Applicable with respect to…….Sub-sector [for using against only one subsector from Sponge Iron/Cement/CPP/Others/Steel(coking)/Others(coking)]: …….(Month)20…… under Tranche …..

Sl. No.	LOI Ref No. & Date	Primary Source	Mode	Consumer Code/Bidder ID	FSA Code/number

[MODEL FUEL SUPPLY AGREEMENT – NON REGULATED SECTOR]

BETWEEN

[Name of the Subsidiary Company of Coal India Limited]

AND

[Name of the Successful Bidder/ Non-Power Consumer]

[Date of Agreement]

[To be executed on stamp paper of adequate value]

This Fuel Supply Agreement is made at _____, India on this _____ day of _____ 20__between:

1. **[Name of Subsidiary of Coal India Limited]**, a company incorporated in India under the Companies Act, [1956/2013]with corporate identity number [CIN], whose registered office is at [address of registered office], India and principal place of business is at [address of principal place of business, if different from the registered office](hereinafter referred to as the "**Seller**", which expression shall unless repugnant to the meaning or context thereof, be deemed to include its successors and permitted assigns) of the one part;

AND

2. **[Name of the Successful Bidder]**, a company incorporated in India under the Companies Act, [1956/2013][1] with corporate identity number [CIN], whose registered office is at [address of registered office], India and principal place of business is at [address of principal place of business, if different from registered office] (hereinafter referred to as the "**Purchaser**", which expression shall unless repugnant to the meaning or context thereof, be deemed to include its successors and permitted assigns) of the other part;

OR

[Name of the individual], an individual residing at [address] and carrying on a sole proprietorship business under the name style of [name of the **SuccessfulBidder**] at [address of sole proprietorship] (hereinafter referred to as the "**Purchaser**", which expression shall unless repugnant to the meaning or context thereof, be deemed to include his/ her heirs, executors, administrators, representatives and permitted assigns) of the other part;

OR

[Name of the Successful Bidder], a limited liability partnership incorporated under the Limited Liability Partnership Act, 2008, with its registered office at [address of registered office] (hereinafter referred to as the "**Purchaser**", which expression shall unless repugnant to the meaning or context thereof, be deemed to include its partners, successors, representatives and permitted assigns) of the other part;

OR

[Name of the Individual], an individual residing at [address], **[Name of the Individual]**, an individual residing at [address] and **[Name of the Individual]**, an

[1]**Note**: Delete whichever is inapplicable.

individual residing at [address] all carrying on a partnership business under the name style of [**Name of the Successful Bidder**] registered under [name of Act under which the firm is registered] (hereinafter referred to as the "**Purchaser**", which expression shall unless repugnant to the meaning or context thereof, be deemed to include all the partners of the said firm, their representatives, heirs executors, administrators and permitted assignees) of the other part;

OR

[Name of the Successful Bidder], a [insert legal nature of the Successful Bidder (e.g. trust, society etc.)] incorporated under the [insert statute under which the Successful Bidder is incorporated] with its registered office/ principal place of business/ office at [address of registered office/ principal place of business/office] (hereinafter referred to as the "**Purchaser**", which expression shall unless repugnant to the meaning or context thereof, be deemed to include its successors, representatives and permitted assigns) of the other part.[2]

The Seller and the Purchaser may hereinafter be referred to as such, or may collectively be referred to as the "**Parties**", and individually each may be referred to as a "**Party**".

WHEREAS:

A. The Purchaser has participated in an electronic auction for grant of the Coal Linkages (*as hereinafter defined*), pursuant to which the Purchaser has qualified as a Successful Bidder (*as hereinafter defined*) in accordance with the scheme document dated [*insert date*] issued by Coal India Limited for auction of coal linkages of ……(coking/non coking)coal in the [*insert name of the sub-sector for which auction has been conducted*] sub-sector ("**SchemeDocument**").

B. The Purchaser has thereafter been issued a letter of intent dated [*insert date*] by the Seller("**LOI**") in terms of which *inter alia*the Purchaser has become entitled to enter into a fuel supply agreement to receivethe Annual Contracted Quantity (*as hereinafter defined*).

Sl. No.	LOI Ref No.	LOI issuance date

C. In terms of the requirements of clause 3.5.4 of the Scheme Document, the Purchaser has submitted the following documents with the Seller in accordance with the timelines stipulated in the Scheme Document:

[2]**Note**: Delete whichever is inapplicable.

(a) [an unconditional and irrevocable bank guarantee dated [*insert date*] from [*insert name of bank*] issued at [*insert place*] in the format provided in ***Annexure I/*** a non-interest bearing security deposit][3] for an amount equal to Rs. [*insert amount in figures*] (Rupees [*insert amount in words*] only) ("**PerformanceSecurity**"); and

Sl. No	LOI Ref. No. & Date	Primary Source	BG/DD Ref. No.	Amount (in Rs.)	Issuing Bank

(b) the documents listed in ***Annexure II***.

D. Accordingly, the Parties are now entering into and executing this Agreement to record their mutual understanding with respect to the terms and conditions for supply of the Annual Contracted Quantity (*as hereinafter defined*)from the Seller to the Purchaser.

NOWTHEREFORE, in consideration of the of the mutual covenants, terms and conditions and understandings set forth in this Agreement and other good and valuable consideration, the receipt and adequacy of which are hereby mutually acknowledged, the Parties with the intent to be legally bound hereby covenant and agree as follows:

1. DEFINITIONS AND INTERPRETATION

1.1 Definitions

In this Agreement, in addition to the terms defined in the introduction of the Parties, the Recitals and the body of this Agreement, except where the context otherwise requires, the following words and expressions shall have the following meanings:

(a) "**AcceptableBank**" shall mean a Scheduled Bank as listed in the Second Schedule of the Reserve Bank of India Act, 1934 excluding those listed under the headings of Gramin Banks, Urban Co-operative Banks and State Co-operative Banks;

(b) "**Advance Payment**"shall have the meaning ascribed to it in Clause 8.2.2;

(c) "**AffectedParty**" shall have the meaning ascribed to it in Clause 18.1;

[3]**Note**: Deleted whichever is inapplicable.

(d) "**Agreement**" shall mean this fuel supply agreement including all the Annexures, schedules, exhibits and attachments thereto and any subsequent supplements, amendmentsand/ or modifications thereof as may be issued in writing or notified by the Seller or as may be entered into in writing by the Parties in accordance with the terms and conditions hereof;

(e) "**Annual Contracted Quantity**" or "**ACQ**" shall have the meaning as ascribed to it in Clause 5.1;

(f) "**Applicable Laws**" shall mean all applicable statutes, laws, by-laws, rules, regulations, orders, ordinances, protocols, codes, guidelines, policies, notices, directions, judgments, decrees and/ or other requirements or official directives of any governmental authority or court or other rules or regulations, approvals from the relevant governmental authority, government resolution, directive, or other government restriction or any similar form of decision of, or determination by, or any interpretation or adjudication having the force of law in India;

(g) "**Approved Mine Plan**" shall mean a mine plan which has been approved in accordance with the Applicable Laws in relation to the captive coal mine.

(h) "**As Delivered Price of Coal**"shall have the meaning ascribed to it in Clause 11.1;

(i) "**Business Day**" shall mean each Monday, Tuesday, Wednesday, Thursday, Friday and Saturday that is not declared a holiday in the State of [*insert place*], India;

(j) "**CIL**" shall mean Coal India Limited, the holding company of the Seller, having its registered office at Coal Bhawan, Premise No-04 MAR, Plot No-AF-III,Action Area-1A, Newtown, Rajarhat, Kolkata-700156;

(k) "**Claim**" shall mean, in relation to a Person, a demand, claim, action or proceeding made or brought by or against the Person, however arising and whether present, immediate or future;

(l) "**Coal**"shallmean coking/non-coking coal, produced by the Seller domestically and categorized into different classes, GCV bands, Grades and sizes, as per the notifications/orders issued for such purpose by Government of India, CIL and/ or the Seller;

(m) "**CoalLinkages**" shall have the meaning ascribed to it in the Scheme Document;

(n) "**CoalMine**" shall mean the designated coal mine specified in ***Annexure III***;

(o) "**ContractedGrade**" shall mean the Grade of Coal specified in ***Annexure***

III to be supplied to the Purchaser in accordance with the terms of this Agreement;

(p) "**Control**" shall include the right to appoint majority of the directors or to control the management or policy decisions exercisable by a person or persons acting individually or in concert, directly or indirectly, including by virtue of their shareholding or management rights or shareholders agreements or voting agreements or in any other manner;

(q) "**DeemedDeliveredQuantity**" shall have the meaning ascribed to it in Clause 5.9;

(r) "**Defaulting Party**" shall have the meaning ascribed to it in Clause 17.2(i);

(s) "**Delivery Point**" shall mean [the colliery siding(s) or colliery loading point(s), as the case may be, in the Coal Mineas identified in ***Annexure III***/the railway siding(s) or railways loading point(s), as the case may be, as identified in ***Annexure III***][4] at which the Seller shall deliver the Annual Contracted Quantity in accordance with the terms of this Agreement;

(t) "**Dispute**" shall have the meaning ascribed to it in Clause 16.1;

(u) "**Dispute Notice**" shall have the meaning ascribed to it in Clause 16.3;

(v) "**EligibilityConditions**" shall have the meaning ascribed to it in the Scheme Document;

(w) "**ExtendedTerm**" shall have the meaning ascribed to it in Clause 2.4;

(x) "**FailedQuantity**" shall have the meaning ascribed to it in Clause 5.6.1;

(y) "**Financial Coverage**" shall have the meaning ascribed to it in Clause 12.2.1;

(z) "**Financial Coverage Bank Guarantee"** or "**Financial Coverage BG**" shall have the meaning ascribed to it in Clause 12.2.1;

(aa) "**ForceMajeureAct**" shall have the meaning ascribed to it in Clause 18.1;

(bb) "**GCV**" shall mean gross calorific value;

