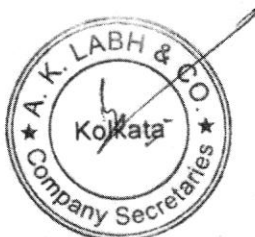


COAL INDIA LIMITED

POLICY ON MATERIALITY OF RELATED PARTY TRANSACTIONS AND ON DEALING WITH RELATED PARTY TRANSACTIONS

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COAL INDIA LIMITED

POLICY ON MATERIALITY OF RELATED PARTY TRANSACTIONS AND ON DEALING WITH RELATED PARTY TRANSACTIONS

Coal India Limited ("CIL" or "Company") a Maharatna, Central Public Sector Enterprise, under the administrative control of the Ministry of Coal, Government of India is the single largest coal producer in the world. CIL is an apex body with 7 wholly owned coal producing subsidiaries, 1 mine planning and consultancy Company and 2 newly incorporated subsidiaries spread over 8 provincial states of India. In addition CIL has a wholly owned foreign subsidiary at Mozambique viz Coal India Africana Limitada. CIL in the course of its business operations is required to enter into various transactions with its subsidiaries and other related parties.

1. Scope and Purpose of this policy :

- A. The Companies Act, 2013, the Rules framed there under as well as Regulation 23 of SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015 ("Listing Regulations"), contain detailed provisions on Related Party Transactions.
- B. CIL is governed by the rules and regulations framed by Securities Exchange Board of India ("SEBI") pursuant to which it had adopted its Related Party Transaction Policy (RPT) in terms of Clause 49 of the erstwhile Equity Listing Agreement. Further, the said RPT Policy was revised and approved in 399th Board meeting held on 11th Feb.'2020 in view of the enactment of the Listing Regulations and subsequent amendments in the related provisions of the Companies Act, 2013.

SEBI has further amended the Listing Regulations vide the SEBI (Listing Obligations and Disclosure Requirements) (Sixth Amendment) Regulations, 2021 which mandates every listed company to formulate a policy on materiality of Related Party Transactions and also on dealing with Related Party Transactions. In light of the various impactful changes pursuant to several amendments in the Listing Regulations and most of which have become effective from 01.04.2022, the existing policy is duly amended to align it with the changes as introduced by SEBI recently. The new Policy termed as "**Policy on Materiality of Related Party Transactions and on dealing with Related Party Transactions**" is framed as per the requirements of the Applicable Law and shall operate within the boundaries set by the various provisions of the Listing Regulations.

- C. This Policy has been framed as per the requirements of the Regulation 23 of the Listing Regulations and is intended to ensure proper approval and reporting of the concerned transactions between the Company and its Related Parties.



COAL INDIA LIMITED

POLICY ON MATERIALITY OF RELATED PARTY TRANSACTIONS AND ON DEALING WITH RELATED PARTY TRANSACTIONS

- D. The objective of this Policy is to set out (a) the materiality thresholds for related party transactions and; (b) the manner of dealing with the transactions between the Company and its related parties based on the Companies Act, 2013, Regulation 23 of the Listing Regulations and any other laws and regulations as may be applicable to the Company.
- E. The Board recognizes that certain transactions present a heightened risk of conflicts of interest or the perception thereof. Therefore the Board has adopted this Policy to ensure that all Related Party Transactions with Related Parties shall be subject to this Policy and approval or ratification is in accordance with Applicable Law. This Policy contains the policies and procedures governing the review, determination of materiality, approval and reporting of such Related Party Transactions.
- F. The Board shall review the Policy once in three years and update the same from time to time.

2. Effective Date :

This Policy shall come into effect from the date of its adoption by the Board and will be treated as in continuation to its existing RPT Policy.

3. Clarifications, Amendments and Updates :

This Policy shall be implemented as per the provisions of the Applicable Law. Any amendments in the Applicable Law, including any clarification/ circulars of relevant regulator, shall be read into this Policy such that the Policy shall automatically reflect the contemporaneous Applicable Law at the time of its implementation.

Likewise, reference in this Policy to accounting standards shall be deemed to refer to the contemporaneous accounting standards as applicable to the Company at the relevant time.

All words and expressions used herein, unless defined herein, shall have the same meaning as respectively assigned to them, in the Applicable Law under reference,

