



CENTRAL COALFIELDS LIMITED
(A Subsidiary of Coal India Limited)
Quality Management Department, Darbhanga
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Ref No. CCL/HQ/QM/2022-23/1904

Dated 13-06-2023

Notice

Ref:- Letter vide ref. No. CIL/C-4B/ CIMFR/2023/20 dated 13-06-2023 (Copy enclosed)

As per advice of CIL, Kolkata vide above referred letter dated 13-06-2023, we have been informed by CIL regarding issuance of 02 months advance notice by CSIR-CIMFR on Dt. 08.06.2023 for termination of tripartite MoU signed among CIL, APP/NTPC and CSIR CIMFR. Further in this connection, this is to inform to all concerned coal consumers with whom individual tripartite agreements with CSIR-CIMFR are in vogue that the willing consumer(s) can engage any other empanelled agency of CIL of their choice, considering the eventuality of discontinuation of the work by CSIR-CIMFR and that in the absence of Third party sampling, quality settlement will be as per the provisions of FSA.

Encl: As above

R. Anish 13/06/23
General Manager (Quality Management)


Copy for kind information:-

- 1) Dir. (Tech./ Oprn), CCL
- 2) TS to CMD, CCL
- 3) GM (QC), CIL, Kolkata

Copy to:-

- 1) All concerned coal consumers with whom individual tripartite agreements with CSIR-CIMFR are in vogue
- 2) Content Manager - CCL website, System Deptt., CCL-HQ - With a request to upload on CCL's official website under page: Business>>Quality Management>>Notices.



<p>कोल इंडिया लिमिटेड विपणन निदेशालय कोल भवन, प्रांगण सं एमएआर 04, प्लॉट सं -एएफ -III, एक्शन एरिया 1 -ए न्यू टाउन, राजरहाट, कोलकाता 700 - 156 फोन :033-23244214 सीआईएन : L23109WB1973GO1028844 ईमेल : gmqc.cil@coalindia.in वेबसाइट :www.coalindia.in</p>	 <p>AN ISO 9001:2015 & ISO 50001:2011 Certified Company</p>	<p>COAL INDIA LIMITED MARKETING DIRECTORATE COAL BHAWAN, PREMISE NO- 04 MAR PLOT- NO –AF-III, ACTION AREA-1A, NEWTOWN, RAJARHAT, KOLKATA - 700 156 Ph:033-23244214,Fax: 033-23244229 CIN :L23109WB1973GO1028844 E-MAIL : gmqc.cil@coalindia.in WEBSITE : www.coalindia.in</p>
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Ref No: CIL/C-4B/ **CIMFR/2023/20**

Date: 13.06.23

To,

The Director,

CSIR-CIMFR,

Dhanbad

Subject: Notice of termination of Tripartite MoU signed among CIL, APP/NTPC and CIMFR for Third Party Sampling (TPS) for coal quality monitoring at loading end and request to revisit and revise the MoUs.

Dear Sir,

CIL is in receipt of your letter no. A/3/38/2023/I dated 08.06.2023 and letter no. A/3/38/2023/II dated 08.06.2023 regarding notice of termination of Tripartite MoU signed among CIL, APP/NTPC and CIMFR for Third Party Sampling (TPS) for coal quality monitoring at loading end and request to revisit and revise the MoUs.

In this connection it is to mention as under:-

1. CIMFR desires to discontinue its present job on the stated ground of packaging and transportation related work being beyond its mandate as mentioned in point 4 of your letter. At different points in your letters, different contentions have been raised, primarily as below:
 - a. M/s Cotecna India Pvt. Ltd. hired by CIMFR, employ thousands of labours and the labour related issues are not within the core expertise area of CSIR-CIMFR.
 - b. Packaging and transportation related work is beyond the mandate of CSIR-CIMFR.
 - c. CIMFR may continue to provide its technical expertise and experience in the task of analysis of coal samples in its laboratories and services in the sampling process.
 - d. CIMFR desires to revisit and suitably modify the Tripartite MoUs dated 28.06.2016.
 - e. The responsibility of selection of service provider may be undertaken by NTPC, CIL and respective coal producers and power generating companies.
2. CIMFR is well aware of the following facts:

- a. The engagement of CIMFR is in pursuance to the decision taken at the level of Hon'ble MoS for Power, Coal and NRE in the meeting held on 28.10.2015 on Third Party Sampling.
 - b. The MoUs were signed on 28.06.2016 and effective from 01.01.2016. In pursuance to the MoUs, thereafter individual Tripartite Agreements are being signed from time to time between respective Coal Companies, Consumers and CSIR-CIMFR.
 - c. The activity being undertaken by CIMFR since past more than seven years is a composite activity from the initial stage of sample collection till submission of analysis result including the analysis through designated referee labs of challenged samples by either party.
 - d. The rate of activity which initially was Rs.8.40 per tonne and Rs.8.80 revised from 01.04.2018 is all inclusive for all stages from sample collection till final analysis. This includes packaging and transportation of samples, custody thereof etc.
 - e. Since more than one year CIMFR is being requested for re negotiation of terms and conditions of its engagement as per the decision taken in the Apex Committee meeting held on 09.03.2022 but CIMFR has been showing its reluctance for the same throughout.
 - f. For any modifications in the terms and conditions of the MoU, the matter is not in the purview of CIL alone and has to be taken up at appropriate levels.
 - g. CIMFR has apparently not served the notice to all the parties viz. consumers/coal companies with whom individual tripartite agreements have been signed.
 - h. In the recent past, in the month of May 2023 CIMFR suddenly discontinued the work of sampling at loading points and when CIL pointed out that it was unwarranted/breach of contract, CIMFR conveyed that there is no breach of contract and sampling work is being resumed.
3. CIMFR in its letters as referred above has mentioned that the same **may be treated as a two months' notice of termination of the MoU as per clause no. S.8.2 with a request to revisit and revise the MoU document.** MoU clause no. S.8.2 is reproduced below:

During the tenure of the MoU parties hereto can terminate the MoU either for breach of any of the terms and conditions of this MoU or otherwise by giving a two months' notice in writing to the other party. Failure of either of the parties to terminate the MoU on account of breach or default by the other shall not constitute a waiver of that party's right to terminate this MoU.

4. From the cited clause it is not clear as to how a party desiring to terminate the MoU by giving two months' notice can simultaneously raise an issue of re-negotiation of terms and conditions.
5. As already stated, the re-negotiation of terms and condition of MoU as requested by CIMFR is to be taken up by CIMFR at appropriate forums and not through a termination notice addressed to CIL.
6. Even though CIMFR has not categorially stated as to whether or not they would be continuing the contracted work on expiry of two months from their letters dated 08.06.2023 i.e. beyond 07.08.2023 on the existing terms and conditions of MoU, CIL is having no choice under the circumstances mentioned above, but to intimate all concerned that CIMFR desires to

discontinue their present work from 07.08.2023, by endorsing a copy of this communication to MoC, MoP, NTPC, APP, Apex Committee Members and individual Coal Companies so that all stakeholders are aware of the position taken by CIMFR and the Consumers to arrange for alternate empanelled TPSAs, if the situation so arises.

Thanking you,

Yours Faithfully,

S. K. Bhaugalkar 13/06/2023
GM (CP-QC)/ M&S, CIL

Copy:-

1. Director(Marketing), CIL
2. Director (Operation), NTPC
3. DG, APP
4. Apex Committee Members
5. Director In Charge (M&S) - All Coal Companies
6. Director In Charge (QC) - All Coal Companies
7. Executive Director(M&L), CIL
8. GM (M&S) - All Coal Companies
9. GM (QC) - All Coal Companies- with the advice to inform all the consumers with whom individual Tripartite Agreement with CIMFR are in vogue that the willing consumer(s) can engage any other empanelled agency of CIL of their choice, considering the eventuality of discontinuation of work by CIMFR and that in the absence of Third Party sampling, quality settlement will be as per the provisions of FSA.

Copy for kind information:-

1. Additional Secretary, MoC
2. JS (CA), MoC
3. JS, MoP