(cc) "**Grade**"shallmean the grade/class in which the coking and non-coking Coal are categorised and/or to be categorised in terms and in accordance with the relevant notifications issued by the Seller and/or the Government of India and published in the public domain and/or the Gazette of India, as

[4]**Note:**Delete whichever is inapplicable.

applicable. The basis of grading for different categories of Coal are as under:

(i) non-coking Coal: based on GCV bands;
(ii) coking Coal: based on ash percentage; and
(iii) semi-coking Coal: based on (ash + moisture) percentage;

(dd) "**Indemnified Party**" shall have the meaning ascribed to it Clause 19.1;

(ee) Deleted;

(ff) "**InterestRate**" shall mean the repo-rate of the Reserve Bank of India as applicable on the due date of payment by the Purchaser plus 3% (three per cent.);

(gg) "**Level of Delivery**" shall have the meaning ascribed to it in Clause 5.7.1;
(hh) "**Level of Lifting**" shall have the meaning ascribed to it in Clause 5.7.2;

(ii) "**Licenses**" shall have the meaning ascribed to it in Clause 20.2(c);

(jj) Deleted

(kk) "**LOI**" shall have the meaning ascribed to it in Recital B;

(ll) "**Losses**" shall have the meaning ascribed to it in Clause 19.2;

(mm) "**Month**" shall mean a calendar month;

(nn) "**Non-Affected Party**" shall have the meaning ascribed to it in Clause 17.2(a);

(oo) "**Non-Defaulting Party**" shall have the meaning ascribed to it in Clause 17.2(i);

(pp) **"Normative Energy Requirement"** shall have the meaning ascribed to it in Clause 3.3 of the Scheme Document

(qq) "**NotifiedPrice**" shall mean Rs. [●] (Rupees [●] only) per tonne as per price notification.;

(rr) "**PerformanceSecurity**" shall have the meaning ascribed to it in Recital C(a) and shall include any revised/ incremental Performance Security submitted by the Purchaser in accordance with the requirements of Clause 4;

(ss) "**Person**" shall mean any individual, general partnership, limited partnership, limited liability company, corporation, joint venture, trust, business trust, cooperative, association, any foreign trust or any foreign

business organization, or any other entity, whether or not having a separate legal personality;

(tt) "**Representative**" shall have the meaning ascribed to it in Clause 16.2;

(uu) "**ScheduledQuantity**"or "**SQ**" shall have the meaning ascribed to it in Clause 5.5.1;

(vv) "**Scheduled Production**" shall mean the scheduled quantity of coal production for a financial year, from the captive coal mine as per the Approved Mine Plan, self-certified by the Purchaser.

(ww) "**SchemeDocument**" shall have the meaning ascribed to it in Recital A;

(xx) "**Self-Certificate**" shall mean the Self Certificate for captive coal mine to be submitted by the Purchaser in accordance with the format at ***AnnexureXI***

(yy) "**Secondary Source(s)**" shall have the meaning ascribed to it in Clause 5.4;

(zz) "**Signature Date**"shall mean the date of singing of this Agreement by the Parties;

(aaa) "**SpecifiedEndUsePlant**" shall meanshall mean one or more [insert relevant sub-sector specific] units (in a single location within the same boundary) located in India and owned by the Purchaser.

For Steel(coking) subsector: "**SpecifiedEndUsePlant**" shall meanone or more blast furnace units (with or without a coke oven plant)used for the production of steel(in a single location within the same boundary) located in India and owned by the Purchaser. The Specified End Use Plant shall also include the wholly owned End Use Plants/Units of the bidder, located in same location and/or geographically different location in India, as per registration made by the bidder.(Delete the para if not applicable)

The particulars of all EUP(s) and/or details of blast furnaces/coke oven plant, as the case may be, linked to each EUP are required to be declared by the bidder as detailed in ***Annexure IV***;

(bbb) "**SuccessfulBidder**" shall have the meaning ascribed to it in the Scheme Document;

(ccc) "**Term**" shall have the meaning ascribed to it Clause 2.2;

(ddd) "**Third Party**"shallmean a Person who is not a Party to this Agreement;

(eee) "**ThirdPartyAgency**" shall mean the independent agency appointed for conduct of third party sampling in accordance with Clause 9;

(fff) "**Transport Factor**" shall mean 100 TPA.

(ggg) "**Winning Premium**" shall mean [*insert in numbers*]%[5] ([*insert in words*] per cent.) of the Notified Price andas mentioned below;

FSA Code	Primary Source	Wining Premium (%) Per Cent.

(hhh) "**Year**" shall mean the financial year of the Seller, commencing on April 1st and ending on the following March 31st.

1.2 **Interpretation**

In this Agreement, unless the context specifies otherwise:

(a) headings and bold typeface are used for convenience only and shall not affect the interpretation of this Agreement;

(b) reference to the singular includes a reference to the plural and vice versa, and reference to any gender includes a reference to all other gender;

(c) references to the Recitals, Clauses and Annexure shall be deemed to be a reference to the recitals, clauses and annexures of this Agreement;

(d) the Recitals (containing substantive provisions), Clauses and Annexures form part of this Agreement and shall have the same force, binding nature and effect as if expressly set out in the body of this Agreement, and any reference to this Agreement shall include any Recitals (containing substantive provisions), Clauses and Annexures to it;

(e) the expression "this Clause"shall, unless followed by reference to a specific provision, be deemed to refer respectively to the whole Clause, not merely the sub-clause, paragraph or other provision in which the expression occurs;

(f) references to any enactment are to be construed as referring also to any amendment or re-enactment (whether before or after the Signature Date), and to any rule, regulation, notification, circular or order issued or made thereunder;

(g) references to "**include**" and "**including**" shall be construed without limitation;

[5]**Note**: It is clarified that the winning premium shall be rounded up to the nearest second decimal.

(h) reference in this Agreement to any statute or regulation made using a commonly used abbreviation, shall be construed as a reference to the short title of the statute or full title of the regulation;

(i) references to any agreements, scheme documents, instruments and/ or documents are to be construed as references to such agreements, scheme documents, instruments and/ or documents as amended, modified or supplemented from time to time;

(j) reference to "**writing**" or "**written**" means any method of reproducing words in a legible and non-transitory form (excluding, unless otherwise stated herein, e-mail);

(k) the terms "**hereof**", "**herein**", "**hereby**", "**hereto**" and derivative or similar words refer to this entire Agreement or specified Clauses of this Agreement, as the case may be;

(l) the words "**directly or indirectly**" mean directly or indirectly through one or more intermediary Persons or through contractual or other legal arrangements, and "**direct or indirect**" shall have the correlative meanings;

(m) where a wider construction is possible, the words "**other**" and "**otherwise**" shall not be construed *ejusdem generis* with any foregoing words;

(n) time is of the essence in the performance of the Parties' respective obligations. If any time period specified herein is extended, such extended time shall also be of the essence. When any number of days is prescribed herein, the same shall be reckoned exclusively of the first and inclusively of the last day unless the last day does not fall on a Business Day, in which case the last day shall be the next succeeding Business Day;

(o) any approval, consent, permission, license etc., to be granted by a Party under this Agreement shall be deemed to mean an approval, consent, permission, license etc., in writing; and

(p) any capitalized terms used but not defined herein shall have the meanings ascribed to such terms in the Scheme Document.

2. COMMENCEMENT ANDTERM OF THE AGREEMENT

2.1 This Agreement shall come into force with effect from the Signature Date.

2.2 Subject to Clause **Error! Reference source not found.** and Clause 17.2, this Agreement shall remain in force and effect commencing from the Signature Date until the expiry of 5 (five)[ForSteel(coking):10 (ten) (Delete if not applicable)]years from the Signature Date ("**Term**").

2.3 Notwithstanding the provisions of Clause 2.2, in the event of any change in the

Grade structure of the Contracted Grade of Coal, such changed Grade structure shall be binding and complied with by the Parties. The Seller shall, within 7 (seven) days of introduction of such Grade change, provide a written notice to the Purchaser calling for a joint review of such provisions of this Agreement on which such change in the Grade structure has a bearing. Upon such joint review, this Agreement shall be duly amended in writing to bring it in full conformity with such change. However, if despite their efforts the Parties are unable to arrive at a mutually agreed position with respect to the subject matter of review, within a maximum period of 3 (three) months from the date of the above mentioned notice, the aggrieved Party shall have the right to terminate the Agreement subject to a further notice of maximum period of 3 (three) months given in writing to the other Party without security deposit forfeiture subject to final reconciliation.

2.4 Extended Term: On completion of the Term, this Agreement shall expire, unlessthe Parties mutually agree in writing to extend the Agreement for a further duration of 5 (five) years, on the same or suchmodified terms as may be agreed upon in writing by the Parties.

If the Purchaser has developed their captive mode of transportation for transporting the coal from the specific sourceas per this Agreementto the Purchaser's EUP and the same has been incorporated as anaddendum to this Agreement, then on completion of the extended term of 5 (five) years asmentioned above,the Parties can mutually agree in writing to extend the Agreement for a further duration of 5 (five) years on the same or such modified terms as may be agreed upon in writing by the Parties.

3. INFORMATION RIGHTS OF THE SELLER

The Purchaser acknowledges and agrees that the Seller shall have the right, throughout the Term or Extended Term, as the case may be, to call for such information and/ or documentation from the Purchaser (documentation detailed in ***Annexure II***) as may be required by the Seller to check:

(a) the veracity of the Purchaser's claim of being a *bona fide* consumer of the Contracted Grade of Coal with respect to the Specified End Use Plant; and

(b) the Purchaser's compliance with the LOI, the Eligibility Conditions, the terms and conditions of the Scheme Document and of this Agreement.

The Purchaser shall at all times extend necessary cooperation to the Seller in this regard and shall provide relevant information and/ or documentation requested by the Seller within such reasonable time as may be requested by the Seller.

4. PERFORMANCE SECURITY

4.1 The Purchaser has submitted the Performance Security to the Seller in accordance with the provisions of the Scheme Document. The amount of Performance Security is and shall continue to be for a value computed as per the following

formula:

Performance Security = [Annual Contracted Quantity as specified in Annexure III] multiplied by [6% of the aggregate of the Notified Priceand Winning Premium]*.

