



File No. CIL/Kol/C-3(A)/2016-17/

Date: 19.04.2017

Sub: Engagement of M/s. Ernst & Young for Review/Study of Transfer Pricing and Submission of Report

M/s. Ernst & Young (E&Y) are presently engaged as tax consultants of CIL for both direct tax and indirect tax matters since 01.07.2014. In direct tax, E&Y provides opinion on Direct Tax matters and assists CIL in matters relating to filing of income tax return, assessment proceedings by attending and complying with the notices issued by tax authorities in connection with assessment including transfer pricing proceedings initiated by Transfer Pricing Officer ("The TPO").

Coal India Ltd. was subject to transfer pricing assessment for the first time for AY 2013-14, which required submission of a transfer pricing report as per rule 10D of the Income Tax Act. The scope of work of M/s. E&Y did not cover preparation of transfer pricing report as Coal India Ltd. was never subject to transfer pricing assessment before AY 2013-14. Therefore, considering the specialized nature of the job, M/s. E&Y were engaged on nomination basis for preparation of transfer pricing report for AY 2013-14 at a fees of Rs.2,00,000/- plus applicable taxes.

Transfer pricing report is also required to be prepared for AY 2014-15 as CIL has entered into specified domestic transactions/international transaction during the previous year FY 2013-14.

Therefore it is proposed that M/s. E&Y may be engaged on nomination basis to prepare Transfer pricing Report for AY 2014-15 also on the same terms as per earlier engagement as follows:

Particulars	Payment Terms
Completion of Transfer pricing review/transfer pricing study and submission of report per financial year	Rs. 2,00,000/-(Rupees Two Lakhs only)plus applicable taxes Payment: 100% after submission of report

Put up for kind perusal and approval.

R. Agarwalla
(R. Kr. Agarwalla) 18/4/17
Asst. Manager (Finance)

Chief Manager (Finance) *[Signature]* 19.4.17

G. M. (Finance) *[Signature]* 19/4/17

Director (Finance) *[Signature]* 24/4

*may be uploaded in the website and tax Board
may be kept informed*

G.M (F)

GM (F) - 24/4

GM (System) - for u.a. d/

Company Secretary - for u.a. d/

[Signature]
25/4

COAL INDIA LIMITED
Receipt No. CIL / DF / 85
Date 19-4-17
Description Date 20/4/17

18-28/04/2017
24/4/2017



Building a better
working world

Ernst & Young LLP
22, Camac Street
3rd Floor, Block 'C'
Kolkata 700 016
India

Tel: +91 33 6615 3400
Fax: +91 33 6615 3750
ey.com

years of excellence
in professional services

11 April 2017

To
The General Manager, Finance
Coal India Limited
Coal Bhawan, Premise no 04 MAR
Plot No-AF-III, Action area-1A,
New Town, Rajarhat,
Kolkata-700156

Dear Sir,

Sub: Transfer pricing ("TP") review of the transaction between Coal India Limited ("CIL") and
its subsidiaries for FY 2013-14

We submit that for FY 2012-13, Ernst & Young LLP ('EY LLP' or 'We') had undertaken a review of the domestic and international transactions entered by CIL with its subsidiaries in India and Africa. For this service, we had charged a fees of INR 2,00,000.

We understand that for the FY 2013-14 also, CIL has undertaken similar transaction with its subsidiaries. Hence we propose to provide similar service i.e. review of transactions with subsidiaries and share our comments in a report. We shall charge same fee of INR 200,000 for our service.

Thanking you.

Yours faithfully,

For Ernst & Young LLP

Amit Poddar

Amit Poddar
Sr. Manager Tax & Regulatory Services