any. Acceptance of any Shares tendered in excess of the Buyback Entitlement by the Shareholder, shall be in terms of procedure outlined in paragraph 19 (*Process and Methodology for the buyback*) of this Letter of Offer.
- 20.6 The tender in the Buyback Offer should be unconditional, on the enclosed Tender Form and sent along with other documents duly filled and signed by all the Equity Shareholder(s). The process of acceptance shall be as disclosed in paragraphs 19.6 and 19.7.
- 20.7 Shareholders to whom the Offer is made, are free to tender Shares to the extent of their Buyback Entitlement, in whole or in part or in excess of their Buyback Entitlement subject to a maximum of their full holding, as on the Record Date. Acceptance of any Shares tendered in excess of the Buyback Entitlement of the Shareholder, shall be in terms of procedure outlined in paragraph 19.8.
- 20.8 Equity Shareholders who have accepted the Buyback Offer by tendering their Equity Shares and requisite documents in terms of the Public Announcement and this Letter of Offer are not entitled to withdraw such tenders either during the Tendering Period or thereafter.
- 20.9 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.
- 20.10 As elaborated under paragraph 19.4 above, the Equity Shares proposed to be bought back as a part of the Buyback is divided into two categories: (a) Reserved Category for Small Shareholders and (b) the General Category for other Eligible Shareholders, and the Buyback Entitlement of a Eligible Person in each category shall be calculated accordingly.
- 20.11 After accepting the Equity Shares tendered on the basis of Buyback Entitlement, Equity Shares left to be bought back 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 by the Company using the "Mechanism for acquisition of shares through Stock Exchange" notified by SEBI vide circular CIR/CFD/POLICYCELL/1/2015 dated April 13, 2015, Notice Number 20150930-1 dated September 30, 2015 from BSE and following the procedure prescribed in the Companies Act, 2013 and the Buyback Regulations and as may be determined by the Board (including the 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**”) through whom the purchases and settlements on account of the Buyback would be made by the Company. The contact details of the Company’s Broker are as follows:

ICICI Securities Limited

CIN: U67120MH1995PLC086241

Address: ICICI Centre, H.T. Parekh Marg, Churchgate, Mumbai 400 020

Tel: + 91 22 42371939

Fax: + 91 22 6637 7211

Contact Person: Ms Namisha Balwani

E-mail: namisha.balwani @icicisecurities.com

Website: www.icicisecurities.com

SEBI Registration Number: (i) For BSE : INB011286854 (ii) For NSE : INB230773037

Validity Period: Permanent (unless suspended or cancelled by SEBI)

- 20.14 **Only BSE has been appointed as the stock exchange whose separate Acquisition Window shall be used to facilitate placing of sell orders by Shareholders who wish to tender Equity Shares in the Buyback. All Eligible Shareholders may place orders in the Acquisition Window of BSE, through their respective stock brokers. In case any Eligible Shareholder's stock broker is not registered with BSE, for additional procedural requirements, in addition to requirements stated in paragraph 20.19 and 20.20, please refer to paragraph 20.22 below.**
- 20.15 During the Tendering Period, the order for selling the Shares will be placed in the Acquisition Window of BSE by Eligible Shareholders through their respective Shareholder Broker during normal trading hours of the secondary market.
- 20.16 Shareholder Broker can enter orders for demat Shares as well as physical Shares.
- 20.17 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 Shares shall be clubbed and considered as ‘one’ bid for the purposes of Acceptance.
- 20.18 The cumulative quantity tendered shall be made available on BSE’s website- www.bseindia.com throughout the trading session and will be updated at specific intervals during the Tendering Period.

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

Eligible Shareholders who desire to tender their Equity Shares in the electronic form under the Buyback would have to do so through their respective Shareholder Broker by indicating to the concerned Shareholder Broker, the details of Equity Shares they intend to tender under the Buyback. *In case any Eligible Shareholder's stock broker is not registered with BSE, for additional procedural requirements, please refer to paragraph 20.22 below.*

The Shareholder Broker would be required to place a bid on behalf of the Shareholders who wish to tender Equity Shares in the Buyback using the acquisition window of BSE. Before placing the bid, the concerned Shareholder Broker would need to transfer the tendered Equity Shares to the special account of Clearing Corporation of India Limited (“**Clearing Corporation**”), by using the settlement number and the procedure prescribed by the Clearing Corporation. This shall be validated at the time of order/bid entry. The details of the settlement number for the Buyback shall be informed in the issue opening circular that will be issued by BSE.

For custodian participant orders for demat Equity Shares, early pay-in is mandatory prior to confirmation of order/bid by custodians. The custodian shall either confirm or reject the orders not later than the closing of trading hours on the last day of the tendering period. Thereafter, all unconfirmed orders shall be deemed to be rejected. For all confirmed custodian participant orders, any order modification shall revoke the custodian confirmation and the revised order shall be sent to the custodian again for confirmation.

Upon placing the bid, the Shareholder Broker shall provide a Transaction Registration Slip (“**TRS**”) generated by the exchange bidding system to the Shareholder on whose behalf the bid has been placed. TRS will contain details of order submitted like Bid ID No., Application No., DP ID, Client ID, No. of Equity Shares tendered etc.

Eligible Shareholders who have tendered their Equity Shares in the Buyback may deliver the Tender Form duly signed (by all Equity Shareholders in case shares are in joint names) in the same order in which they hold the shares, along with the TRS generated by the exchange bidding system either by registered post or courier or hand delivery to the Registrar to the Buyback Offer at the address mentioned on the cover page of this Letter of Offer) not later than 2 (two) days from the Buyback Closing Date i.e. by Thursday, October 20, 2016 (by 5 PM). The envelope should be superscribed as “**CIL Buyback Offer 2016**”.

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 partial acceptance.

All the 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 be limited to):

- (i) Duly attested power of attorney, if any person other than the Eligible Person has signed the Tender Form;
- (ii) Duly attested death certificate and succession certificate / legal heirship certificate, in case any Eligible Person has expired; and
- (iii) In case of companies, the necessary certified corporate authorizations (including board and/ or general meeting resolutions).

In case of non-receipt of the completed Tender Form and other documents, but receipt of Equity Shares in the special account of the clearing corporation and a valid bid in the exchange bidding system, the Buyback shall be deemed to have been accepted, for demat Shareholders.

