



Coal India Limited
A MAHARATNA COMPANY
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CIN – L23109WB1973G01028844

Ref No.CIL:XI(D):04157:2014: ९५७५ ,

Dated 12th Dec.'2014

To,
Shri Amit Phatak
Assistant Manager (Listing Compliance),
National Stock Exchange of India Limited,
Exchange Plaza, Bandra Kurla Complex,
Bandra (E),
Mumbai – 400051.

Sub : Query on the news item published in Financial Express on dated 12th Dec.'14.

Dear Sir,

We refer to your mail dated 12th Dec.'14. Our observations to your queries are as under :

a & b) Yes. The status is as under :

- In terms of the Presidential Directives issued in April'2012 and July'2013, CIL Board decided that under FSAs for new Power Plants commissioned after 2009, out of the minimum assured quantity i.e 80% of Annual Contracted Quantity, 15% shall be supplied from imported coal to the power plants who have opted to take the same from CIL and balance 65% from domestic coal till 2014-15. For the subsequent two years the domestic coal component shall increase to 67% and 75% respectively with corresponding reduction in imported supply.
- Such imported coal supply was decided to be made through a PSU importing agency under a Back to Back supply agreement with the Power Plants opting to take import supply from CIL for which CIL shall be levying a service charge of 0.2% of CIF price of the coal.
- CIL, accordingly, engaged M/s. MMTC, through a competitive bidding for arranging such imported coal.
- All the eligible power plants were offered for supply of imported coal as admissible under the FSAs through the mechanism approved by CIL Board.

M. K.

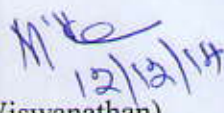
- Although initially a number of power plants expressed their willingness but finally following power plants placed order for quantities (in MT) mentioned below :

Name of Power Plants	3 rd Qtr. Of 14-15	4 th Qtr. Of 14-15	Total 2014-15
M/s. Nabha Power Limited	138750	138750	277500
M/s. Talwandi Sabo Power Limited	32167	32167	64334
M/s. NLC Tamilnadu Power Limited	75000	75000	150000
M/s. CESC Limited	19875	19875	39750
Total	265792	265792	531584

- Accordingly M/s. MMTC floated Tender for imported of coal against which they received offers for supply to Nabha TPs, Talwandi Sabo TPs and NLC Tamilnadu Power. There was no offer received against order of CESC and the requirement of CESC was dropped under the provisions of force majeure.
 - The first shipment of about 1,79,00 for the requirement of Nabha TPs and Talwandi Sabo TPs against their 3rd quarter requirement has already been unloaded at Mundhra Port and presently under the process of delivery through rail.
 - M/s. NLC Tamilnadu due to operational problem have deferred their requirement to 4th quarter of 2014-15 and the order is expected to be picked up shortly after completion of commercial formalities.
 - The 4th quarter order of Nabha TPs, Talwandi Sabo TPs has been conveyed to M/s. MMTC for arranging shipping.
- a) There appears to be no material impact on the news item on the company as the company has merely performed its obligations under the enforceable Fuel Supply Agreement and complied with the provision of Presidential Directives dated 17th July'2013.

This is for your information and records please.

Yours faithfully,


 (M.Viswanathan)
 Company Secretary

NOTE

Re: CIL:S&M:Import:|65

Date:12-12-14

Sub: Reply regarding query by National Stock Exchange of India Limited on the press new published in Financial Express dated 12.12.14

a) Yes. The background and status is given as under:

- In terms of the Presidential Directives issued in April 2012 and July 2013, CIL Board decided that under the FSAs for new Power Plants commissioned after 2009, out of the minimum assured quantity i.e. 80% of the ACQ, 15% shall be supplied from imported coal to the power plants who have opted to take the same from CIL and balance 65% from domestic coal till 2014-15. For the subsequent two years the domestic coal component shall increase to 67% and 75% respectively with corresponding reduction in imported supply.
- Such imported coal supply was decided to be made through a PSU importing agency under a Back to Back supply agreement with the Power Plants opting to take import supply from CIL for which CIL shall be levying a service charge of 0.2% of CIF price of the coal.
- CIL, accordingly, engaged M/s MMTC, through a competitive bidding for arranging such imported coal.
- All the eligible Power plants were offered for supply of imported coal as admissible under the FSAs through the mechanism approved by CIL Board.
- Although initially a number of power plants expressed their willingness but finally following power plants placed order for quantities (in Mt) mentioned as below:

Name Power plants	3d Qtr of 14-15	4th Qtr of 14-15	Total 2014-15
M/s Nabha Power Limited	138750	138750	277500
M/s Talwandi Sabo Power Limited	32167	32167	64334
M/s NLC Tamilnadu Power Limited	75000	75000	150000
M/s CESC Limited	19875	19875	39750
Total	265792	265792	531584

- Accordingly M/s MMTC floated Tender for offer of imported coal against which they received offers for supply to Nabha TPs, Talwandi Sabo TPs and NLC Tamilnadu power. There was no offer received against order of CESC and the requirement of CESC was dropped under the provisions of force majeure.

- The first shipment of about 1,79,00 for the requirement of Nabha TPs and Talwandi Sabo TPs against their quarter 3 requirement has already been unloaded at Mundhra Port and presently under the process of delivery through rail.
- M/ NLC Tamilnadu, due to operational problem have deferred their requirement to 4th quarter of 2014-15 and the order is expected to be picked up shortly after completion of commercial formalities.
- The 4th quarter order of Nabha TPs, Talwandi Sabo TPS has been conveyed to M/s MMTC for arranging shipping.
- There appears to be no material impact of the news item on the company as the company has merely performed its obligations under the enforceable Fuel Supply agreement and complied with the provision of Presidential Directives dated 17.7.2013. Copy of the PD is enclosed.

b) No comments are offered as we are not aware of the provisions under clause 36.

Amit Roy
12/12/14

Amit Roy
Sr. Manager(Sales)

GM(S&M-Comm)

GM(S&M)

Analyse r/n
12/12

Co. Secy (IL)