



कोल इण्डिया लिमिटेड
Coal India Limited
भारत सरकार का उपक्रम
A Government of India Undertaking
एक महारत्न कंपनी A Maharatna Company

Ref: CIL:XI(D):04132:2023:30581

Dated: June 16, 2023

COAL INDIA LIMITED

CIRCULAR FOR OFFER FOR SALE OF EQUITY SHARES TO ELIGIBLE EMPLOYEES ("CIRCULAR")

Disclaimer – Investment in equity shares involve a degree of risk such as market risk, company specific risk etc. Investors must rely on their own examination of Coal India Limited ("**Company**" or "**CIL**") and this Employee OFS (defined below), including the merits and risks involved in the investment prior to making any investment decision in the Company. The President of India, acting through the Ministry of Coal, Government of India, or the Department of Investment and Public Asset Management, Ministry of Finance or the Company shall not be responsible for any losses, claims or damages that may be incurred by any employee by participating in this Employee OFS (defined below).

Subject: Offer for Sale of Equity Shares to the Eligible Employees of the Coal India Limited as per approval of the Government of India through Alternative Mechanism dated May 31, 2023 ("Employee OFS")

The President of India, acting through the Ministry of Coal, Government of India (the "**Seller**") undertook the offer for sale of Coal India Limited through the stock exchange mechanism on June 1, 2023 and June 2, 2023 in accordance with the '*Comprehensive Framework on Offer for Sale (OFS) of Shares through the Stock Exchange Mechanism*' issued by the Securities and Exchange Board of India ("**SEBI**") through its circular bearing no. SEBI/HO/MRD/MRD-PoD-3/P/CIR/2023/10 dated January 10, 2023 (the "**SEBI OFS Circular**") read with (a) the '*Revised Guidelines for Bidding in Offer for Sale (OFS) Segment*' issued by BSE Limited ("**BSE**") through its notice no. 20230127-14 dated January 27, 2023, and, to the extent applicable, the previous notices issued by BSE in this regard; and (b) the '*Revised operating guidelines of Offer for Sale*' issued by the National Stock Exchange of India Limited ("**NSE**") vide its circular bearing no. NSE/CMTR/55432, dated January 31, 2023 and to the extent applicable, the previous notices issued by NSE in this regard.

In accordance with the approval given by the Alternative Mechanism, basis the recommendations received from the high level committee of officers, Government of India, on May 31, 2023, the Seller, is proposing to offer up to 92,44,092 equity shares (representing 0.15% of the total paid up equity share capital of the Company) of face value of ₹10 each ("**Equity Shares**") to the Eligible Employees (defined below), at a price of ₹226.10 per Equity Share ("**Offer Price**").

The Employee OFS will be carried out as under:

1. An "**Eligible Employee**" shall mean all or any permanent and full-time employee of the Coal India Limited and its subsidiaries, working and present in India as on May 31, 2023, i.e., the date of decision of Alternative Mechanism to undertake the Offer for Sale transaction, as mentioned above.
2. The minimum number of Equity Shares which can be applied by an Eligible Employee is 10 (Ten) and in multiples of 1 (one) thereafter, however, subject to maximum of 2,211 Equity Shares (i.e.,

for a value not exceeding ₹5,00,000). However, in the first instance, up to 884 Equity Shares will be allocated (i.e., for a value not exceeding ₹2,00,000). In the event of under-subscription in the Employee OFS, the unsubscribed portion will be allocated on a proportionate basis for shares up to 2,211 Equity Shares (i.e., for a value not exceeding ₹5,00,000), subject to valid applications being received from the applicants.

3. An employee can apply only once in the Employee OFS. Multiple applications even within the overall limit of 2,211 Equity Shares are prohibited.
4. In the event of any over-subscription in the Employee OFS, the Eligible Employee applying shall get proportionate allotment of the Equity Shares on the basis of the number of Equity Shares applied for.
5. The Eligible Employees shall have no right of renunciation / assignment in favour of any other person in respect of the Employee OFS. Eligible Employees can apply for Equity Shares of the Company only in their names and no application for joint holding of Equity Shares shall be accepted. However, if an Eligible Employee holds a demat account jointly with another party, then these Equity Shares can be transferred to such demat account if the Eligible Employee is reflected as the primary holder of such demat account.
6. There shall be no lock-in period for the Equity Shares of the Company transferred / allotted under the Employee OFS.
7. Equity shares will be issued to the Eligible Employees in demat mode only. It is necessary for the Eligible Employees to have a demat account with any of the depository participants.
8. Eligible employees who are interested and willing to participate in the Employee OFS may apply online after making payment in the below mentioned SBI Bank account.
9. The **Instructions for filing the online application** are available at **Annexure-I** and form an integral part of this Circular. The Eligible Employee shall read the instructions carefully and completely before filing the online application.
10. **Payment Methodology**

Payment shall be made by Eligible Employee only through NEFT / RTGS / Bank transfer / UPI / IMPS to the following SBI Bank account and generate a UTR / Reference No.:

Beneficiary Name	CIL EMPLOYEE OFFER ESCROW 2023
Account Number	41997017946
Bank	State Bank of India
Branch	Capital Market Branch, Mumbai Main Branch Building
IFSC Code	SBIN0011777

11. **Online Application Methodology**

Thereafter, the Eligible Employees shall visit our website at www.coalindia.in and open the link provided under the tab *“Investor Center, Employees OFS 2023”*. For accessing the online application, an employee has to enter his Employee code and PAN number. Please note that the aforesaid activity has to be completed within the time period stated in the Circular.