20.20 Procedure to be followed by Registered Eligible Shareholders holding Equity Shares in the Physical form

Eligible Shareholders who are holding physical Equity Shares and intend to participate in the Buyback will be required to approach their respective Shareholder Broker along with the complete set of documents for verification procedures to be carried out before placement of the bid. Such documents will include:

- a) The Tender Form duly signed (by all Equity Shareholders in case shares are in joint names) in the same order in which they hold the shares.
- b) Original share certificates
- c) Valid share transfer form(s) 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) and duly witnessed at the appropriate place authorizing the transfer in favor of the Company.
- d) Self-attested copy of the PAN Card(s) of all holders.
- e) Any other relevant documents such as (but not limited to):
 - i. Duly attested Power of Attorney if any person other than the Equity Shareholder has signed the relevant Tender Form
 - ii. Notarized copy of death certificate / succession certificate or probated will, if the original Shareholder has deceased
 - iii. Necessary corporate authorisations, such as Board Resolutions etc., in case of companies
- f) 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 Eligible Shareholder's stock broker is not registered with BSE, for additional procedural requirements, please refer to paragraph 20.22 below.

Based on these documents, the concerned Shareholder Broker shall place a bid on behalf of the physical Equity Shareholders who wish to tender Equity Shares in the Buyback, using the acquisition window of BSE. Upon placing the bid, the Shareholder Broker shall provide a Transaction Registration Slip ('TRS')

generated by the Exchange Bidding System to the Shareholder. TRS will contain the details of order submitted like Folio No., Certificate No., Distinctive No., No. of Equity Shares tendered etc.

Any Shareholder Broker who places a bid for physical Equity Shares, is required to deliver Tender Form, TRS, original share certificate(s), valid share transfer form(s) & other documents (as mentioned in paragraph hereinabove) either by registered post or courier or hand delivery to the Registrar to the Buyback Offer at the address mentioned on the cover page of this Letter of Offer not later than 2 (two) days from the Buyback Closing Date i.e. Thursday, October 20, 2016 (by 5 PM). The envelope should be superscribed as “**CIL Buyback Offer 2016**”. One copy of the TRS will be retained by Registrar to the Buyback Offer and it will provide acknowledgement of the same to the Shareholder Broker.

Shareholders holding physical shares should note that physical Shares will not be accepted unless the complete set of documents is submitted. Acceptance of the physical Shares for Buyback by the Company shall be subject to verification as per the Buyback Regulations and any further directions issued in this regard.

Registrar to the Buyback Offer will verify such bids based on the documents submitted on a daily basis and till such verification, the BSE shall display such bids as ‘unconfirmed physical bids’. Once Registrar to the Buyback Offer confirms the bids, they will be treated as ‘Confirmed Bids’.

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 enclosed with the Tender Form instead of the Equity Share certificate 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 Shares tender Equity Shares but the Registrar does not receive the Equity Share certificate;
- (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.

In case any person has submitted Equity Shares in physical form for dematerialisation, such Equity Shareholders should ensure that the process of getting the Equity Shares dematerialised is completed well in time so that they can participate in the Buyback Offer before Buyback Closing Date.

20.21 Additional requirements in respect of tenders by Non-Resident Shareholders

- a) While tendering their Equity Shares under the Buyback Offer, all Non-Resident Equity Shareholders should provide relevant confirmations/ declarations vide the duly filled-in and signed (by all shareholders in case the Equity Shares are held in joint names) Tender Forms. In the event relevant confirmations / declarations are not provided in the Tender Forms or there is ambiguity in the information provided, the Company reserves the right to reject such Tender Forms.
- b) FII/FPI shareholders should also enclose a copy of their SEBI registration certificate.
- c) Erstwhile OCBs are required to obtain specific prior approval from RBI for tendering Equity Shares in the Buyback Offer. OCBs are required to obtain and enclose RBI approval for tendering Shares in the Buyback Offer. The Company shall not accept Equity Shares from OCBs/ NRIs in respect of whom such RBI approval is required and copies of such approvals are not submitted.
- d) Where Non-Resident Shareholder is tax resident of a country which has entered into a DTAA with India, it may be possible for the Non-Resident Shareholder to avail the beneficial provisions, if any, under the DTAA. If the Non-Resident Shareholder opts to avail the beneficial provisions as per DTAA, a tax residency certificate of such person from the tax authorities of the country of which such person is the tax resident and prescribed Form 10F, along with all the other prescribed information, as also a copy of the self-certified declaration for non-existence of a permanent establishment should be submitted along with the Tender Form.
- e) If the Non-Resident Shareholder requires the Company not to deduct tax, or to deduct tax at a lower rate, or on a lower amount, for any reason, they would need to obtain a certificate from the Income-tax authorities, either under section 195(3) or under section 197 of the Income Tax Act, and submit the same to Company while submitting the Tender Form. In absence of such certificate from the

Income-tax authorities, the Company shall deduct tax on gross consideration at the prescribed rate of tax.

- f) It is recommended that the Non-Resident Shareholders submit a copy of the PAN card along with the Tender Form as PAN verification is necessary for the Company to deduct taxes at the appropriate rate as well as to avoid queries regarding availability of tax credit on the TRACES website. In the absence of PAN, a different rate may be applicable as per the provisions of the Indian tax laws.
- g) Non-Resident Shareholders who have acquired Equity Shares of the Company under the approval route of the RBI and erstwhile OCBs are required to submit copies of earlier RBI approvals along with their respective Tender Forms.
- h) In case the Equity Shares are held on repatriation basis, the Non-Resident Shareholders should enclose documents in support of the same. Such documents could include:
 - a copy of the permission received by them from RBI at the time of the original acquisition of Shares
 - a letter from the Shareholder's authorized dealer/bank confirming that at the time of acquiring the said Equity Shares, payment for the same was made by the Non-Resident Shareholder from the appropriate account as specified by RBI in its approval.
 - Any other document which evidences repatriability of sale proceeds in respect of the tendered Shares.

In case the Non-Resident Shareholder is not in a position to produce supporting documents towards enabling repatriation, the Shares would be deemed to have been acquired on non-repatriation basis and in that case the Shareholder 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 Shares accepted under the Offer i.e. by way of credit to a non-repatriation bank account or issuance of Rupee demand draft.

