



# MCL

Office of the General Manager (M&S)

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## NOTICE

**Sub: Option to Non-Regulated Sector consumers, whose FSAS are already terminated in 2019-20 due to below 30% level of lifting, to pay compensation or Security Deposit amount whichever is higher to survive termination of FSA**

CIL vide letter no. CIL/M&S/Linkage Auction/191 dated 18/05/2021 communicated decision regarding option to non-regulated sector consumers to pay applicable compensation to survive termination of FSA if level of lifting falls below 30%. The decision as communicated by CIL is reproduced below:

### Quote

1. In line with power FSA consumers, NRS FSA consumers (under NRS Linkage auction route and pre NRS Linkage auction regime) whose level of lifting falls below 30% for the year 2019-20 onwards, but want to keep their FSA alive, be allowed by paying applicable compensation/penalty or Security Deposit amount whichever is higher.
2. For keeping uniformity, in similar line, such FSAs which are already terminated during 2020-21 for less lifting for the year 2019-20, shall also be given option for reviving their terminated FSAs by paying applicable penalty amount or SD amount whichever is higher.
3. Subsidiary coal companies shall notify a window of 15 days inviting application from such bidders whose FSAs are already terminated due to less lifting against ACQ of 2019-20. The willing bidders shall have to request concerned coal companies for availing such optional facility providing an undertaking that they shall pay applicable penal amount as mentioned in point No.2. The FSAs shall be revived after receipt of the required penal amount. No backlog quantity shall be admissible. There shall not be any financial liability for either parties during the dormant period of the FSA.

The dispensation being optional to both the Seller and the Purchaser, the CFD of coal company be empowered to take a decision regarding survival/revival of FSA or not. CIL be consulted in case if interpretation of rule/norm.

### Unquote

Implementation of the above dispensation has been approved by MCL. Accordingly, **15 days window i.e. from 21/06/2021 to 05/07/2021 is hereby notified** for NRS consumers whose FSAs are already terminated and/or Notice of termination has been issued by MCL due to below 30% level of lifting by consumers against ACQ of 2019-20.

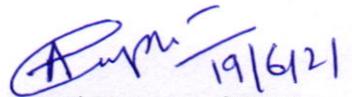
The willing consumers will have to submit an application for availing the facility with an undertaking that they will pay applicable penal amount i.e. compensation or Security Deposit amount whichever is higher.

The FSAs shall be revived after receipt of the required penal amount. No backlog quantity shall be admissible. There shall not be any financial liability on either parties (Puchaser/Seller) during the dormant period of the FSA.

The above dispensation is optional to consumers.

### Distribution:

- DT (OP), MCL
- GM/HOD(M&S-Coml.), CIL
- Chief Manager (M&S-Rail/OP), MCL HQ/Manager (M&S-Road Sales)
- Chief Manager (Fin-SA)/Dy. Manager (Fin-SA)
- GM (Systems), MCL: for uploading the Notice on MCL web site under the link "Notices for FSA"

  
General Manager (M&S)  
J. D. S.