**for the purpose of computation of the Performance Security, Annual Contracted Quantity shall be the Annual Contracted Quantity prior to any adjustment with respect to year-on-year Scheduled Production*

In the event of any adjustment in the Annual Contracted Quantity in accordance with Clause 5.2, the amount of Performance Security shall not be revised.

4.2 The Performance Securityshall remain valid till 3 (three) months from the date of expiry of the Term or Extended Term, as the case may be. The Performance Security shall be returned or refunded to the Purchaser at the end of its validity, subject to successful completion of and complete settlement of all claims of the Seller arising out of this Agreement.

4.3 The amount of Performance Security shall be suitably revised as follows, in case of change in the Notified Price in accordance with Clause 11:

4.3.1 In the event of any increase in the Notified Price) pursuant to Clause 11, the Purchaser may:

(a) provide a new bank guarantee issued by any Acceptable Bank for the revised value computed as per Clause 4.1; or

(b) provide an additional/ top up bank guarantee issued by any Acceptable Bank for an amount corresponding to the incremental value of the Performance Security computed as per Clause 4.1.

Alternatively, the bank guarantee constituting the Performance Security may be suitably amended for the revised value computed as per Clause 4.1. The new/ revised/ amended/ top up bank guarantee shall be in the format set out in ***Annexure I***. In the event that the Performance Security has been provided in the form of a non-interest bearing security deposit, then, upon any increase in the Notified Price pursuant to Clause 11, the Purchaser shall deposit an additional amount towards the security deposit to cover for such increase.

Any failure of the Purchaser to replenish the Performance Security in the manner specified herein above within 7 (seven) days of notification of change in the Notified Price under Clause 11, shall entitle the Seller to suspend the supply of the Contracted Grade of Coal in accordance with Clause 14.3 without absolving the Purchaser of its obligations under this Agreement. Further, if the Purchaser fails to replenish the Performance Security within 30 (thirty) days of such suspension of Coal supplies, the Agreement shall unless otherwise agreed in writing by the

Parties, stand automatically terminated without any further act on the part of the Seller and the Seller shall also have the right to invoke the existing Performance Security.

4.3.2 In the event of any decrease in the Notified Price pursuant to Clause 11, the Purchaser may provide a new bank guarantee issued by an Acceptable Bank in the format specified in ***Annexure I*** for the revised value computed as per Clause 4.1. The Seller shall, within 7 (seven) days of receipt of such new bank guarantee, return the original Performance Security to the Purchaser. In the event that the Performance Security has been provided in the form of a non-interest bearing security deposit, then, upon any decrease in the Notified Price pursuant to Clause 11, the Seller shall refund the excess value of the security deposit to the Purchaser.

4.3.3 The period of validity of any new bank guarantee, amended bank guarantee,top up/ additional bank guarantee furnished by the Purchaser and/ or any additional security deposit provided by the Purchaser pursuant to this Clause 4.3, shall be the same as that of the initial Performance Security.

4.4 **Invocation/ Forfeiture of Performance Security**

4.4.1 The Seller shall be entitled to forfeit / invoke the whole or a part of the Performance Security in the following situations:

(a) in the event that the Purchaser fails to submit the revised incremental Performance Security to the Seller within the timeline stipulated in Clause 4.3 above;

(b) Deleted.

(c) in accordance with Clause5.2, 5.6.2, Clause 12.2.4, Clause 13.2, Clause 14, or Clause **Error! Reference source not found.**; and/ or

(d) in the event that the Seller becomes entitled to exercise its right to terminate or actually exercises its right to terminate this Agreement for any of the reasons specified in Clause 17.2(d) to Clause 17.2(m)

4.4.2 In the event ofany partial or complete invocation of the Performance Security under this Agreement, the Purchaser would have to replenish the Performance Security within 30 (thirty) days of its invocation hereunder, failing which the Seller shall be entitled to terminate this Agreement in accordance with Clause 17.2(g). The period of validity of the replenished Performance Security furnished by the Purchaser pursuant to this Clause 4.4, shall be the same as that of the initial Performance Security. In the event that the Acceptable Bank issuing the Performance Security does not permit a partial invocation of the Performance Security, the Seller shall be entitled to invoke the whole Performance Security and recover thereunder, the amounts due to it and the balance amount, if any, shall be refunded immediately to the Purchaser within 1 (one) day of

replenishment of the Performance Security to the Seller in the manner as stipulated above.

5. ANNUAL CONTRACTED QUANTITY

5.1 Annual Contracted Quantity

5.1.1 The quantity of the Contracted Grade of Coalagreed to be supplied at the Delivery Point by the Seller to the Purchaser and undertaken to be purchased by the Purchaserfrom the Seller at the Delivery Point per Year rshall be as providedin ***Annexure III***("AnnualContractedQuantity").In case the Purchaser has captive coal mine(s), there shall be an adjustment to the Annual Coal Quantity each year in relation to Scheduled Production from the captive coal mine(s) in accordance with the Scheme Document and Clause 5.2of this Agreement.

For part of a Year, the Annual Contracted Quantity shall be pro-rated accordingly. The Annual Contracted Quantity shall be supplied as per the provisions of this Clause 5 and Clause 8.

5.1.2 **Verification of Coal Requirement for Syn Gas DRI Units under Sponge Iron subsector: [Delete if not applicable]**

5.1.2.1. The Seller / CIL (acting on behalf of the Seller as its duly authorized representative) reserves the right to get the Coal Requirement of the Purchaser verified by the Central Institute of Mining & Fuel Research or any other agency that may be nominated by CIL ("**Final Verification Agency**"), within 180 (one hundred eighty) days of execution of the Agreement.

In case the Purchaser, along with this Agreement, has also entered into other fuel supply agreement(s) with other subsidiary(ies) of CIL (apart from the Seller) for the supply of Coal pursuant to the Scheme Document, then the period of 180 (one hundred eighty) days mentioned above shall commence from the date of execution of this Agreement or such other fuel supply agreement(s), whichever is earlier.

5.1.2.2. In case the Coal Requirement verified by the Final Verification Agency in terms of Clause 5.1.1 above is less than the Coal Requirement based on which the Purchaser has been allotted the Annual Contracted Quantity in terms of the Scheme Document, then the Annual Contracted Quantity shall be revised / adjusted in accordance with clause 3.5.2(k) of the Scheme Document, as applicable.

5.1.2.3. The aforesaid revision / adjustment in the Annual Contracted Quantity shall be given effect to during the residual period of the initial 2 (two) years from the date of execution of the Agreement, in accordance with the following illustration and the revised Annual Contracted Quantity will be supplied during the balance term of the Agreement.

Illustration: Adjustment of Annual Contracted Quantity post verification by the Final Verification Agency

Description	Formula	Value
Annual Contracted Quantity	A	20,500 TPA
Time taken by the Final Verification Agency to verify the Coal Requirement	B	4 months
Say, total quantity supplied prior to the verification by the Final Verification Agency	C	8,500 Tonnes
Annual Contracted Quantity post verification by the Final Verification Agency	D	17,065 TPA
Annual Contracted Quantity post verification by the Final Verification Agency (post adjustment for the Transport Factor)	E	17,000 TPA
Excess supply before the verification by Final Verification Agency is available	F= C – (E × B/12)	2,833 Tonnes
Residual Period	G = 24 - B	20 months
Required Monthly Adjustment	H = F /G	142 Tonnes
Scheduled Quantity to be supplied during the Residual Period	I = (E/12) - H	1,275 Tonnes
The figures have been rounded off for the purpose of this illustration.		

5.1.3 **Procedure to be followed for verification of the RFP information by Final Verification Agency:**

The detailed procedure to be followed in enclosed as ***Annexure V.***

5.2 **Annual Contracted Quantity post Grant of Mine Opening Permission by Coal Controllers' Organization (CCO)**

(a) In the event, mine opening permission for captive coal mine(s) allocated for Specified End Use Plant has been granted by CCO post execution of this Agreement, the Purchaser, shall within 15 days of the grant of mine opening permission by CCO, submit the Self-Certificate to the Sellerin the format placed at ***Annexure XI***. In case the Purchaserfails to submit the saidSelf-Certificate in accordance with this Clause5.2(a), the Seller shall have the right to terminate thisAgreementand invoke the Performance Security.

(b) Upon submission of the Self- Certificate, the Annual Contracted Quantityshall be adjustedon the basis of the Scheduled Production (on year-on-year basis) submitted by the Purchaseras part of the Self-Certificate. Such adjustment shall be carried out for the period post grant of mine opening permission by CCO and shall be on the basis of the annual energy requirement of the Specified End Use Plant met through the Scheduled Production for each Yearin accordance with the following formula:

Annual Contracted Quantityfor the Year= [Adjustment Factor x Energy Requirement of the Specified End Use Plant for the Year] / [(10^^{9}) multiplied by (the average gross calorific value of the Contracted Grade as specified in ***Annexure III***)]

wherein,

Adjustment Factor =

$$\frac{\text{energy requirement of Specified End Use Plant met from ACQ for Year 1}}{\text{Total energy requirement of Specified End Use Plant met from Tranche V Coal Linkage Auction}}$$

Adjustment Factorcalculated as above shall be [insert value]

Energy Requirement of the Specified End Use Plant for the Year=

(Normative Energy Requirement of the Specified End Use Plant for the Auction under Tranche V + energy requirement of the Specified End Use Plant corresponding to the minimum of the Scheduled Production – energy requirement of the Specified End Use Plant corresponding to the Scheduled Production of the year
Where a coal mine has been allocated for multiple plants, then the Energy Requirement of the Specified End Use Plant shall be calculated after proportionately factoring the Scheduled Production from the said mine.

(c) Adjustment in the ACQ for the year shall be carried out in case the Energy Requirement for aYear, as computed above is less than [insert number] (the total energy requirement booked for the Specified End Use Plant during the Auction under Tranche V). Provided however that, in the event the Energy Requirement of the Specified End Use Plant for the year as computed above is zero or less than zero, then ACQ for that year shall be zero.