20.22 Additional procedural requirements for Eligible Shareholders, whose stock broker are not registered with BSE

In the event the stock broker of any Eligible Shareholder is not registered with BSE, such Eligible Shareholder can approach any BSE registered stock broker and can make a bid by using quick unique client code ("UCC") facility through that BSE registered stock broker after submitting the details as may be required by the stock broker (so that such stock broker is in compliance with the applicable regulations of SEBI). An indicative list of such documents is given in the next paragraph.

In case Eligible Shareholder is not able to bid using quick UCC facility through any other BSE registered stock broker then the Eligible Shareholder may approach Company's Broker viz. ICICI Securities Limited to bid by using quick UCC facility. The Eligible Shareholder approaching BSE registered stock broker (with whom he does not have an account) or the Company's Broker, would be required to submit following details (*in addition to the documents mentioned in paragraph 20.19 or 20.20, as applicable, of this Letter of Offer*):

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

1. In case of Eligible Seller being an individual or HUF:

A. If Eligible Shareholder is registered with KYC Registration Agency ("KRA"):

a) Forms required:

- 1) Central Know Your Client (CKYC) form
- 2) Know Your Client (KYC) form

b) Documents required (all documents self-attested):

- 1) Bank details (cancelled cheque)
- 2) Demat details, only if Equity Shares are in demat mode (Demat master /Latest Demat statement)

B. If Eligible Shareholder is not registered with KRA:

a) Forms required:

- 1) CKYC form
- 2) KRA form
- 3) KYC form

b) Documents required (all documents self-attested):

- 1) PAN card copy
- 2) Address proof
- 3) Bank details (cancelled cheque)
- 4) 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 also be required.

2. In case of Eligible Seller other than Individual and HUF:

A. If Eligible Shareholder is KRA registered:

a) Form required

- 1) KYC Form

b) Documents required (all documents self-attested)

- 1) Bank details (cancelled cheque)
- 2) Demat details, only if Equity Shares are in demat mode (Demat master /Latest Demat statement)
- 3) Latest list of directors/authorised signatories
- 4) Latest shareholding pattern
- 5) Board resolution
- 6) Details of ultimate beneficial owner along with PAN card and address proof
- 7) Last 2 years financial statements

B. If Eligible Shareholder is not KRA registered:

a) Forms required:

- 1) KRA form
- 2) KYC form

b) Documents required (all documents self-attested):

- 1) PAN card copy
- 2) Address proof
- 3) Bank details (cancelled cheque)
- 4) Demat details, only if Equity Shares are in demat mode (Demat master /Latest Demat statement)
- 5) Latest list of directors/authorised signatories /partners
- 6) PAN card copies & address proof of directors/authorised signatories/partners
- 7) Latest shareholding pattern
- 8) Board resolution/partnership declaration
- 9) Details of ultimate beneficial owner along with PAN card and address proof
- 10) Last 2 years financial statements
- 11) MOA/Partnership deed

20.23 The Company will make the payment of consideration to all Shareholders validly participating in the Buyback Offer in Indian National Rupees. It is mandatory for the Shareholders to indicate, in the Tender Form, the bank account where the consideration would be payable. For Shareholders tendering Shares in dematerialised mode, unless specified in the Tender Form, the bank account details, which is linked to the demat account from where the Shares are tendered, will be obtained from the beneficiary position download

to be provided by the Depositories will be considered for payment of consideration. By participating in the Buyback Offer, demat Equity Shareholders are deemed to have provided consent to the Company, the Registrar to the Buyback Offer and the Manager to the Buyback Offer to obtain details of their bank accounts linked to the respective demat accounts, from the Depositories. As regards the Shareholders holding Shares in physical form, the bank details indicated in the Tender Form will be used for payment of consideration under the Buyback Offer.

- 20.24 Equity Shareholders who have made an investment in the Company under the FDI route shall have an option to receive the payment consideration in foreign currency in their respective foreign bank account(s). If any such Shareholder opts to receive the payment consideration in foreign currency, then the Shareholder would be deemed to have provided consent to the Company to convert the Indian National Rupee consideration into equivalent foreign currency, at the exchange rate prevailing at the time of payment. The actual currency conversion rate shall be decided by the Company at its sole discretion, and remittance costs will be borne by the Shareholder seeking foreign remittance. Shareholders opting for this option will be required to furnish all such documents, undertakings etc., as may be required by the RBI authorised dealer handling the remittance.
- 20.25 In case any person has submitted Equity Shares in physical form for dematerialisation, such Equity Shareholders should ensure that the process of getting the Equity Shares dematerialised is completed well in time so that the credit of the Equity Shares to the Company Depository Account is completed on or before the close of business hours on the Buyback Closing Date, failing which such a Tender Form will be rejected. Once the dematerialisation process is complete the Shareholder is required to follow the tendering process outlined in paragraph 20.19.
- 20.26 Non-receipt of the Letter of Offer by, or accidental omission to dispatch the Letter of Offer to any Eligible Person, shall not invalidate the Buyback Offer in any way. Shareholders not receiving the Letter of Offer, if they so desire, may also apply on the Tender Form downloaded from SEBI website (www.sebi.gov.in) or obtain a duplicate copy of the same by writing to the Registrar to the Buyback Offer. Please note that the Company shall accept Equity Shares validly tendered for the Buyback Offer on the basis of their holding and entitlement as appearing in the records of the Company as on the Record Date.
- 20.27 The acceptance of the Buyback Offer made by the Company is entirely at the discretion of the Equity Shareholders of the Company. The Company does not accept any responsibility for the decision of any Equity Shareholder to either participate or to not participate in the Buyback Offer. The Company will not be responsible in any manner for any loss of Share certificate(s) and other documents during transit and the Equity Shareholders are advised to adequately safeguard their interest in this regard.
- 20.28 The instructions and authorizations contained in the Tender Form constitute an integral part of the terms of this Buyback Offer.
- 20.29 **In case of non-receipt of the Letter of Offer / Tender Form:**
- a) In case the Equity Shares are in dematerialised form: An Equity Shareholder may participate in the Offer by downloading the Tender Form from the website of the Company i.e. <https://www.coalindia.in/> or send an application in writing on plain paper signed by all Equity Shareholders stating name, address, number of Equity Shares held as on the Record Date, Client ID number, DP Name/ID, beneficiary account number, number of Equity Shares tendered for the Buyback, bank account particulars for payment of Buyback consideration, enclosing a photocopy of the delivery instruction in “Off-market” duly acknowledged by the DP, in favour of the depository account (along with the necessary documents mentioned in paragraphs 20.19, 20.21 and 20.22). The Tender Form along with necessary documents should reach the Registrar to the Buyback Offer no later than 2 (two) days from the Buyback Closing Date i.e. by Thursday, October 20, 2016 (by 5 PM). Equity Shareholders must also ensure that credit of dematerialised Shares in the Company Depository Account takes place before 5:00 PM on the Buyback Closing Date.
- b) In case the Equity Shares are in physical form: A registered Equity Shareholder may send an application in writing on a plain paper signed by all Equity Shareholders stating name, address, folio number, number of Equity Shares held, share certificate number, number of Equity Shares tendered for the Buyback Offer and the distinctive numbers thereof, bank account particulars for payment of consideration, enclosing the original share certificate(s), copy of Equity Shareholders’ PAN card(s), executed share transfer form in favour of the Company and other necessary documents. The transfer form SH-4 can be downloaded from the Company’s website i.e. <https://www.coalindia.in/>. Shareholder Broker must ensure that the Tender Form, along with the requisite documents (mentioned

