## COAL INDIA LIMITED MARKETING DIVISION

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No. CIL/M&S/SHAKTI B(iii) short term/ 45

Date: 23.03.2023

To
GM/HoD(M&S)
ECL/BCCL/CCL/NCL/WCL/SECL/MCL

## Sub: Coal Utilization certificate under SHAKTI B(viii a) linkage auction

Dear Sir,

CIL is in receipt of requests from coal companies for clarification on timeline for submission of coal utilization certificate particularly in case of supply of rakes, AS PER Railway revalidation policy, under SHAKTI B(viii a) FSAs.

In this regard, the relevant clauses of FSAs are as under:

- 3.2 ... The obligation of the Seller to supply Coal and the obligation of the Purchaser to lift Coal, under this Agreement shall only be for a period of 3 (three) months from the Execution Date ("Supply Period").
- 4.3.7 The Purchaser shall submit Coal Utilization Certificate to the Seller within 4.5 months post expiry of the Supply Period...
- 4.3.10 Maximum period of lifting of coal shall be up to the Supply Period. For supply of Coal through the Railways, the applicable Railway rules will apply.

In light of the above clauses, it emerges that the Supply Period to be considered is 3 months or the date of last supplied rake (as per extant Railway rules) from the date of FSA execution, whichever is later.

The timeline of 4.5 months for submission of Coal Utilization Certificate is to be calculated considering the above Supply Period.

This is for your information and needful.

Yours faithfully,

23/3/2023

GM() (&S-Commercial)

## Copy to:

- Director(Marketing)
- Chief Engineer(TPP&D), CEA