


<p style="text-align: center;">कोल इंडिया लिमिटेड विक्रय तथा विपणन विभाग</p> <p>कोल भवन, प्रांगण सं 04 एमएआर, प्लॉट सं - एएफ-III, एक्शन एरिया - 1ए न्यू टाउन, राजरहाट, कोलकाता- 700 156 फोन: 033-23244214, फैक्स: 033-23244229 सीआईएन: L23109WB1973GO1028844 ईमेल : gmsnm@coalindia.in वेबसाइट : www.coalindia.in</p>		<p style="text-align: center;">COAL INDIA LIMITED SALES AND MARKETING DEPARTMENT</p> <p>COAL BHAWAN, PREMISE NO- 04 MAR PLOT- NO –AF-III, ACTION AREA-1A, NEWTOWN, RAJARHAT, KOLKATA -700 156 Ph:033-23244214,Fax: 033-23244229 CIN: L23109WB1973GO1028844 E-MAIL : gmsnm@coalindia.in WEBSITE : www.coalindia.in</p>
---	--	---

CIL/M&S/New Pol/ 593

07.11.2018

To

GM/HOD(M&S)
ECL/ BCCL/CCL/ NCL/ WCL/ SECL/ MCL/NEC

Sub: Revisiting the Policy for Mine Specific Coal Supply

Dear Sir(s),

Policy for supply of coal to consumers under FSA/MOU from mine specific source was circulated vide this office letter no.s CIL/S&M/47252(New Pol)/157 dtd.25.02.2011 & 157 dtd. 25.02.2011. CIL Board in its 372nd meeting held on 25th September, 2018, revisited the policy considering that there is a need of having a flexible mechanism enabling coal companies to explore the market for willing consumers to whom mine specific supply arrangement can be made from existing /new mines keeping in view of the market dynamics and varying profile of mines & consumers from subsidiary to subsidiary.

The Board approved the Policy for Mine Specific Coal Supply as detailed below with the stipulation that the process of inviting offers from eligible consumers under this policy should be transparent and should be brought in public domain giving wide publicity including through website.

- i) Threshold production capacity of mine be reduced to 1 MTY from existing 2.5 MTY.
- ii) The minimum quantity requirement of eligible consumers be reduced to 0.25 MTY from 1 MTY.
- iii) The threshold limits given above at (i) & (ii) may be reduced even further by the subsidiary if deemed appropriate for enlarging the reach of this policy for benefit of maximum number of consumers.
- iv) Subsidiary Companies be delegated the power to notify the mines (existing or new) to be offered under mine specific policy along with the base add-on over the applicable price, for allocation of coal from each source. The base add-on fixed by the subsidiary company shall not be less than 10% of notified price of the coal.
- v) The revised policy be implemented by the respective subsidiary company through a transparent process where all its linked/FSA consumers eligible under this policy, can participate for securing mine specific coal allocation of coal. Further, CIL on the request of the Subsidiary Company based on long term demand and coal availability scenario, may decide to extend the offer under the mine specific allocation policy, to the linked/FSA consumers of other Subsidiary Companies too.

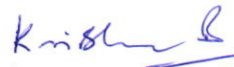
[Handwritten Signature]

- vi) The consumers can be extended the facility of lifting coal through rail mode through the existing sidings of coal companies also. They can even opt for Road-cum-Rail mode of transportation of coal.
- vii) Captive mode of transportation is beneficial from the view point of cost saving, environmental consideration as well as long term assured supply. Subsidiaries be empowered to suitably factor this point for the consumers who seek supply through a captive mode, under a separate contractual arrangement.

The CIL Board advised that the window for seeking application be kept open for a period of one month.

This is for your information and necessary action.

Yours faithfully,


General Manager (M&S) 09/11/18
SDM

Copy to:

- 1.D(M), CIL
- 2.GM (M&S)-II, CIL
3. HOD (Finance- M&S), CIL
4. HOD (Comml.- M&S), CIL

Copy to:

GM (systems), CIL with a request to arrange for loading the above on CIL website in Marketing & Sales under NCDP-FSA tab.