12. SEBI pursuant to its circular no. SEBI/HO/ISD/ISD/CIR/P/2020/133 dated July 23, 2020, *inter-alia*, has clarified that closure of Trading Window shall not be applicable for making application under the Employee OFS. Therefore, all Eligible Employees including designated persons can participate in the Employee OFS. However, the Trading Window restrictions as provided under SEBI (Prohibition of Insider Trading) Regulations, 2015 (“**PIT Regulation**”) and the Company’s policies under the PIT Regulation shall continue to apply on any further transaction in the Equity Shares of the Company.
13. The Offer under the Employee OFS shall remain open from **June 21, 2023 (10:00AM) to June 23, 2023 (05:30 PM) (both days inclusive)**.
14. The link for Employee OFS as given on the portal of the Company shall be deactivated at 5:30 PM sharp on **June 23, 2023**.
15. The Offer to Eligible Employees to the extent of unsubscribed portion of the Employee OFS shall be deemed to have lapsed, subject to allocation pursuant to paragraph 2 above.
16. All Eligible Employees should be careful while making the payment for the Equity Shares applied through the Employee OFS and all payments made should be commensurate to the number of Equity Shares applied for in accordance with the Offer Price as set forth above. In case there is a mismatch in the amount paid and number of Equity Shares applied for, allotment will be done for number of Equity Shares arrived by reverse calculation based on amount actually paid / credited, subject to allotment of Equity Shares in accordance with the allocation methodology.

Illustration*:

No. of Equity Shares Applied for	Amount to be paid (in ₹)	Remarks
10	₹2,261.00	This amount is commensurate with the number of Equity Shares applied for in accordance with the Offer Price
100	₹22,610.00	This amount is commensurate with the number of Equity Shares applied for in accordance with the Offer Price
884	₹1,99,872.40	This amount is commensurate with the number of Equity Shares applied for in accordance with the Offer Price
1,200	₹2,71,320.00	This amount is commensurate with the number of Equity Shares applied for in accordance with the Offer Price
1,500	₹3,39,150.00	This amount is commensurate with the number of Equity Shares applied for in accordance with the Offer Price
2,211	₹4,99,907.10	This amount is commensurate with the number of Equity Shares applied for in accordance with the Offer Price

**The above examples are for illustration purposes only.*

17. No request for withdrawal of application for which amount has been credited to the Escrow Bank Account will be entertained.

18. Any excess amount paid by the Eligible Employees shall be refunded to them within **10 working days after allocation of Equity Shares.**
19. No interest is payable by the Company or the Seller on the application money / refund amount.
20. Refunds, if any, would be deposited either in the bank account of the respective employees, details of which shall be obtained from the depository participants or from the bank account from which the amount towards the application was received.
21. The Seller will take necessary steps for transfer of the Equity Shares from its demat account to the demat account of Eligible Employees whose applications are found to be valid and complete in all respects and who are transferred / allocated Equity Shares in accordance with the terms and allocation methodology set forth herein.
22. **Nodal Officers** —The Company and its subsidiaries have appointed Nodal Officers who will assist the Eligible Employees in the process.
23. The Heads of Finance and Personnel Department are requested to widely circulate the Circular amongst all the Eligible Employees and to extend all help to the employees in this regard.
24. For any further clarifications or for any assistance to employees for participation in the Employee OFS, you may contact:

The Company Secretary
Coal India Limited
Telephone No: 033 – 2324 - 6526
Email: comsec2.cil@coalindia.in

Registrar to the Employee OFS
Alankit Assignments Limited
Contact Person: Abhinav Agarwal / J.K. Singla
Telephone No: +91 11 4254 1234, 4254 1971, 4254 1960
E-mail: abhinavka@alankit.com; jksingla@alankit.com

Bankers to the Employee OFS
State Bank of India (Capital Markets Branch)
Contact Person: Rishika Das / Mahadev Rawool
Telephone No: 022 - 2271 9112 / 113 /109 /115
Email: rishika.das@sbi.co.in

Bijay Prakash Dubey
Company Secretary

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Annexure I

INSTRUCTIONS FOR FILLING THE APPLICATION

Please read instructions for filling the online application forming an integral part of Circular Ref. No. CIL:XI(D):04132:2023:30581 dated June 16, 2023 (“Circular”).