(d) In the event, the energy requirement of the Specified End Use Plant for the Year, as computed in Clause (b) above, for each of the remaining years during the Term of the Agreement is less than or equal to zero, then the Agreement shall be terminated.

(e) In the event that the Annual Contracted Quantity for any Year pursuant to this Clause, is not an integer multiple of the Transport Factor, such Annual Contracted Quantity for the Year shall be decreased and rounded off (downwards) to the nearest integer multiple of the Transport Factor.

5.3 End-use of Coal

The total quantity of the coking/non-coking coal(delete whichever is not applicableCoal/Contracted Grade of Coalsupplied pursuant to this Agreement shall only be utilized in the Specified End Use Plant.The Purchaser shall not sell, divert and/or transfer the Coal/ Contracted Grade of Coal for any purpose whatsoever and any such sale, diversion and/ or transfer shall be treated as material breach of Agreement. In the event that the Purchaser engages in any such sale, diversion, transfer and/ or trade of Coal/ Contracted Grade of Coal, the Seller

shall, after giving the Purchaser a due opportunity of being heard on the matter,be entitled to terminate this Agreement without any liabilities or damages whatsoever payable to the Purchaser.
[(For Steel(coking coal) subsector) (Delete if not applicable)However, the use of bi-products of washery after washing of raw coking coal shall not be within the purview of CIL/Coal companies.]

It is expressly clarified that the Seller shall reserve the right to call for any document(s) from the Purchaser to verify the end-use of the Coal/ Contracted Grade of Coal and satisfy itself of the accuracy of the contents thereof. The Purchaser shall have the obligation to comply with the Seller's directions and shall extend full co-operation to the Seller in carrying out such verification.

For the purpose of the aforesaid verification, the Seller may also rely on certification(s) from erstwhile sponsoring authorities viz. the District Industries Centre, Director of Industries or any other Department as may be nominated by relevant State Governments for determining the existence and status of operation of the Specified End Use Plant.

Without prejudice to the above rights of the Seller, in case of specific complaints regarding non-utilization of Coal in accordance with this Agreement, such complaints may be referred to the relevant department(s) or agencies for suitable action.

5.4 **Sources and Mode of Supply**

The Seller shall endeavor to supply the Contracted Grade of Coalat the Delivery Point.In case the Seller is not in a position to supply the Scheduled Quantity of the Contracted Grade of Coalat the Delivery Point on account of a Force Majeure Act or any other reason, the Seller shall have the option to supply the balance quantity of the Contracted Grade of Coalfromthe secondary source(s) indicated in ***Annexure III***("**SecondarySource(s)**"). Further, in case of supply of the Contracted Gradeat the Secondary Source, the Purchaser shall accept the Contracted Gradeof Coaldirectly from such Secondary Source(s). Additional costsincurreddue to supply of the Contracted Grade of Coalatthe Secondary Source(s)shall be borne by the Purchaser.

No flexibility shall be given to the Purchaser to take delivery of the Contracted Grade of Coal through any mode other than the mode specified in ***Annexure IIIexcept where change of mode from Rail to Road is approved by the Seller as per Annexure-X***.

5.5 **Scheduled Quantity**

5.5.1 The Annual Contracted Quantity shall, unless otherwise agreed to in writing between the Parties, be delivered in equal monthly quantities during the Year which shall be calculated as Annual Contracted Quantity/12 ("**Scheduled Quantity**" or "**SQ**"); provided that during the first Year of the Term, the

Scheduled Quantity shall be suitably pro-rated (i.e. the Scheduled Quantity to be delivered shall be computed suitably commencing from the Signature Date till 31st March of the next Year).

5.5.2 In case of supply by rail, the Parties agree that in case the Purchaser is unable to lift the Scheduled Quantity due to shortfall in the quantity necessary for formation of rake for transportation through rail mode, the balance Scheduled Quantity will be carried forward to the subsequent Month(s)/ Year(s). As and when such carried forward quantity is adequate to form a rake for transportation through rail mode, the same shall be supplied to the Purchaser. If at the end of the Term, any residual Scheduled Quantity remains (including any quantity which has been carried forward as aforesaid), the same shall be dealt with in the following manner:

(a) in case the residual Scheduled Quantity is 2000TPA or more, the Purchaser will be supplied with the quantity equivalent to one rake; and

(b) in case the residual Scheduled Quantity is less than 2000TPA, such quantity will lapse.

5.5.3 Notwithstanding anything to the contrary contained herein, if for a Year, the Level of Lifting by the Purchaser falls below the thresholds specified in Clause 5.6.1 solely on account of the fact that the Purchaser has been unable to lift the Scheduled Quantity due to shortfall in the quantity necessary for formation of rake for transportation through rail mode, the Purchaser shall not be liable to pay any compensation for shortfall in the Level of Lifting caused due to the above mentioned reason.

5.5.4 The total variation in the monthlyScheduled Quantity shall not, unless otherwise agreed to in writing by the Parties, exceed 10% (ten per cent.) of the Scheduled Quantity.

5.6 **Compensation for short delivery/lifting**

5.6.1 Subject to the provisions of Clause 5.5.3, if for a Year, the Level of Delivery by the Seller or the Level of Lifting by the Purchaser falls below 75% (seventy five per cent.) with respect to that Year, then the defaulting Party shall be liable to pay compensation to the other Party for such shortfall in Level of Delivery or Level of Lifting, as the case may be ("**FailedQuantity**") in terms of the following:

Level of Delivery/ Level of Lifting in a Year	**Percentage of Penalty for the Failed Quantity (at the price payable under Clause 11 for Contracted Grade of Coal supplied)**
Below 75% but up to 70% of ACQ	0 -5
Below 70% but up to 65% of ACQ	5-10
Below 65% but up to 60% of ACQ	10-20
Below 60% but up to 50% of ACQ	20-40
Below 50%	40

The penalty shall be computed in the same manner as done slab-wise for computation of income-tax. However, unlike income tax, the percentage of compensation shall grow on a linear basis within each slab.

Illustration:

(a) If the Level of Delivery/ Level of Lifting is below 75% (seventy five per cent.) but up to 70% (seventy per cent.) of the ACQ, the penalty would be 1% (one per cent.) for each percentage shortfall in Level of Delivery/ Level of Lifting below 75% (seventy five per cent);

(b) If the Level of Delivery/ Level of Lifting is below 70% (seventy per cent.) but up to 65% (sixty five per cent.) of the ACQ, the penalty would be 5% (five per cent.) plus (1% (one per cent.) for each percentage shortfall in Level of Delivery/ Level of Lifting below 70% (seventy per cent.));

(c) If the Level of Delivery/ Level of Lifting is below 65% (sixty five per cent.) but up to 60% (sixty per cent.), the penalty would be 10% (ten per cent.) plus (2% (two per cent.) for each percentage shortfall in Level of Delivery/ Level of Lifting below 65% (sixty five per cent.));

(d) If the Level of Delivery/ Level of Lifting is below 60% (sixty per cent.) but up to 50%,the penalty would be 20% (twenty per cent.) plus (2% (two per cent.) for each percentage shortfall in Level of Delivery/ Level of Lifting below 60% (sixty per cent.)); and

(e) If the Level of Delivery/ Level of Lifting is below 50%, the penalty would be 40% (forty per cent.).

5.6.2 Compensation for the Failed Quantity shall be payable by the defaulting Party to the other Party within a period of 90 (ninety) days from the date of receipt of a claim in this regard from the non-defaulting Party.In the event of non-payment within the due date, the defaulting Party shall be liable to pay interest as mentioned in Clause 13. In the event that the compensation along with interest payable thereon is not paid within a period of 180 (one hundred and eighty) days of receipt of the claim as aforesaid, the Seller shall have the right to invoke the Performance Security.

5.7 **Level of Delivery and Level of Lifting**

5.7.1 The Level of Delivery with respect to a Year shall be calculated in the form of percentage as per the following formula:

$$\text{Level of Delivery (LD)} = \frac{(DQ+DDQ+FM+RF) \times 100}{ACQ}$$

Where:

LD = Level of Delivery of the Contracted Grade of Coal by the Seller for the Year.

DQ = Delivered Quantity, namely, aggregate of actual quantities of the Contracted Grade of Coal delivered by the Seller for the Year.

DDQ = Deemed Delivered Quantity, reckoned in the manner stated in Clause 5.9.

FM = Proportionate quantity of the Contracted Grade of Coal which could not be delivered by the Seller for a Year due to occurrence of a Force Majeure Act affecting the Seller and / or the Purchaser, calculated as under:

$$FM = \frac{ACQ \times \text{Number of days lost under applicable Force Majeure Act}}{365}$$

Note: For the purpose of calculation of 'Number of days lost under applicable Force Majeure Act', the period affecting both the Parties shall be counted only once.

RF = Quantity of the Contracted Grade of Coal that could not be supplied by the Seller for the Year owing to the Railways not allotting wagons or not placing wagons for loading, in spite of specific valid indent/offer submitted by the Seller to the railways against valid program(s) submitted by the Purchaser for the purpose.

5.7.2 Level of Lifting with respect to a Year shall be calculated in the form of percentage as per the following formula:

$$\text{Level of Lifting (LL)} = \frac{[(ACQ-FM) - DDQ] \times 100}{(ACQ-FM)}$$

Where:
LL = Level of Lifting of the Contracted Grade of Coal by the Purchaser for the Year.

DDQ = Deemed Delivered Quantity, reckoned in the manner stated in Clause 5.9.

FM = Proportionate quantity of the Contracted Grade of Coal which could not be lifted by the Purchaser for a Year due to occurrence of a Force Majeure Act affecting the Seller and / or the Purchaser, calculated as under:

$$FM = \frac{ACQ \times \text{Number of days lost under applicable Force Majeure Act}}{365}$$

Note: For the purpose of calculation of 'Number of days lost under applicable Force Majeure Act', the period affecting both the Parties shall be counted only once.

