June 24, 2016

Dy. General Manager
BSE Limited
Corporate Relationship Department
New Trading Ring (1st Floor)
Rotunda Building
P J Towers, Dalal Street
Mumbai – 400 001.

The Manager
Listing Department
National Stock Exchange of India Ltd.
Exchange Plaza (5th Floor)
Plot No. C/1, G. Block
Bandra-Kurla Complex
Bandra (E)
Mumbai – 400 051.

Dear Sir/ Madam,

Sub : Allocation of Coal Linkage

This is in continuation of our earlier disclosure vide letter dated 15th June, 2016, on the captioned subject. Further, we wish to inform that the Company is in receipt of Letter of Intent ("LOI") from Eastern Coalfields Limited (A subsidiary of Coal India Limited) declaring the Company as a successful bidder for award of 24,000 Tonnes per annum of Coal at a notified price (winning premium is zero). The notified price shall be reviewed by Coal India Limited on a half yearly basis.

As per the said LOI, the Company would be required to execute the Fuel Supply Agreement, valid for a period of 5 (five) years from the date of execution of the Agreement and is further extendable for another 5 (five) years. The said agreement shall have a lock-in period of 2 years.

This tonnage constitutes less than 10 percent of the Company's annual coal requirement.

This is for your information and record.

Thanking you,

Yours faithfully,

For **Tata Sponge Iron Limited**

Sanjay Kasture
Company Secretary