in paragraphs 20.20 and 20.21), reach the Registrar to the Buyback Offer no later than 2 (two) days from the Buyback Closing Date i.e. by Thursday, October 20, 2016 (by 5 PM). If the signature(s) of the Equity Shareholders provided in the plain paper application differs from the specimen signature(s) recorded with the Registrar of the Company or are not in the same order (although attested), such applications are liable to be rejected under this Buyback Offer.

Eligible Person(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.

Please note that Eligible Person(s) who intend to participate in the Buyback will be required to approach their respective Shareholder Broker (along with the complete set of documents for verification procedures) and have to ensure that their bid is entered by their respective Shareholder Broker or broker in the electronic platform to be made available by BSE before the Buyback Closing Date, otherwise the same are liable to be rejected.

The Company shall accept Equity Shares validly tendered by the Shareholder(s) in the Buyback on the basis of their shareholding as on the Record Date and the Buyback Entitlement.

20.30 Method of Settlement

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

- (i) The settlement of trades shall be carried out in the manner similar to settlement of trades in the secondary market.
- (ii) The Company will pay the consideration to the Company’s Broker on or before the pay-in date for settlement. For Equity Shares accepted under the Buyback, the Shareholder Broker will receive funds payout in their settlement bank account. The Shareholder Broker / custodian participants would pay the consideration to their respective clients. The payment of consideration to all Shareholders validly participating in the Buyback will be made in Indian National Rupees.
- (iii) The Equity Shares bought back in the demat form would be transferred directly to the escrow account of the Company (the “**Demat Escrow Account**”) provided it is indicated by the Company’s Broker or it will be transferred by the Company’s Broker to the Demat Escrow Account on receipt of the Equity Shares from the clearing and settlement mechanism of BSE.
- (iv) Excess demat Equity Shares or unaccepted demat Equity Shares, if any, tendered by the Shareholders would be returned to the respective Shareholder Broker by Clearing Corporation as part of the exchange payout process, not later than October 27, 2016. In case of custodian participant orders, excess demat shares or unaccepted demat Shares, if any, will be returned to the respective custodian participant. The Shareholder Broker / custodian participants would return these unaccepted shares to their respective clients on whose behalf the bids have been placed.
- (v) Physical Shares, to the extent tendered but not accepted, will be returned back to the concerned Shareholders directly by Registrar to the Buyback Offer. The Company will issue a new single share certificate for all the unaccepted physical shares and return the same to the sole/first Shareholder (in case of joint Shareholders). Share certificates in respect of unaccepted / rejected Shares and other documents, if any, will be sent by Registered Post / Speed Post at the Shareholders’ sole risk to the sole/first Shareholder (in case of joint Shareholders), at the address recorded with the Company, not later than October 27, 2016.
- (vi) Shareholder Broker will issue contract notes and pay the consideration for the Equity Shares accepted under the Buyback and return the balance unaccepted demat Equity Shares to their respective clients. Company Broker would also issue a contract note to the Company for the Equity Shares accepted under the Buyback.
- (vii) Shareholders who intend to participate in the Buyback should consult their respective Shareholder Broker for payment to them of any cost, charges and expenses (including brokerage) that may be levied by the Shareholder Broker upon the selling Shareholders for tendering Equity Shares in the Buyback (secondary market transaction). The Buyback consideration received by the selling Shareholders from their respective Shareholder Broker, in respect of accepted Equity Shares, could be net of such costs, charges and expenses (including brokerage) and the Company accepts no

responsibility to bear or pay such additional cost, charges and expenses (including brokerage) incurred solely by the selling Shareholders.

(viii) The Equity Shares lying to the credit of the Demat Escrow 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 Buyback Regulations.

21 NOTE ON TAXATION

Disclosures in this paragraph are based on expert opinion sought by the Company.

THE SUMMARY OF TAX CONSIDERATIONS IN THIS SECTION ARE BASED ON THE CURRENT PROVISIONS OF THE INDIAN TAX LAWS OF INDIA AND THE REGULATIONS THEREUNDER, THE JUDICIAL AND THE ADMINISTRATIVE INTERPRETATIONS THEREOF, WHICH ARE SUBJECT TO CHANGE OR MODIFICATION BY SUBSEQUENT LEGISLATIVE, REGULATORY, ADMINISTRATIVE OR JUDICIAL DECISIONS. ANY SUCH CHANGES COULD HAVE DIFFERENT TAX IMPLICATIONS.

IN VIEW OF THE PARTICULARISED NATURE OF TAX CONSEQUENCES, SHAREHOLDERS ARE REQUIRED TO CONSULT THEIR TAX ADVISORS FOR THE APPLICABLE TAX PROVISIONS INCLUDING THE TREATMENT THAT MAY BE GIVEN BY THEIR RESPECTIVE TAX OFFICERS IN THEIR CASE, AND THE APPROPRIATE COURSE OF ACTION THAT THEY SHOULD TAKE.

