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BOARD MATTER
CONFIDENTIAL

WESTERN COALFIELDS LIMITED
BOARD SECRETARIAT
COAL ESTATE, CIVIL LINES, NAGPUR

WCL/BD/SECTT/BM-224/2010/ 2688 DATE: 29.05.2010

We reproduce below the relevant excerpts from the minutes of 224th meeting of the Board of Directors of WCL held on 29th April, 2010 :-

'ITEM NO.224/ C-11
SUB: Project Report of Sakhari-Irawati (Pauni-II) OC - Updated February, 2010 (Departmental Option). (Deferred Item No.223/ C-27)

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i) After deliberations at length, the Board accorded first stage approval, i.e. approval of the Mining Plan to facilitate application of forestry and environment clearance for Project Report of Sakhari-Irawati (Pauni-II) OCP for a capacity of 1.25 Mty, at a capital investment of Rs 360.7987 crores (Rupees three hundred sixty crores, seventy nine lakhs eighty seven thousand only) (updated February, 2010) with Departmental Option, as brought out in the agenda note. The Board directed for entering into Coal Supply Agreement with prospective consumer on Cost Plus Basis to yield 12% IRR at 85% target capacity and clearance from CIL.

ii) The Board also accorded approval for enhancement of capacity of Sakhari-Irawati (Pauni-II) OCP to 1.55 Mty, without any capital investment, for the purpose of obtaining EMP clearance.

iii) GM (P&P) to take necessary action in the matter.'

COMPANY SECRETARY

GENERAL MANAGER (P&P)

cc : DIRECTOR (PERSONNEL)
DIRECTOR (TECHNICAL) OP
DIRECTOR (TECHNICAL) P&P
DIRECTOR (FINANCE)