General Instructions

1. “**Eligible Employee**” means all or any permanent and full-time employee of the Coal India Limited and its subsidiaries, working and present in India as on May 31, 2023, i.e., the date of decision of Alternative Mechanism to undertake the Offer for Sale transaction. Application by ineligible Employees will be rejected.
2. Application must be completed in BLOCK LETTERS in English.
3. Applicant must read the terms and conditions of the Circular.

Application, Allotment and Refund Instructions

4. Equity Shares can be applied for in the name of the Eligible Employee only and no applications for joint holding of Equity Shares shall be accepted. However, if an Eligible Employee holds a demat account jointly with another party, then these Equity Shares can be transferred to such demat account if the Eligible Employee is reflected as the primary holder of such demat account. Eligible Employee shall have no right of renunciation / assignment in favour any other person.
5. Application must be for a minimum 10 Equity Shares and in multiples of 1 Equity Share thereafter.
6. In case there is a mismatch in the amount paid and no. of Equity Shares applied for, allotment will be done for no. of Equity Shares arrived by reverse calculation based on amount actually paid / credited. Any excess amount paid will be refunded within **10 working days after allocation of Equity Shares**.
7. No interest is payable by the Company or the Seller on application money or refund amount.
8. An employee can apply only once in the Employee OFS. Multiple applications even within the overall limit of 2,211 Equity Shares per employee are prohibited.
9. Refunds, if any, would be deposited either in the bank account of the respective employees, details of which shall be obtained from the depository participants or from the bank account from which the amount towards the application was received.
10. Applicants to carefully fill in the demat account details as the Equity Shares will be credited to the demat account mentioned in the online application. The applicant to further ensure that his / her name appears first in such demat account where Equity Shares need to be credited.
11. In case of incorrect demat account details or in-operative demat account, the application is liable to be rejected.
12. No request for withdrawal of Application for which amount has been credited to the Escrow Bank Account will be entertained.

13. In the event of any over-subscription in the Employee OFS, the Eligible Employee applying shall get proportionate allotment of the Equity Shares on the basis of the number of Equity Shares applied for.

14. **Payment Methodology**

Payment shall be made by Eligible Employee only through NEFT / RTGS / Bank transfer / UPI / IMPS to the following SBI Bank account and generate a UTR / Reference No.:

Beneficiary Name	CIL EMPLOYEE OFFER ESCROW 2023
Account Number	41997017946
Bank	State Bank of India
Branch	Capital Market Branch, Mumbai Main Branch Building
IFSC Code	SBIN0011777

15. **Online Application Methodology**

Thereafter, the Eligible Employees shall visit our website at www.coalindia.in and open the link provided under the tab “Investor Center, Employees OFS 2023”. For accessing the online application, an employee has to enter his Employee code and PAN number. Please note that the aforesaid activity has to be completed within the time period stated in the Circular.

Disclaimer by the Seller and Company

Investments in Equity Shares are subject to market risks, Company specific risks etc. Investors must rely on their own examination of the Company and the subject Offer for Sale, including the risks involved. Seller and Company are not responsible for any loss that may be incurred by the applicant by investing in the Employee OFS. Each investor shall be deemed to acknowledge and agree that any applications for allotment of Equity Shares pursuant to the Employee OFS shall be made solely on the basis of publicly available information and any information available with SEBI, the Stock Exchanges, on the Company’s website or otherwise in the public domain, together with the information contained in this Circular.

The Employee OFS is directed personally to each Eligible Employee who makes an application in this respect, and neither the Employee OFS nor this Circular constitutes an offer to sell or invitation or solicitation of an offer to buy, to the public, or to any other person or class of persons requiring any prospectus or offer document to be issued, submitted to or filed with any regulatory authority or to any other person or class of persons within or outside India. This Circular is for information purposes only and is neither an offer nor invitation to buy or sell nor a solicitation of an offer to buy or sell any securities.

There will be no “public offer” of the Equity Shares in India under the applicable laws in India including the Companies Act, 2013, and the rules and clarifications issued thereunder, as amended from time to time (the “**Companies Act**”) or in any other jurisdiction. Accordingly, no documents have been or will be prepared, registered or submitted for approval as a “prospectus” or an “offer document” with the Registrar of Companies in India and/or SEBI and/or the Stock Exchanges or any other statutory / regulatory / listing authority, in India or abroad, under the applicable laws in India including the Companies Act, the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended and no such document will be circulated or distributed to any person in any jurisdiction, including in India.

Registrar	Banker to the Issue
Alankit Assignments Limited	State Bank of India
Address: 205 – 208, Anarkali Complex, Jhandewalan Extension, New Delhi - 110 055, India Telephone: +91 11 4254 1234 / 1971 / 1960 E-mail: abhinavka@alankit.com / jksingla@alankit.com Contact Person: Abhinav Agarwal / J.K. Singla	Address: Capital Market Branch, Mumbai Main Branch Building, 3 rd Floor, Mumbai Samachar Marg, Fort, Mumbai – 400 023, Maharashtra, India Telephone: +91 22 22719112 / 113 /109 /115 E –mail: rishika.das@sbi.co.in Contact Person: Rishika Das / Mahadev Rawool