THE COMPANY DOES NOT ACCEPT ANY RESPONSIBILITY FOR THE ACCURACY OR OTHERWISE OF SUCH ADVICE. THEREFORE, SHAREHOLDERS CANNOT RELY ON THIS ADVICE AND THE SUMMARY TAX IMPLICATIONS RELATING TO THE TREATMENT OF INCOME TAX IN THE CASE OF BUY BACK OF LISTED EQUITY SHARES OF THE STOCK EXCHANGE SET OUT BELOW SHOULD BE TREATED AS INDICATIVE AND FOR GUIDANCE PURPOSES ONLY.

A. INDIA 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, which is provided only as a guidance.

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

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 as per the provisions of the Income Tax Act is discussed below.

a. Nature of capital gains as per the provisions of the Income Tax Act.

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

- 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).
- 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. 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.

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; and
- b. STCG arising from such transaction would be subject to tax @ 15% under section 111A of the Income Tax Act.

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.

Shares held as stock in trade

i. If the shares are held as stock-in-trade by any of the Shareholders of the Company, then 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%

Tax Deduction at Source

i. In case of Resident Shareholders

In absence of any specific provision under the Income Tax Act, 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/ authorised dealers/ tax advisors appropriately.

The tax rate and other provisions may undergo changes

Notes:

- i. In addition to the above Capital Gain Tax , Surcharge, Education Cess and Secondary and Higher 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 ₹1 crore but does not exceed ₹10 crore and @ 5% on the amount of income-tax if total income exceeds ₹10 crore.
 - b. In case of other non-resident assesseees (i.e. other than foreign companies): Surcharge @ 15% for non-resident individual/HUF (@12% in case of others) is levied where the total income exceeds Rs.1 crore.
 - c. In case of domestic companies: Surcharge @ 7% is levied where the total income exceeds ₹1 crore but does not exceed ₹10 crores and @ 12% is levied where the total income exceeds ₹ 10 crores.
 - d. In case of resident assesseees (i.e. other than domestic companies): Surcharge @ 15% (@12% in case of firm, local authority & Co-operative Society) is levied where the total income exceeds ₹1 crore.
 - e. Further in a case where surcharge is levied, Education Cess of 2% and Secondary and Higher Education Cess of 1% 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, 2016), 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.

B. CERTAIN U.S. FEDERAL INCOME TAX CONSIDERATIONS

The following is a summary of certain U.S. federal income tax consequences to U.S. Holders (as defined below) of the tender of their Equity Shares pursuant to the Offer. This summary only applies to U.S. Holders who hold their Equity Shares as capital assets. The discussion does not cover all aspects of U.S. federal income taxation that may be relevant to, or the actual tax effect that any of the matters described herein will have on, particular investors, and does not address state, local, foreign or other tax laws. This summary also does not address tax considerations that may be relevant to certain types of investors subject to special treatment under the U.S. federal income tax laws, such as financial institutions, insurance companies, investors liable for the alternative minimum tax or net investment income tax, individual retirement accounts and other tax-deferred accounts, tax-exempt organizations, dealers in securities or currencies, investors that hold their Equity Shares as part of straddles, hedging transactions or conversion transactions for U.S. federal income tax purposes or investors whose functional currency is not the U.S. dollar.

As used herein, the term “**U.S. Holder**” means a beneficial owner of Equity Shares that is, for U.S. federal income tax purposes, (i) an individual citizen or resident of the United States, (ii) a corporation created or organized under the laws of the United States or any State thereof, (iii) an estate the income of which is subject to U.S. federal income tax without regard to its source or (iv) a trust if a court within the United States is able to exercise primary supervision over the administration of the trust and one or more U.S.

persons have the authority to control all substantial decisions of the trust, or the trust has validly elected to be treated as a domestic trust for U.S. federal income tax purposes.

The summary is based on the tax laws of the United States, including the Internal Revenue Code of 1986 (the “Code”), as amended, its legislative history, existing and proposed regulations thereunder, published rulings and court decisions, all as of the date hereof and all subject to change at any time, possibly with retroactive effect.

The discussion of U.S. federal income tax consequences set forth below is included for general information only. U.S. Holders must rely on their own examination of the merits and risks relating to the Offer and are urged to consult their own tax advisors to determine the particular tax consequences to them of the Offer, including the applicability and effect of U.S. state, local and non-U.S. tax laws, as well as possible changes in tax law.

Exchange of Equity Shares

In General

An exchange of Equity Shares for cash by a U.S. Holder pursuant to the Offer will be a taxable transaction for U.S. federal income tax purposes. Depending on each U.S. Holder’s particular circumstances, a tendering U.S. Holder will be treated either as recognizing gain or loss from the sale of Equity Shares or as receiving a dividend from the Company. Specifically, under Section 302 of the Code, a U.S. Holder whose Equity Shares are purchased under the Offer will be treated as having sold those Equity Shares, if the purchase:

- is “not essentially equivalent to a dividend” with respect to the U.S. Holder;
- results in a “complete termination” of the U.S. Holder’s equity interest in the Company; or
- results in a “substantially disproportionate” redemption with respect to the U.S. Holder.

Each of these tests (collectively the “Section 302 tests”), and the consequences of satisfying any of them, is explained in more detail below.

Subject to the PFIC rules discussed below, if a U.S. Holder satisfies any of the Section 302 tests, the U.S. Holder will be treated as if it sold its Equity Shares and will recognize U.S. source gain or loss equal to the difference, if any, between the adjusted basis of the Equity Shares surrendered and the amount of cash received under the Offer. Any capital gain or loss generally will be long-term capital gain or loss if the Equity Shares were held for more than one year on the date of the sale or disposition. The deductibility of capital losses is subject to limitations. Tendering U.S. Holders should consult their own tax advisers regarding potential limitations on the deductibility of capital losses on a sale or disposition of the Equity Shares.

Proceeds paid pursuant to the Offer in rupees will be included in a cash-basis U.S. Holder’s income in a U.S. Dollar amount calculated by reference to the exchange rate in effect on the payment date, regardless of whether the payment is in fact converted into U.S. Dollars on such date. An accrual-method U.S. Holder may elect to have this rule apply to it. Any such election by an accrual basis U.S. Holder will apply for the taxable year in which it is made and all subsequent taxable years, unless revoked with the consent of the Internal Revenue Service. An accrual-method U.S. Holder who does not so elect will realize for U.S. federal income tax purposes an amount equal to the U.S. Dollar value of the rupees to which such U.S. Holder becomes entitled on the date its Equity Shares are accepted for purchase by the Company. A cash-basis U.S. Holder may have foreign currency gain or loss if the proceeds are not converted into U.S. Dollars on the date of payment. Any gain or loss recognised on a sale or other disposition of a foreign currency (including its use to purchase Equity Shares or upon exchange for U.S. dollars) will be U.S. source ordinary income or loss.

