Ref. No.                                                                                                        Date :

To
(Name, Regd. Address, Phone No., Fax No.,
E-Mail address of applicant for issuance of Letter of Assurance (LOA))

Sub: Issuance of Letter of Assurance (LOA) on implementation
of New Coal Distribution Policy approved by Govt. India.

Dear Sir,

In terms of the New Coal Distribution Policy (NCDP) issued by the Ministry of Coal with the approval of Govt. of India vide O.M. No.23011/4/2007/CPD dated 18.10.2007 it is hereby informed that for the purpose of issuance of Letter of Assurance (LOA) for supply of coal to your unit(s) you are required to furnish us Commitment Guarantee (CG) either in cash or in the prescribed format of the Bank Guarantee. The amount of C.G. to be furnished by you would be equivalent to 10% of the notified base price of your annual coal requirement considering the highest grade of Coal applied for. Such CG, however, would not be less than or exceed the stipulated amount, details of which may be seen from the Model Letter of Assurance along with the format of B.G. available on CIL’s website www.coalindia.gov.in and ECL’s website www.easterncoal.gov.in.

As would reveal from the copy of the Model LOA enclosed, you would be required to complete the stipulated milestones in a time bound manner in terms of the provisions of the Model LOA. Accordingly, you are requested to furnish stipulated CG at the earliest but not later than 3 (three) months from the date of issuance of this letter.

Other detailed terms & conditions would be as stipulated in the Model LOA enclosed.

Thanking you,

Encl: As stated

Yours faithfully,

General Manager (S&M)
Eastern Coalfields Limited