5.8 For the purpose of computing DDQ and RF, the weight per rake will be that

declared by the Seller for anyrake-load. The weight so derived will be used for calculation of compensation from either the Purchaser or the Seller.

5.9 **Deemed Delivered Quantity**

For the purpose of this Agreement, the aggregate of the following items provided under Clause 5.9.1 to Clause 5.9.2shall constitute the Deemed Delivered Quantity with respect to a Year:

5.9.1 *For supply of Coal by rail*

(a) The quantity of the Contracted Grade of Coalnot supplied by the Seller owing to omission or failure on the part of the Purchaser to submit in advance the designated rail program(s) to the Seller as per agreed time-table with respect to the Scheduled Quantity in accordance with Clause 8.2.

(b) The quantity of theContracted Grade of Coalnot supplied by the Seller owing to cancellation, withdrawal or modification of the rail program(s) by the Purchaser after its submission whether before or after allotment of wagon(s) by Railways.

(c) The quantity of the Contracted Grade of Coalnot supplied by the Seller owing to the Seller exercising the right of suspension of supplies in terms of Clause 14.

(d) The quantity of the Contracted Grade of Coalnot supplied by the Seller owing to the Purchaser failing or omitting to fulfill the requirements under Clause 12.

(e) The quantity of the Contracted Grade of Coaloffered by the Seller which is not acceptedby the Purchaser.

5.9.2 *For Supply of Coal by road*

(a) The quantity of the Contracted Grade of Coalnot supplied by the Seller owing to omission or failure on the part of the Purchaser to book orders for the Scheduled Quantity in terms of Clause 8.2.2.

(b) The quantity of theContracted Grade of Coalnot supplied by the Seller owing to the Purchaser's failure to place the requisite number / type of road transport at the Delivery Point for delivery of the Contracted Grade of Coalwithin the validity period of the sale order/delivery order.

(c) The quantity of the ContractedGrade of Coalnot supplied by the Seller owing to the Seller exercising the right of suspension of supplies in terms of Clause 14.

(d) The quantity of the Contracted Grade of Coalnot supplied by the Seller owing to the Purchaser failing or omitting to fulfill the requirements under Clause 12.

(e) The quantity of the ContractedGrade of Coaloffered by the Seller which is not accepted by the Purchaser.

5.9.3 Deemed Delivered Quantityin terms of Clause 5.9.1 and Clause 5.9.2 shall be calculated on a cumulated Monthly basis for a Year.

6. QUALITY

The quality of the Contracted Grade of Coalto be supplied at the Delivery Point shall, as far as possible, be within the specifications as set out in***Annexure VI***. The Seller shall take all reasonable steps to remove stones above 250mm (in size), shale and extraneous matters before the loading of the Contracted Grade of Coal. A complaint, if any, regarding the quality of the Contracted Grade of Coal shall be made by the Purchaser giving specific details of the consignment to the General Manager/HOD (Marketing& Sales) of the Seller.

7. WEIGHMENT OF COAL

7.1 If the Contracted Grade of Coalis delivered for dispatch by rail, each wagon shall be weighed at the weighbridge of the Seller at the Delivery Point and the recorded weight shall be entered in the relevant dispatch document/ railway receipt. Such recorded weight shall form the basis for raising bills by the Seller. The weighment shall be on wagon to wagon basis in the manner described hereinafter:

7.1.1 In case wagons are weighedon an electronic weighbridge, the weight recorded in the computerized print out shall be taken as the weight for the respective wagon.In the absence of a computerized print out facility, the weight as certified by the railways shall be reckoned as the weight and shall be binding on the Parties.

7.1.2 In the absence of electronic weighbridges, the weighment shall be done on the mechanical weighbridges at the Delivery Point.

7.1.3 In the cases not covered by Clause 7.1.1 or Clause 7.1.2 above, the weight recorded on the relevant dispatch document/ railway receipt as per existing practice of the railways shall be reckoned as the weight and shall be binding on the Parties.However, the wagons will be loaded up to the permissible capacity fixed by the railways for such wagons on the basis of volumetric measurement.

7.2 If the Contracted Grade of Coalis delivered for dispatch by road, the weight recorded at the weighbridge of the Seller at the concerned Delivery Point and as mentioned in the dispatch document shall be binding on the Parties.

7.3 The Purchaser shall be entitled to depute an authorised representative to witness the weighment / loading of the wagon(s) at the Delivery Point.

7.4 The weighbridges at the Delivery Point at Seller’s end shall be calibrated and

maintained as per Applicable Laws. The Seller shall regularly monitor the accuracy of the weighbridges. If and when any weighbridge is found to be out of order, after remedying the defect as expeditiously as possible, the Seller shall arrange for calibration thereof, wherever necessary, as per Applicable Laws.

8. METHOD OF ORDER BOOKING AND DELIVERY OF THE COAL

8.1 Order Booking by Rail

8.1.1 In terms of the notice issued by the Seller before the commencement of a month, the Purchaser shall submit a programme for supply of the Scheduled Quantity in writing to the Seller, as per the applicable railway rules and the Seller's notified procedures. The Purchaser shall also ensure compliance of the requirements under Clause 11. Thereafter, the Seller shall process for issuance of the consent of the programme.

8.1.2 The validity period of the monthly programme for movement by rail for seeking allotment shall be till the last day of the month concerned. The consent of the programme to be issued by the Seller shall not remain valid after the above period. Once the rake is allotted, it shall remain valid for supply as per prevailing railways rules.

8.1.3 The Seller shall thereupon submit a specific indent/offer based on the valid rail programme(s) to the railways as per the extant railway rules for the allotment and placement of wagons during the concerned month in conveniently spaced intervals.

8.1.4 The wagons shall be booked on "freight to pay" or "freight pre-paid" basis, as applicable based on arrangements made by the Purchaser with the railways in this regard.

8.2 Order Booking by Road

8.2.1 The Seller shall notify the Purchaser of the monthly time schedule for order booking (by road) and advance payment and the Purchaser shall deposit 100% (one hundred per cent.) of the Advance Payment in the manner provided in Clause 8.2.2, for the Scheduled Quantity.

8.2.2 The Purchaser shall place orders with the Seller for the Scheduled Quantity by making advance payment of the full value of the respective order ("**AdvancePayment**"), within the period as notified by the Seller.The Advance Payment may also be made in 3 (three) installments each of 10 (ten) days value of the Contracted Grade of Coal in accordance with the terms and conditions including the time periods of depositing the installments, as stipulated in the monthly notice issued by the Seller under Clause 8.2.1.

8.2.3 Subject to receipt of the Advance Payment the Seller shall arrange to issue sale order(s)/delivery order(s) and shall also issue necessary loading programme /

schedule from time to time. The Purchaser shall arrange to place the required number / type of trucks to lift the Contracted Grade of Coal as per such loading programme / schedule. The Seller shall ensure that the sale order / delivery order in favour of the Purchaser is prepared promptly upon receipt of a notice in this regard from the Purchaser and that the same reaches the Delivery Point/ weighbridgewithin 5 (five) working days of the last day specified in the notice for booking orders in terms of Clause 8.2.1

8.2.4 The Seller shall ensure delivery and the Purchaser shall ensure lifting of the Contracted Grade of Coal against sale order / delivery order of any month within the validity period of 45 (forty five) days, as mentioned in the sale order/ delivery order.

8.2.5 In the event of any Scheduled Quantity remaining undelivered / unlifted, the Purchaser shall be entitled to receive, once the validity period of the sale order/ delivery order expires, the refund of any payments made by the Purchaser to the Seller for such quantity. The refund with respect to a particular month shall be made by the Seller within 30 (thirty) days from the date of receipt of an application for refund from the Purchaser.

9. DETERMINATION OF COAL QUALITY

9.1 Third Party Sampling

9.1.1 The Third Party Sampling facility shall be extended as an option to all Purchasers.

9.1.2 Notwithstanding anything to the contrary contained herein, the Purchaser shall be required to inform the Seller in writing on the Signature Date whether it proposes to avail third party sampling from a Third Party Agency in accordance with the terms hereof. Purchaser who is not desirous of availing the option of third party sampling shall give an undertaking to this effect.

9.1.3 In the event the Purchaser intimates the Seller that it is desirous of availing third party sampling by the Third Party Agency, such facility shall be allowed as per following conditions:

(i) The facility shall be extended at the Delivery Point only and such third party sampling shall be undertaken for the supplies against this FSA in accordance with the procedure for third party sampling for non- power consumers as per Annexure VII.

(ii) If for any reason whatsoever, the third party sampling cannot be conducted in accordance with the procedure for third party sampling for non-power consumers as per Annexure VII joint sampling and analysis shall be carried out by the Seller in presence of the Purchaser at the Delivery Point in accordance with the modalities for joint sampling as noted in Annexure VII. However, failure of the purchaser to be present will not invalidate or be a ground for disputing the sampling and analysis carried out by the Seller.

(iii) If for any reason whatsoever, the third party sampling/ joint sampling cannot be conducted in accordance with the procedure for third party sampling for non- power consumers as per Annexure VII, the said consignment will be treated in the manner as in case of Purchasersnot desirous of availing third party sampling.

(iv) For commencement of third party sampling, a Tripartite agreement shall be signed by the purchaser, seller and the third party within a time frame as decided mutually by the parties involved as per format available with coal company. Till such time 9.1.3(ii) or 9.1.3 (iii) shall be applicable as the case may be.

(v) 50% share of the cost of third party sampling shall be borne by the purchaser in terms of the tripartite agreement. Such payment shall be made by the purchaser directly to the third party agency.