Subject to the PFIC rules discussed below, if a U.S. Holder does not satisfy any of the Section 302 tests, the purchase of a U.S. Holder’s Equity Shares under the Offer will not be treated as a sale. Instead, the entire amount received by a U.S. Holder with respect to the purchase of its Equity Shares will be treated as a dividend distribution to the extent of the U.S. Holder’s share of the available current and accumulated earnings and profits (within the meaning of the Code) of the Company. To the extent that a purchase of a U.S. Holder’s Equity Shares under the Offer is treated as the receipt by the U.S. Holder of a dividend, the U.S. Holder’s remaining adjusted tax basis in the purchased Equity Shares will be added to the basis of any Equity Shares retained by the U.S. Holder.

Distributions treated as dividends paid by the Company will generally be taxable to a non-corporate U.S. Holder at the special reduced rate normally applicable to long-term capital gains, provided the Company is treated as a “qualified foreign corporation” and the U.S. Holder satisfies certain holding period and other requirements. A U.S. Holder will be eligible for this reduced rate only if it has held the Equity Shares for more than 60 days during the 121-day period beginning 60 days before the ex-dividend date.

Distributions treated as dividends will be treated as foreign source dividend income to a U.S. Holder and will not be eligible for the dividends-received deduction generally allowed to U.S. corporations under the Code. Distributions in excess of current and accumulated earnings and profits will be treated as a non-taxable return of capital to the extent of the U.S. Holder’s basis in the Equity Shares and thereafter as capital gain. However, the Company does not maintain calculations of its earnings and profits in accordance with U.S. federal income tax accounting principles. U.S. Holders should therefore assume, if they do not satisfy any of the Section 302 tests explained below, that any distribution received with respect to the purchase of its Equity Shares under the Offer will constitute ordinary dividend income.

Amounts treated as dividends paid pursuant to the Offer in rupees will be included in a U.S. Holder’s income in a U.S. Dollar amount calculated by reference to the exchange rate in effect on the date the amounts are received by such U.S. Holder, regardless of whether the payment is in fact converted into U.S. Dollars. If the amounts treated as dividends are converted into U.S. Dollars on the date of receipt, a U.S. Holder generally should not be required to recognize foreign currency gain or loss in respect of the dividend income.

Constructive Ownership of Stock

In applying each of the Section 302 tests explained below, U.S. Holders must take into account not only Equity Shares that they actually own but also Equity Shares they are treated as owning under the constructive ownership rules of the Code. Under the constructive ownership rules, a U.S. Holder is treated as owning any Equity Shares that are owned (actually and in some cases constructively) by certain related individuals and entities as well as Equity Shares that the U.S. Holder has the right to acquire by exercise of an option or by conversion or exchange of a security. Due to the factual nature of the Section 302 tests explained below, U.S. Holders should consult their own tax advisors to determine whether the purchase of their Equity Shares under the Offer qualifies for sale treatment in their particular circumstances.

Section 302 Tests

One of the following tests must be satisfied in order for the purchase of Equity Shares under the Offer to be treated as a sale for U.S. federal income tax purposes:

- Not Essentially Equivalent to a Dividend Test

The purchase of a U.S. Holder’s Equity Shares under the Offer will be treated as “not essentially equivalent to a dividend” if the purchase in the Offer results in a “meaningful reduction of the shareholder’s proportionate interest in the corporation.” Whether the receipt of cash by a U.S. Holder who sells Equity Shares under the Offer will be “not essentially equivalent to a dividend” will depend upon the U.S. Holder’s particular facts and circumstances. The Internal Revenue Service has indicated in a published revenue ruling that even a small reduction in the percentage interest of a stockholder whose relative stock interest in a publicly held corporation is minimal (for example, an interest that represents a small fraction of 1 per cent.) and who exercises no control over corporate affairs should constitute a “meaningful reduction.” U.S. Holders should consult their own tax advisors as to the application of this test in their particular circumstances.

- Complete Termination Test

The purchase of a U.S. Holder’s Equity Shares under the Offer will result in a “complete termination” of the U.S. Holder’s equity interest in the Company if all of the Equity Shares that are actually owned by the U.S. Holder are sold under the Offer and all of the Equity Shares that are constructively owned by the U.S. Holder, if any, are sold under the Offer or, with respect to Equity Shares owned by certain related individuals, the U.S. Holder is entitled to and effectively waives attribution of the Equity Shares which otherwise would be considered as constructively owned by the U.S. Holder. U.S. Holders wishing to satisfy the “complete termination” test through waiver of the constructive ownership rules should consult their own tax advisors.

- Substantially Disproportionate Test

Generally, the purchase of a U.S. Holder's Equity Shares under the Offer will result in a "substantially disproportionate" redemption with respect to the U.S. Holder if the percentage of the then outstanding Equity Shares actually and constructively owned by the U.S. Holder immediately after the purchase is less than 80 per cent. of the percentage of the Equity Shares actually and constructively owned by the U.S. Holder immediately before the purchase (treating as outstanding before the purchase all Equity Shares purchased under the Offer).

The Company cannot predict whether or the extent to which the Offer will be oversubscribed. If the Offer is oversubscribed, pro-ration of tenders under the Offer will cause the acceptance of fewer Equity Shares than are tendered. Therefore, no assurance can be given that a sufficient number of a U.S. Holder's Equity Shares will be purchased under the Offer to ensure that the U.S. Holder receives sale treatment, rather than dividend treatment, for U.S. federal income tax purposes under the rules discussed above.

