



Coal India Limited

A MAHARATNA COMPANY

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Ref.No.CIL:XI(D):04156:2012: 3845

Dt. 20th Feb.'2012

To,
Listing Department,
National Stock Exchange of India Limited,
Exchange Plaza,
Bandra Kurla Complex,
Bandra (E),
Mumbai – 400 001.

Sub : Settlement of NCWA-IX.
Reference: ISIN – INE522F01014

Dear Sir,

A Memorandum of Agreement was signed on 31st January'2012 at New Delhi between representatives of Coal India management and its subsidiaries and representatives of Central Trade Unions viz. INTUC, AITUC, HMS and CITU as National Coal Wage Agreement – IX a period of 5 (five) years w.e.f 1st July'2011. The salient features of the agreement are as under :

- (1) Minimum Guaranteed Benefit (MGB) shall be 25% in the total emolument (Basic+DA+SDA+Attendance Bonus) as on 30.06.2011.
- (2) Minimum Basic enhanced from Rs. 8360/- per month (NCWA-VIII) to Rs.15,712.62 per month w.e.f 01.07.2011 (DA as on date will be NIL).
- (3) Existing allowances which are being paid in percentage form in NCWA-VIII shall be paid in same percentage in NCWA-IX w.e.f 01.02.2012.
- (4) Existing allowances which are being paid in absolute amount in NCWA-VIII shall be paid by increasing in proportion to the increase in Basic, i.e. 88% w.e.f 01.02.2012 in NCWA-IX.
- (5) Annual increment @3% on progressive basis.

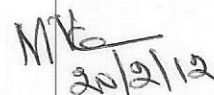
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- (6) HRA for other than Urban Area, i.e. coalfield Areas, shall be paid @2% of the revised Basic w.e.f 01.02.2012. HRA for Urban Areas on the revised Basic shall be paid as per the Govt. guidelines w.e.f. 01.02.2012.
- (7) Special Allowance @ 4% of the revised Basic was introduced.

The additional financial impact due to signing of NCWA-IX on Coal India Limited would be Rs. 6,500 crore per annum. This is being sent in pursuance to clause 36 of the Listing Agreement.

This is for your information and records please.

Yours faithfully,


20/2/12

(M. Viswanathan)
Company Secretary &
Compliance Officer.