9.1.4 In case of a variation of Grade of Coal (decided on the basis of third party sampling by a the Third Party Agency/joint sampling/referee lab as applicable) as compared to the Contracted Grade of coal, the Winning Premium shall be added on the notified priceof the supplied grade of coal as illustrated below:

Illustration:

Contracted Grade	G6
Notified Price (Rs./ Tonne) (B)	2,280
Winning Premium at the time of auction (Rs./ Tonne) (C)	300
Winning Premium (in % terms at the time of auction) (D=C/B)	13.16
Actually Supplied Grade	G7
Premium of Supplied Grade (Rs./ Tonne) (F=E*D)	252.67
Price Payable for G7 Grade (Rs/Tonne) (I= E+F)	**2,172.67**

For coking coal [delete if not applicable]:

Contracted Grade	Washery Grade II
Notified Price (Rs./ Tonne) (B)	3,210
Winning Premium at the time of auction (Rs./ Tonne) (C)	300
Winning Premium (in % terms at the time of auction) (D=C/B)	9.35
Actually Supplied Grade	Washery Grade III
Notified Price of Supplied Grade (Rs./ Tonne) (E)	2,750
Premium of Supplied Grade (Rs./ Tonne) (F=E*D)	257.01
Price Payable for G7 Grade (Rs/Tonne) (I = E+F)	3007.01

A similar procedure to calculate the applicable price will be followed in case of upward variation in the Contracted Grade of Coal.

For non-coking coal [Delete if not applicable]: Notwithstanding the above, it is clarified that if pursuant to the third party sampling by a Third Party Agency, the test results establish that the Grade of Coal supplied falls outside the categorization stipulated in Table I of the Ministry of Coal notification dated June 16, 1994, as modified from time to time, then the supplied coal shall be deemed to be non-coking coal. Such non-coking coal shall be graded on GCV bands and the grade for such non-coking coal shall be established on the GCV band within which it falls. Accordingly, in such a case, the winning premium (insert in numbers)%6 [(insert in words) per cent.] shall be added on the notified price of the supplied grade of non- coking coal.
Note: It is clarified that the winning premium shall be rounded to the nearest second decimal.

9.1.5 Purchaser who does not opt for third party sampling on the signature date may once exercise this option subsequently, any time during the term of the agreement. It is further provided that the purchaser opting for third party on either on signature date or subsequent date may be allowed to discontinue the arrangement subject to written consent of the buyer. However once the Purchaseropts out of third party sampling after availing it, he shall not be allowed to opt for third party sampling again in the entire Term of the Agreement, including the extended term, if any.

9.1.6 Notwithstanding anything to the contrary contained herein, in the event that the Purchaser does not opt for third party sampling by a Third Party Agency, it shall be obligated to pay, the As Delivered Price in respect of the Contracted Grade of Coal delivered to it and shall not, in any way be entitled to benefit from or rely on the results ofthird party sampling availed by any other purchaser of Coal**.**

10. TRANSFER OF TITLE

Once delivery of the Contracted Grade of Coal has been effected at the Delivery Point by the Seller, the property, title and risk in/ of the Contracted Grade of Coal so delivered shall stand transferred to the Purchaser in terms of this Agreement.Thereafter, the Seller shall in no way be responsible and/ or liable for the security or safeguard of the Contracted Grade of Coal so transferred.The Seller shall have no liability whatsoever, including towards increased freight or transportation costs, as regards any diversion of wagons/ rakes/road transport en-route for whatever causes, by the railways, road transporter and/ or any other agency.

11. PRICE OF CONTRACTED GRADE OF COAL

11.1 The price to be paid by the Purchaser with respect to the Contracted Grade of Coal delivered shall be computed on the basis of the following formula:

As Delivered Price of Coal = [aggregate of the Notified Price and the Winning Premium] multiplied by [the relevant quantity of the Contracted Grade of Coal supplied].

11.2 The Winning Premium shall remain constant during the tenure of the Agreement. CIL or the Seller may review the Notified Price for non-coking coal /raw and washed coking coal time to time, and may make such modifications/notificationthereto as may be deemed appropriate.. The Notified Price, shall be payable in the manner contemplated in Clause 11.1 over the tenure of the Agreement.

11.3 The As Delivered Price of Coal computed pursuant to Clause11.1shall exclude sizing charges, transportation charges up to the Delivery Point, rapid loading charges, statutory charges, levies and other chargesas may be specified in theAgreement/as applicable from time to time, which shall be additionally payable by the Purchaser.

11.4 All royalties, taxes, duties, cesses, and such statutory levies payable to the State Government, Central Governmentand/ or to any other statutory authority on thesupply,dispatch and deliveryof Contracted Grade of Coal under this Agreement shall be borne by the Purchaser.

11.5 In all cases the entire freight charges, irrespective of the mode of transportation of the Coalsupplied, shall be borne by and to the account of the Purchaser.

11.6 Notwithstanding anything to the contrary contained herein, the Purchaser shall be liable to make payment to the Seller in terms of this Agreement, on the basis of ContractedGrade with respect to all quantity of Coal supplied,irrespectiveof when and in what condition the loaded wagons/ rakes/road transport vehicles reach or do not reach the destination.

11.7 In case of issuance of notification regarding implementation of National Coal Index based supply pricing, the same shall be applicable for calculating the price of Coal supplied under this Agreement and payment by the Purchaser shall make payments for the Coal supplied accordingly.

12. FINANCIAL COVERAGE, BILLING, PAYMENT, OVERLOADING AND UNDER LOADING

12.1 Supply of Contracted Grade of Coal by Road

For road dispatches, Advance Payment pursuant to Clause 8.2shall be made by way of wire transfer of the amount by way of National Electronic Funds Transfer or Real Time Gross-settlement, to the below mentioned bank account of the Seller or through any other payment mode as notified by the Seller:

[*insert beneficiary name*]

[*insert bank account number*]
[*insert bank name*]
[*insert bank address*]
[*insert details of type of account*]
[*insert IFSC Code*].

12.2 **Supply of Contracted Grade of Coal by Rail**

12.2.1 The Purchaser shall submit a financial coverage in the form of a banker's cheque/ demand draft or a bank guarantee issued by an Acceptable Bank in the format set out in ***Annexure VIII***("**Financial Coverage Bank Guarantee**"or "**Financial Coverage BG**") for an amount equal to the estimated As Delivered Price of Coal for 30 (thirty) days of Coal supplies, i.e. ACQ/12, subject to a minimum amount equivalent to the As delivered Price of Coal of 1 (one) rake-load, as indicated in the notice by the Seller ("**Financial Coverage**").

12.2.2 The Financial Coverage BG shall be kept operative and valid by the Purchaser for the Term or Extended Term, as applicable and for a further period of 180 (one hundred and eighty) days thereafter, and shall be encashable at [*insert place*]. In case of any increase in the As Delivered Price of Coal pursuant to Clause 11, the amount of the Financial Coverage BG shall be increased commensurately within 7 (seven) days of such increase. The Purchaser shall ensure that at all times the amount of the Financial Coverage BG is not less than the estimated As Delivered Price of Coal for 30 (thirty) days of Coal supplies, i.e. ACQ/12, subject to a minimum amount equivalent to the As Delivered Price of Coal of 1 (one) rake-load of the Contracted Grade of Coal.

12.2.3 The Seller shall, by way of a notice to be put up on the notice board at its registered office, inform the Purchaser of the value to be paid through demand draft / banker's cheque at least 3 (three) working days in advance before the expected date of offer to the railways for allotment of rakes.The Purchaser shall accordingly be required to deposit demand draft / banker's cheque along with a debit advice issued by the drawee bank to the tune of the value of the Contracted Grade of Coal in rake loads to be offered as per the notice, within 48 (forty eight) hours of such notice. The quantity in any single offer within a month shall not exceed the quantity as per the Financial Coverage in terms of Clause 12.2.1.

12.2.4 The Financial Coverage BG in terms of Clause 12.2.1 shall be initially valid for a minimum period of 1 (one) year. The Purchaser shall ensure renewal at least 1 (one) month prior to the expiry of the Financial Coverage BG. In the event of any delay in renewing the Financial Coverage BG, as an interim measure, the Purchaser will be allowed to lift supplies of the Contracted Grade of Coal subject to making payment to the Seller by banker's cheque/ demand draft or through any other payment mode as notified by the Sellerof an amount equivalent to the value of the Financial Coverage BG immediately prior to its expiry.The Purchaser shall be entitled to a refund of such payment on providing due replacement through a valid bank guarantee. The Seller shall have the right to suspend supplies of the Contracted Grade of Coal or invoke the Performance Security, without any notice,

in the event that there is no valid and subsisting Financial Coverage BG for the amount stated hereinabove as per Clause 12.2.1 and the Purchaser has not deposited any payment (by banker's cheque/ demand draft) in lieu of such Financial Coverage BG.

12.2.5 Notwithstanding anything to the contrary contained herein, in the event that the Acceptable Bank issuing the Financial Coverage BG does not permit a partial invocation of the Financial Coverage BG in accordance with the terms of this Agreement, the Seller shall be entitled to invoke the whole Financial Coverage BG and recover thereunder, the amounts due to it and the balance amount, if any, shall be refunded immediately to the Purchaser within 1 (one) day of replenishment of the Financial Coverage BG to the Seller, in the manner as stipulated hereinabove.

12.3 **Billing and Payment**

The Seller shall raise the Coal supply bills on a rake-to-rake basis for delivery of the Contracted Grade of Coal by rail. Bills for delivery of the Contracted Grade ofCoal by road shall be prepared by the Seller on a periodical basis. Bills shall be prepared by the Seller on the basis of the ContractedGrade of Coal. The Purchaser shall, within 2 (two) Business Days after receipt of a bill/invoice from the Seller for supplies effected by rail, make full payments to the Seller, subject to adjustment of the amounts already paid in advance by the Purchaser pursuant to Clause 12.2.3, with respect to each such bill / invoice. The payment shall be made throughwire transfer of the amount by way of National Electronic Funds Transfer or Real Time Gross-settlement or through any other payment mode as notified by the Seller, to the below mentioned bank account of the Seller:

[*insert beneficiary name*]
[*insert bank account number*]
[*insert bank name*]
[*insert bank address*]
[*insert details of type of account*]
[*insert IFSC Code*].

In the event of non-payment within the aforesaid stipulated period, the Purchaser shall be liable to pay interest in accordance with Clause 13.