Passive Foreign Investment Company Rules

A foreign corporation will be a passive foreign investment company ("PFIC") in any taxable year in which, after taking into account the income and assets of the corporation and certain subsidiaries pursuant to applicable "look-through rules," either (i) at least 75 per cent. of its gross income is "passive income" or (ii) at least 50 per cent. of the average value of its assets is attributable to assets which produce passive income or are held for the production of passive income. This summary assumes that the Company is not and has not at any time been treated as a PFIC for U.S. federal income tax purposes. However, the Company has not made a determination as to whether it was a PFIC for any prior years, and while the Company does not believe that it should currently be treated as a PFIC for U.S. federal income tax purposes, the Company's possible status as a PFIC must be determined annually and therefore may be subject to change. If the Company is or has been treated as a PFIC in any taxable year, U.S. Holders of Shares would be required (i) to pay a special U.S. addition to tax on certain distributions and gains on sale and (ii) to pay tax on any gain from the sale of Equity Shares at ordinary income.

U.S. Holders should consult their tax advisers regarding the potential application of the PFIC regime.

Information Reporting and Backup Withholding

Payments made with respect to the Offer by the Manager or other U.S. intermediary will be reported to the Internal Revenue Service and to the U.S. Holder as may be required under applicable regulations. Backup withholding may apply to these payments if the U.S. Holder fails to provide an accurate taxpayer identification number or certification of exempt status or fails to report all interest and dividends required to be shown on its U.S. federal income tax returns. Certain U.S. Holders (including, among others, corporations) are not subject to backup withholding. U.S. Holders should consult their tax advisers as to their qualification for exemption from backup withholding and the procedure for obtaining an exemption.

22 DECLARATION BY THE BOARD OF DIRECTORS

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

The Board of Directors made the aforementioned declaration as on the date of passing the board resolution approving the Buyback i.e. July 11, 2016. Subsequently, pursuant to the authority granted to the Buyback Committee by the Board of Directors of the Company, by way of a resolution passed by circulation dated September 23, 2016, the Buyback Committee has confirmed on behalf of Board of Directors that:

- i. there are no defaults subsisting in the repayment of deposits, redemption of debentures or preference shares or repayment of term loans to any financial institutions or banks.
- ii. 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, and taking into account all the liabilities including prospective and contingent liabilities payable as if the Company were being wound up under the Companies Act, 1956/ Companies Act, 2013, the Board of Directors has formed an opinion that:

- a. Immediately following the date of this Letter of Offer, there will be no grounds on which the Company can be found unable to pay its debts;
- b. As regards the Company's prospects for the year immediately following the date of this Letter of Offer that, having regard to their intentions with respect to the management of the Company's business during the said year and to the amount and character of the financial resources which will be available to the Company during the said 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 that date.

This declaration is made and issued by the Buyback committee (under the authority of the Board of Directors) in terms of the resolution passed by circulation on September 23, 2016.

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

Sd/-
S. Bhattacharya,
Chairman cum Managing Director
(DIN: 00423572)

Sd/-
C.K. Dey,
Director (Finance)
(DIN: 03204505)

23 AUDITOR'S CERTIFICATE

Report addressed to the Board of Directors by the Company's Auditor on the permissible capital payment and the opinion formed by directors regarding insolvency:

The text of the report dated July 11, 2016 received from the Statutory Auditor of the Company viz. M/s Chaturvedi & Co., Chartered Accountants, addressed to the Board of Directors of the Company is reproduced below:

Quote

Auditor's Report

To,

*The Board of Directors,
Coal India Limited
Coal Bhawan, Premises No-04-MAR, Plot-AF-III
Action Area-IA, New Town Rajarhat
Kolkata West Bengal-700156*

Sub: Statutory Auditors' Report in respect of proposed buyback of equity shares by Coal India Limited ('the Company') in terms of Clause (xi) of Part A of Schedule II of the Securities and Exchange Board of India (Buy Back of Securities) Regulations, 1998 (as amended)

1. *In connection with the proposed buyback of 10,89,55,223 equity shares by the Company constituting 1.72% of the existing issued, subscribed and paid-up equity share capital of the Company ("Buyback") in pursuance of the provisions of Section 68, 69 and 70 of the Companies Act, 2013 (the "Act") and the Securities and Exchange Board of India (Buy Back of Securities) Regulations 1998 as amended (the "Buy Back Regulations"), we report that:*
 - i. *We have enquired into the state of affairs of the Company in relation to the last Audited Standalone State of Affairs of the Company for the year ended March 31, 2016 as approved by the Board of Directors in the meeting held on 28th May' 2016.*
 - ii. *The amounts of permissible capital payment towards Buy Back of equity shares (including premium), as stated in Annexure-A has been properly determined in accordance with the provisions of Section 68(2) of the Act and Regulation 4(1) of the Buy Back Regulations; and*
 - iii. *The Board of Directors of the Company, in their meeting held on 11th July'2016 have formed their opinion as specified in clause (x) of Part A of Schedule II of the Buy Back*

Regulations on reasonable grounds, and that the Company will not, having regard to its state of affairs, be rendered insolvent within a period of one year from the date of the board meeting at which the proposal for Buyback was approved and from the date on which the result of the shareholders' resolution passed by way of Postal Ballot/ E-Voting approving the Buyback is declared ("Postal Ballot Resolution").

2. Compliance with the provisions of the Act and the Buy Back Regulations is the responsibility of the Company's management. Our responsibility is to verify the factual accuracy based on our abovementioned statements. For the purpose of this report, we conducted verification in accordance with the Guidance Note on Audit Reports and Certificate for Special Purposes issued by the Institute of Chartered Accountants of India. Our scope of work did not involve us performing any audit tests in the context of our examination. We have not performed an audit, the objective of which would be the expression of an opinion on the financial statements, specified elements, accounts or items thereof, for the purpose of this certificate. Accordingly, we do not express such opinion.
3. This report has been issued solely in connection with the proposed Buyback and should not be used, referred or distributed for any other purpose without our prior written consent.
4. We have no responsibility to update this certificate for events and circumstances occurring after the date of this certificate.

For Chaturvedi & Co.
Chartered Accountants
Firm Registration No.302137E

Sd/-
S.C. Chaturvedi
Partner
Membership No.-012705
Place:-New Delhi
Date:-July 11, 2016

Annexure A
Coal India Limited

Computation of amount of permissible capital payment towards buy back of equity shares in accordance with provisions of section 68 (2) of the Companies Act, 2013 and Regulation 4(1) (a) of the Buy Back Regulations based on the last Audited Financial Statements of the Company for the year ended 31 March 2016.

