



EASTERN COALFIELDS LTD.

(A subsidiary of Coal India Limited) Ph.no-0341-2522732

Sanctoria, P.O. Dishe rgarh, Dt. Burdwan.

Ref. No: ECL/HQ/S&M/

Date : -----

To

M/s.....

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Sub : Execution of FSA under NCDP.

Dear Sir,

Vide our letter no.....dated..... you were notified about the changes in the basic Sales Policy relating to the distribution and sale of coal framed by Govt. of India being the policy dated 18.10.2007 and in terms of the said changed Sales Policy you were advised to execute fresh FSA in prescribed Format within 30th April'08 but the same is yet to be executed by you.

In terms of the aforesaid changes in the basic policy of sale of coal and the subsequent communication made by us vide letter dated..... in the terms of the provisions of the earlier agreement dated..... entered into by yourself with us the above referred Agreement dated stood terminated ip-so-facto on the expiry of 30th April'08 and we are relieved of any obligation to supply coal under the said Agreement.

Incidentally it may be noted that time to execute fresh FSA under the new Sales Policy has since been extended till 31st May 2008 and you are, therefore, advised to execute fresh FSA in the Format within the said time in accordance with the provisions of NCDP dated 18.10.2007 for continuation of supply of coal failing which we shall have no obligation to supply coal in absence of above fresh FSA.

Yours faithfully

General Manager (S& M)

ECL, Sanctoria, HQ.



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NOTICE

In terms of “New Coal Distribution Policy”, circulated by Ministry of Coal , Govt. of India vide office Memorandum No. 23011/4/2007 –CPD dt 18.10.2007 all valid linked consumers, including the consumers having ongoing FSA(except power utilities) were required to enter into a bilateral arrangement of enforceable Fuel Supply Agreement (FSA) by or before 30.4.2008.

In the above matter this is to further notify that the competent authority has agreed for extension of time for execution of FSA as detailed below:-

- (a) By two months (i.e.30th June ‘08) in case of power utilities, IPPs and Cokery units.**
- (b) By one month (i.e. 31st May’2008) for other categories. In the interim period, coal supplies to the linked consumers with existing FSAs will continue by maintaining status quo on coal price but applying quantity restrictions as per NCDP.**
- (c) For the remaining linked consumers not having FSA their coal supplies will be resumed on execution of FSA. within the extended time applying stipulations as contained in the above para.**

In view of the above all the valid linked consumers drawing coal from ECL and have not yet entered into Fuel Supply Agreement in response to our earlier notice are once again advised to execute Fuel Supply Agreement within the extended period as indicated above, failing which they will not be able to book fresh quantities on expiry of extended date for execution of FSA.

General Manager (S& M)

ECL, Sanctoria, HQ.