12.4 **Overloading andUnder loading**

12.4.1 The Purchaser shall be responsible to take delivery of the Contracted Grade of Coal at the Delivery Point and ensure that there is no overloading.Any penal freight for overloading charged by the railways for any consignment shall be payable by the Purchaser. However, if overloading is detected from the Delivery Point consistently during 3 (three) continuous months, the Purchaser shall duly inform the Seller of the same.

12.4.2 For non-coking coal of GCV exceeding 5800 KCal/ Kg and coking coal of steel

grade I, steel grade II, washery grade I, washery grade II, semi-coking grade I, semi-coking grade II and washed coal; any idle freight on account of loading belowthe following namely, the:

(i) stenciled carrying capacityas shown on the wagon; or

(ii) carrying capacity based on the actual tare weight, where the empty wagon has been weighed; or

(iii) permissible carrying capacity as notified by the railways (route-wise) for any particular type of wagon from time to time, in case stenciled carrying capacity as shown on the wagon is more than the permissible carrying capacity, as the case may be, shall be borne by the Seller.

For all other Grades of Coal, any idle freight on account ofunder-loading below:

(i) the stenciled carrying capacity, as shown on the wagon; or

(ii) carrying capacity based on the actual tare weight, as the case maybe,

plus 2 (two) tonnes shall be borne by the Seller. However, in the cases where permissible carrying capacity is less than the stenciled carrying capacity, as mentioned above, the idle freight shall be borne by the Seller only upto permissible carrying capacity.

12.4.3 Idle freight resulting from under loading of wagon, as per Clause 12.4.2, shall be adjusted in the bills. Idle freight shall be reckoned as:

(a) for non-coking coal of GCV exceeding 5800 KCal/ Kg and coking coal of steel grade I, steel grade II, washery grade I, washery grade II, semi-coking grade I, semi-coking grade II and washed coal, the difference between the freight charges applicable for the stenciled carrying capacity, as shown on the wagon or carrying capacity based on actual tare weightor permissible carrying capacity as notified by the railways (route-wise) for any particular type of wagon from time to time, in which case the stenciled carrying capacity as shown on the wagon is more than the permissible carrying capacity, as the case maybe, and the freight payable as per actual recorded weight of coal loaded in the wagon; and/or

(b) for all other Grades of Coal, the difference between the freight charges applicable for the stenciled carrying capacity, as shown on the wagon or carrying capacity based on actual tare weight, as the case may be, plus 2 (two) tonnes less the freight payable as per actual recorded weight of the Contracted Grade of Coal loaded in the wagon. However, in the cases where permissible carrying capacity is less than the stenciled carrying capacity, as mentioned above, the difference shall be reckoned between the freight applicable for the permissible carrying capacity and the freightpayable as per the actual recorded weight of the Contracted Grade of Coal loaded in the wagon.

12.5 **Modalities forBilling, Claimsand Payment**

12.5.1 The Seller shall raise and the Purchaser shall pay the bills for Coalsupplies on the Contracted Grade of Coalin accordance with Clause 12.1 and Clause 12.2 above. Necessary reconciliations shall be done between the Parties on the basis of the analyzed Grade of Coal in accordance with Clause 9.

12.5.2 Credit/debit note, as the case may be, shall be raised by the concerned coal company towards the difference between the original price and the revised price computed as illustrated in Clause 9.2 as per the third party/Joint Sampling/referee lab result, as the case may be, within seven days after reconciliation of final results. In case of issue of Debit note, the differential price with all applicable taxes and levies shall be payable.

In case of issue of credit note, adjustment/refund of differential price along with Goods & Services Tax (GST) shall be made as applicable. Any credit in respect of other taxes and levies, shall be adjusted/refunded if and when received by the Seller.

The amount payable by the Purchaser or refundable by the Seller shall be settled within 30 (thirty) days of the signing of the annual reconciliation statement.Notwithstanding the aforesaid, in the event of termination of this Agreement pursuant to Clause 17, the annual reconciliation shall be done at the time of termination and the monies shall be paid by the Purchaser or the Seller, as the case may be, within 30 (thirty) days from the date of termination of the Agreement.

12.5.3 The Parties shall jointly reconcile all payments made for the monthly Coal supplies during the Year by end of April of the following Year. The Parties shall, forthwith, give credit/debit for the amounts falling due, if any, as assessed during such joint reconciliation. The annual reconciliation statement shall be jointly signed by the authorized representative of the Seller and the Purchaser, which shall be final and binding.

12.5.4 In the event of the due date of any payment obligation under this Agreement falling on Sunday or a gazetted holiday, the next first working day shall be the effective due date for the purpose of making the payment.

13. NOTICE OF DELAYED PAYMENT AND INTEREST ON DELAYED PAYMENT

13.1 **Notice of Delayed Payment**

In the eventthatanyParty owing payment of any amount to the other Party under the terms of this Agreement, defaults in making such payments as per terms of the Agreement, the Party not in default shall give a notice in writing to the defaulting Party and the matter shall thereafter be dealt with in terms of Clause 13.2 and

Clause 14.

13.2 **Interest on Delayed Payment**

In cases of any default in making any payment due in terms of this Agreement by any Party to the other Party, the defaulting Party shall be liable to pay interest at the Interest Rate on the total sum outstanding and for the entire period for which the payment has remained over-due.Without prejudice to the foregoing, in the event the Purchaser fails to pay the overdue amount along with the interest within 30 (thirty) days, the Seller shall be entitled to invoke the Performance Security and/ or the Financial Coverage BG and suspend Coal supplies in accordance with Clause 14. For removal of doubts, it is clarified that it shall be permissible for the Seller to adjust or recover the interest due in terms of this Clause from the Performance Security and/ or the Financial Coverage BG.

14. SUSPENSION OF COAL SUPPLIES

14.1 Notwithstanding other provisions of this Agreement (including Clause 4.3.1, Clause 12.2.4 and Clause 13.2), in the event the Purchaser fails to pay any amount including any interest, due to the Seller under this Agreement within a period of 30 (thirty) days of the same falling due, the Seller shall have the right toresort to any one or more of the following:

(a) adjust the outstanding amount against the Performance Security by invoking the Performance Security or such portion of it as may be deemed necessary;

(b) invoke the Financial Coverage Bank Guarantee or any cash deposit towards the Financial Coverage to the extent available and necessary to meet the outstanding dues; and/or

(c) suspend supplies of the Contracted Grade of Coal to the Purchaser.

14.2 During the period of suspension of supplies in terms of Clause 14.1, the Seller shall be relieved of its obligations to supply the Contracted Grade ofCoal to the Purchaser hereunder. However, the obligations of the Purchaser under this Agreement shall be deemed to remain in full force.

14.3 In the event of suspension of Coalsupplies pursuant to this Clause, the Seller shall have the right to continue the suspension for as long as the Performance Security or the Financial Coverage, as the case may be, has not been fully replenished.The Seller shall resume theContracted Grade ofCoal supplies within 3 (three) days of payment/ adjustment of the outstandingamount together with interestas also the full replenishment of Performance Security or Financial Coverage, as the case may be.

15. Deleted

16. SETTLEMENT OF DISPUTES

16.1 In the event of any dispute, disagreement or difference arising out of or in connection with this Agreement, including any question regarding its performance, existence, interpretation, validity, termination and the rights and liabilities of the Parties ("**Dispute**"), the Parties shall in the first instance endeavour to amicably settle the same through negotiations carried out in good faith.

16.2 For the purpose of conducting such negotiations, each Party shall designate in writing to the other Party, a representative who shall be authorised to negotiate on its behalf with a view to resolving any Dispute (the "**Representative**"). Each such Representative shall remain so authorised until his replacement has been notified in writing to the other Party, by the Party he represents.

16.3 The Representative of the Party which considers that a Dispute has arisen shall give to the Representative of the other Party, a written notice setting out the material particulars of the dispute **("Dispute Notice").** Within 30 (thirty) days, or such longer period as may be mutually agreed by the Parties, of the Dispute Notice having been delivered to the other Party, the Representatives of both Parties shall meet in person to attempt in good faith and using their best endeavours at all times, to resolve the Dispute. Once the Dispute is resolved, the terms of the settlement shall be recorded in writing and signed by the Representatives of the Parties. In the event that the Representatives of the Parties fail to resolve or settle the Dispute within 90 (ninety) days of their meeting, the Parties shall be entitled to exercise the remedies available to them under Clause 16.4

16.4 If amicable settlement as above is not possible, then the unresolved disputes or differences shall be settled through the process as given below:

"In the event of any dispute or difference relating to the interpretation and application of the provisions of commercial contract (s) between Central Public Sector Enterprises (CPSEs) inter se and also between CPSEs and Government Departments / Organizations (other than those related to taxation matters), such dispute/ difference shall be taken up by either party for resolution only through AMRCD as mentioned in DPE OM No. DPE-GM-05/0003/2019-FTS-10937 dated 20.02.2020. The other provisions of AMRCD shall be applicable os per DPE OM No. 4(1)/2013-DPE(GM)/FTS-1835 dated 22-05-2018."