<i>Particulars</i>	<i>Amount (₹ in Crores)</i>
<i>Paid up equity shares capital (A)</i>	6316.36
<i>Free reserves:</i>	
<i>- Securities premium account</i>	0.00
<i>- General reserve</i>	7871.78
<i>- Surplus in the statement of profit and loss</i>	441.03
<i>Total free reserves (B)</i>	8312.81
<i>Total (A+B)</i>	14629.17
<i>Maximum amount permissible for the Buy-back i.e. 25% of the aggregate fully paid-up share capital and free reserves</i>	3657.29

For Chaturvedi & Co.
Chartered Accountants
Firm Registration No.302137E

Sd/-
S.C. Chaturvedi
Partner
Membership No.-012705
Place:-New Delhi
Date:-July 11, 2016

Unquote

24 DOCUMENTS FOR INSPECTION

The following material documents are available for inspection by shareholders of Coal India Limited at the Registered Office: Coal Bhawan, Premises No-04-MAR, Plot-AF-III, Action Area-1A, New Town Rajarhat, Kolkata, West Bengal-700156 , from 10.30 AM to 1.00 PM on any day, except Saturdays, Sundays and public holidays, during the Tendering Period.

- i. Copy of the Certificate of Incorporation;
- ii. Memorandum and Articles of Association of Coal India Limited;
- iii. Copy of the annual reports of Coal India Limited for the last three financial years;
- iv. Copy of the resolution passed by the Board of Directors at the meeting held on July 11, 2016 approving proposal for Buyback;
- v. Results of the resolution of the Shareholders passed by way of postal ballot dated August 26, 2016;
- vi. Copy of Report dated July 11, 2016 received from M/s Chaturvedi & Co., Chartered Accountants, the Statutory Auditor of the Company, in terms of clause (xi) of Part A to Schedule II of the Buyback Regulations;
- vii. Copy of Declaration of solvency and an affidavit verifying the same;
- viii. Copy of Escrow Agreement dated September 6, 2016 between Coal India Limited, Axis Bank Limited and SBI Capital Markets Limited;
- ix. Copy of the certificate from M/s Chaturvedi & Co., Chartered Accountants, the Statutory Auditor of the Company, dated August 31 , 2016 certifying that the Company has adequate funds for the purposes of Buyback of 10,89,55,223 (Ten crores eighty nine lakhs fifty five thousand two hundred and twenty three) Equity Shares at the price of ₹ 335/- per Equity Share;
- x. Copy of Public Announcement published in the newspapers on August 30, 2016 regarding Buyback of Equity Shares;
- xi. Opinion dated September 5, 2016 obtained by the Company from Ernst and Young on taxation; and
- xi. Copy of SEBI observation letter no. CFD/DCR1/OW/2016/26482 dated September 21, 2016.

25 COMPLIANCE OFFICER

Mr. M. Viswanathan

Compliance Officer, Coal India Limited
Coal Bhawan, Core-2, 3rd floor
Kolkata-700156
Tel: +91 33 23246526
Fax: +91 33 23246510
E-mail: complianceofficer.cil@coalindia.in

Investor may contact the Compliance Officer for any clarification or to address their grievances, if any, during office hours i.e. 9:30 AM and 5:30 PM on all working days except Saturday, Sunday and public holidays.

26 DETAILS OF THE REMEDIES AVAILABLE TO THE SHAREHOLDERS/ BENEFICIAL OWNERS

In case of any grievances relating to the Buyback (i.e. 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 Registrar to the Buyback for redressal.

If the Company makes any default in complying with the provisions of Sections 68, 69, 70 of the Companies Act, 2013, 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, 2013.

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 INVESTOR SERVICE CENTRE

In case of any query, the shareholders may contact the Registrar & Transfer Agent on any day except Sunday and public holidays between 9:30 AM and 5:30 PM at the following address:



Alankit Assignments Limited

Alankit Height,
1E/13, Jhandewalan Extension,
New Delhi-110 055
Tel: +91 11 42541234
Fax: +91 11 41543474
Toll Free Number: 1860-121-2155
E-mail id: alankit_rta@alankit.com, pankajg1@alankit.com
Contact Person: Shri Pankaj Goenka
SEBI Registration No.: INR000002532
Validity Period: Permanent (unless suspended or cancelled by SEBI)
CIN: U74210DL1991PLC042569

28 MANAGER TO THE BUYBACK OFFER



SBI CAPITAL MARKETS LIMITED

202, Maker Tower E, Cuffe Parade Mumbai 400 005
Tel: +91 22 2217 8300
Fax: +91 22 2218 8332
Email: coalindiabuyback@sbicaps.com
Website: www.sbicaps.com
Contact person: Shri Aditya Deshpande
SEBI Registration No.: INM000003531
Validity Period: Permanent (unless suspended or cancelled by SEBI)
CIN: U99999MH1986PLC040298

29 DOMESTIC LEGAL COUNSEL AND INTERNATIONAL LEGAL COUNSEL TO THE BUYBACK OFFER

Domestic Legal Counsel to the Buyback Offer

KHAITAN & CO LLP

1201 Ashoka Estate, 24, Barakhamba Road
New Delhi 110 001, India
Tel: +91 11 4151 5454
Fax: +91 11 4151 5318
Email: delhi@khaitanco.com

International Legal Counsel to the Buyback Offer

HERBERT SMITH FREEHILLS LLP

50 Raffles Place, #24-01 Singapore Land Tower, Singapore 048623
Tel: +65 6868 8000
Fax: +65 6868 8001
Email: siddhartha.sivaramkrishnan@hsf.com

30 DECLARATION BY THE DIRECTORS REGARDING AUTHENTICITY OF THE INFORMATION IN THE LETTER OF OFFER

As per Regulation 19(1)(a) of the Buyback Regulations, the Board of Directors of the Company accept full and final responsibility for the information contained in this Letter of Offer and confirms that this Letter of Offer contains true, factual and material information and does not contain any misleading information.

This Letter of Offer is issued, under the authority of the Board of Directors, by the Buyback Committee through Resolution passed by the Buyback Committee by circulation on Friday, September 23, 2016.

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

Sd/-
S. Bhattacharya,
Chairman cum Managing Director
(DIN: 00423572)

Sd/-
C.K. Dey,
Director (Finance)
(DIN: 03204505)

Sd/-
M. Viswanathan,
Company Secretary and Compliance Officer

Date: September 23, 2016

Place: Kolkata

Enclosure:

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