URGENT NOTICE
FOR DEPOSIT OF SECURITY

With reference to the Revised Guidelines for New Coal Distribution Policy for the year 2009-10 dated 9/7/09, clause No. 4 and SECL circular dated 8/8/2009 (attached) registered SSI units are hereby directed to:

1. deposit of Rs. 25 per MT balance amount due as security second installment by 20/9/2009 for further allotment of coal

2. those units who have not deposited first installment of Rs. 25 per MT are required to deposit full amount of Rs. 50 per MT (12 months period) by 20/9/09 to avail facility for allotment of coal.

3. new units who have applied for registration through respective DICs are also required to deposit full amount of Rs. 25 per MT (6 months period) for recommended quantity by MSME along with the application by 30/9/2009.

4. SSI units interested in availing the additional option for financial coverage given by SECL for which additional security of Rs. 78 lacs will have to be deposited by RSIC, may convey their consent for this option by 20/9/09 so that after adjusting security amount balance may be charged for advance payment to SECL.

Chairman & Managing Director
South Eastern Coalfields Limited

(A Subsidiary of Coal India Limited)
Seepat Road, P. O. SECL,
Bilaspur-495006 (Chhattisgarh)

SECL/BSP/S&M/COMM/150/NCDP/96

Dtd.: 08.08.2009

The Sales Manager(I/C),
SECL, Kolkata

Sub: Dispensation for additional option on Financial Coverage and Advance Payment

Dear Sir,

This has reference to Notice No. SECL/BSP/S&M/COMM/150/NCDP/4040 dated 22.01.09, wherein vide item No. 4), guidelines issued by CIL on the above subject were notified.

As per the said guidelines, FSA consumers opting for the said dispensation shall not be required to deposit financial coverage again 3 days prior to the anticipated date of offer.

Some consumers have represented that while opting for the dispensation under reference, in lieu of 8 days equivalent coal value of ACQ through BG + 7 days equivalent coal value of ACQ as non-interest bearing cash deposit, entire financial coverage equivalent to 15 days coal value of ACQ as non-interest bearing cash deposit may be accepted.

As already discussed with you earlier, there should not be any difficulty in accepting the financial coverage on above pattern and the same may be accepted/allowed.

Other terms and conditions regarding the dispensation will remain unchanged.

Yours faithfully,

CHIEF GENERAL MANAGER (S&M/QC)

Copy to:
1. CSM, SECL
2. FM(I/C), SECL, Kolkata
3. FM(S&M), SECL
4. SM(Comm), SECL
5. Shri J.K. Jha, Sales Manager, SECL, Kolkata – In reference to your Note sheet No. SECL/Kol/1948 dated 07.08.09, it is to mention that the same is not in line with the telephonic discussions had with you on 06.08.09. However, action in this matter is to be taken as detailed herein above.

FINANCIAL COVERAGE

BANK GUARANTEE FOR 15 days REQUIRED ₹. 1,56,78,250/- & 100% Advance on RELEASE
SECURITY DEPOSIT 7 days ₹. 79,20,045/- PAYMENT ON BILL

MARKET GUARANTEE 15 days ₹. 1,56,78,250/- 100% -do-