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Government of India  
Ministry of Coal

वेकोली/अप्रति/१/सेक्रे./क्र.

WCL/CMD/1/SECY/No.

दिनांक / Dated :-

2469

16/10/2008

Dated the 7<sup>th</sup> October, 2008

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| Shri P.S.Bhattacharyya<br>Chairman<br>CIL<br>10, N.S.Road<br>Kolkata | Shri S.Narsing Rao<br>CMD<br>SCCL, Red Hills<br>Khairatabad<br>Hyderabad |
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**Sub: Guidelines relating to supply of coal on "cost plus basis" by coal companies**

Sir,

The issue relating to supply of coal on "cost plus basis" by coal companies to various consumers has been examined by this Ministry and with the approval of Competent Authority, the following guidelines are being issued for implementation by CIL/SCCL:-

(a) In respect of existing LOA holders who have been authorised LOA by SLC(LT) on "cost plus basis".

The concerned coal company to identify blocks from where coal is to be allocated and inform Coal India Limited (CIL) of the cost of such coal. Coal companies/SCCL will put this information on their website so that existing LOA/linkage holders can apply.

(b) Future projects on cost plus basis

(i) All the coal companies, including SCCL, who are proposing to open cost plus mines should identify such mines and thereafter work out the cost of coal, to be supplied from that mine.

(ii) Such information, mine-wise, should be placed on the website of the subsidiaries or SCCL.

(iii) All the existing linkage holders/LOA holders/FSA holders should be provided an opportunity, to make their choice. In case there are no takers in first go, the information can be used by those who are issued LOAs at a later stage.

(v) some consumers may have requested prior to issue of these guidelines, they may be considered as per the date of request.