17. TERMINATION OF THE AGREEMENT

17.1

The Fuel Supply Agreement(FSA), executed thereof, shall be valid for the entire Termof the agreement. Any premature exit by the Consumer/Buyer except for the reasons of exigencies/force majeure/operational issues faced

by supplying coal company including change in contracted grade/Govt. regulation shall attract following penal provisions for the Purchaser:

(a) Forfeiture/invoke of Security deposit/Performance Securityin its entirety

(b) Debarment from participation in immediately next/subsequent tranche of linkage auction after exit from FSA

17.2 **Termination Events**

Subject to Clause **Error! Reference source not found.**, this Agreement may be terminated in the following events and in the manner specified hereunder:

(a) in the event thatthe Affected Party is rendered wholly or partially unable to perform its obligations under this Agreement because of a Force Majeure Act and such inability to perform lasts for not less than a total of 90 (ninety) days in any continuous period of 180 (one hundred eighty) days, and in the considered assessment of the otherParty ("**Non-Affected Party**") there is no reasonable likelihood of the Force Majeure Act coming to an end in the near future, the Non-Affected Party shall have the right to terminate this Agreement by giving at least 90 (ninety) days prior written notice to the Affected Party of its intention to so terminate this Agreement. In such an event, the termination shall take effect on expiry of the notice period or 90 (ninety) days whichever is later and the Parties shall be absolved of all rights/obligations under this Agreement, save those that had already accrued as on the effective date of termination of the Agreement;

(b) in the event that the Purchaser is prevented /disabled under Applicable Law from using the Coal delivered to it under this Agreement, for reasons beyond its control, owing to changes in applicable environmental and/or statutory norms, howsoever brought into force, the Purchaser shall have the right to terminate this Agreement by giving a prior written notice of not less than 30 (thirty) days to the Seller;

(c) in the event of any material change in the Coal distribution system of the Seller due to Applicable Laws or a Government directive/ notification at any time after the Signature Date, the Seller shall within 7 (seven) days of introduction of such change provide a written notice to the Purchaser calling for a joint review of this Agreement. If the Parties are unable to arrive at a mutually agreed position with respect to the subject matter of review, within a period of 30 (thirty) days from the date of the above mentioned notice, the Seller shall have the right to terminate the Agreement subject to a further written notice of 30 (thirty) days being given in writing to the other Party without any obligation/liability whatsoever;

(d) in the event that the Level of Delivery falls below 30% (thirty per cent.) or the Level of Lifting falls below 30% (thirty per cent.), the Purchaser or the Seller, as the case may be, shall have the right to terminate this Agreement after providing the other Party with prior written notice of not less than 30 (thirty) days. However, such notice is to be issued within 60 (sixty) days of the end of the relevant Year; provided that the Seller shall not have a right to terminate the Agreement pursuant to this sub-clause in the event that the Level of Lifting by the Purchaser falls below 30% (thirty per cent.) solely on account of the fact that the Purchaser has been unable to lift the Scheduled Quantity due to shortfall in the quantity necessary for formation of rake for transportation through rail mode;

(e) In the event the Level of Lifting falls below 30% (thirty per cent.) and the FSA is liable for termination, the Purchaser can keep their FSA alive by paying applicable Compensation/Penalty as calculated in terms of Clause 5.6 or Security Deposit(Performance Security) amount whichever is higher. The Purchasers who are willing to accept the aforementioned conditions shall have to requestthe Seller within 60 (sixty) days of completion of the relevant financial year for availing such optional facility providing anundertaking along with the request made to the Seller stating that they shall pay applicable penal amount.The FSAs shall be revived after receipt of the penal amount as applicable. Nobacklog quantity shall be admissible. No financial liabilityshall devolve on either Party during the dormant period of the FSA.

(f) subject to Clause5.3, in the event that the Purchaser resells or diverts the Coal purchased under this Agreement to any Third Party, the Seller shall have the right to terminate this Agreement after giving the Purchaser a due opportunity of being heard on the matter;

(g) in the event of invocation of the Performance Security orsuspension of Coal supplies pursuant to Clause 14, the Seller shall have the right to terminate this Agreement by providing prior written notice of 30 (thirty) days to the Purchaser; provided that the Purchaser has not replenished the Performance Security within the aforesaid said notice period of 30 (thirty) days;

(h) in the event that either Party suffersinsolvency, appointment of a liquidator (provisional or final), appointment of a receiver of any of its material assets, levy of any order of attachment of its material assets,or any order or injunction restraining the Party from dealing with or disposing of its assets and such order after having been passed is not vacated within 60 (sixty) days, the other Party shall be entitled to terminate this Agreement by giving prior written notice of 30 (thirty) days to first Party;

(i) in the event that any Party ("**DefaultingParty**") commits a breach of any covenant, term or condition of this Agreement not otherwise specified under this Clause 17.2or of any term or provision of the Scheme Document and such breach, if curable, is not cured by the Defaulting Party to the

satisfaction of the other Party ("**Non-Defaulting Party**") within a period of 90 (ninety) days of receipt of a notice in this regard from the Non-Defaulting Party, then the Non-Defaulting Party shall have the right to terminate this Agreement forthwith on expiry of the said 90 (ninety) day period;

(j) in the event that the information contained in any of the documents and/ or undertakings provided by the Purchaser to the Seller and/ or to CIL under this Agreement and/ or the Scheme Document (including information or documentation provided pursuant to the provisions of Clause 3.4 and Clause 3.5.4 of the Scheme Document) ceases to be true and correct or is found to be misleading, untrue or incorrect, then the Seller shall have the right to terminate this Agreement by giving prior written notice of30 (thirty) days to the Purchaser;

(k) subject to Clause 21.11, in the event that the Purchaser (or the new entity formed as a result of change of name of the Purchaser) ceases to comply with any of the Eligibility Conditions or any other conditions specified herein, then the Seller shall have the right to terminate this Agreement by giving prior written notice of 30 (thirty) days to the Purchaser;

(l) In case the Purchaser fails to submit the Self-Certificate in accordance with the Clause 5.2(a) upon receipt of the mine opening permission, then the Seller shall have the right to terminate the Agreement by giving prior written notice of 15 (fifteen) days to the Purchaser.

(m) pursuant to Clause21.11.1i) and Clause 21.11.1n).

(n) in the event the Purchaser is convicted by any investigating agency or law enforcing authority of the Government of India/State Government/Governmental Authority for wrongful utilization/mis-utilization/diversion of coal as mentioned in clause 21.19.

(o) in the event that the Specified End Use Plant ceases to remain operational for a continuous period of 12 (twelve) months or is shut down for any reason, the Seller shall have the right to terminate this Agreement by giving prior written notice of 30 (thirty) days to the Purchaser;

; and/ or

pursuant to Clause2.3, Clause 4.3.1, Clause 4.4 and Clause 5.2(d)

(p) in the event the Normative Coal Requirement calculated based on the Coal Requirement as verified by the Final Verification Agency, is less than the Minimum Quantity as per the Scheme Document, the Agreement shall stand terminated without requirement of any further actions in this regard by the Parties;

17.3 **Accrued rights to survive termination**

Termination of this Agreement shall be without prejudice to the accrued rights and obligations of either Party arising immediately prior to the termination. In the event of termination of this Agreement, the Purchaser shall return all the Confidential Information in its possession to the Seller or destroy such information in accordance with the instructions of the Seller.

18. FORCE MAJEURE ACT

18.1 **Force Majeure Act**

The term "**Force MajeureAct**" as used in this Agreement shall mean any act, circumstanceor event or a combination of acts, circumstances and/ or events which wholly or partially prevents or delays the performance of obligations arising under this Agreement by any Party ("**Affected Party**") and if such act, circumstanceor event or combination thereof is not reasonably within the control of and not caused by the fault or negligence of the Affected Party, and provided that such act, circumstance or event or combination thereof falls within one or more of the following categories including:

(a) flood, inundation of mine, drought, lightening, cyclone, storm, earthquake or geological disturbances, eruption of gases, subsidence and such natural occurrences;

(b) explosions, mine fire and other fire, contamination of the atmosphere by radioactive or hazardous substances;

(c) civil disturbance such as riot, terrorism etc.;

(d) industry wise /nation-wide strikes in the sector in which either Party operates in;

(e) any Applicable Law, ordinance or order of the Central or State Government, or any direction of a statutory regulatory authority that restricts performance of the obligations hereunder;

(f) any epidemic;

(g) the enactment, promulgation, amendment, suspension or repeal of any Applicable Laws after the Signature Date; and/ or

(h) any delay or direction or order on the part of the Government of India or relevant State Government or denial or refusal to grant or renew, or any revocation, or modification of any required permit or mining lease or governmental approvals including those related to land acquisition or

environment/ forest clearanceprovided that such delay, modification, denial, refusal or revocation was not due to a cause attributable to the Affected Party;

provided that aForce Majeure Act shall not include within its purview, any economic hardship, equipment failure and/ or breakdown other than as specifically set forth above.

18.2 **Burden of Proof**

The burden of proof as to whether a Force Majeure Act has occurred shall be upon the Affected Party claiming the occurrence or existence of such Force Majeure Act.

18.3 **Effect of Force Majeure**

The Affected Party who is rendered wholly or partially unable to perform its obligations under this Agreement because of a Force Majeure Act, shall be excused from whatever performance is affected by the Force Majeure Act to the extent so affected, provided that:

(a) within 5 (five) Business Days after the occurrence of the inability to perform due to a Force Majeure Act, the Affected Party provides a written notice to the Non-AffectedParty of the particulars of the occurrence, including an estimation of its expected duration and probable impact on the performance of its obligations hereunder, and continues to furnish periodic reports with respect thereto to the other Party at an interval of every 7 (seven) days during the period of a Force Majeure Act;

(b) the Affected Party shall use all reasonable efforts to continue to perform its obligations hereunder and to correct or cure, as soon as possible, the Force Majeure Act;

(c) the suspension of performance shall be of no greater scope and no longer duration than is reasonably necessitated by the Force Majeure Act;

(d) the Affected Party shall provide the Non-Affected Party with prompt notice of the cessation of the Force Majeure Act giving rise to the excuse from performance and shall thereupon resume normal performance of obligations under this Agreement with utmost promptitude;

(e) the non-performance of any obligation of either Party that was required to be performed prior to the occurrence of a Force Majeure Act shall not be excused as a result of such subsequent Force Majeure Act;

(f) the occurrence of a Force Majeure Act shall not relieve either Party from its obligations to make any payment hereunder for performance rendered prior to the occurrence of the Force Majeure Act or for partial performance hereunder during period of subsistence the Force Majeure Act;

(g) the Force Majeure Act shall not relieve either Party from its obligations to comply with Applicable Laws; and

(h) the AffectedParty shall exercise all reasonable efforts to mitigate or limit damages to the Non-Affected Party on account of its non-performance due to the Force Majeure Act.

19. INDEMNIFICATION

19.1 In this Clause, a reference to the Seller shall include the Seller and its officers, employees, staff, advisors, representatives or agents (collectively the "**Indemnified Party**") and the provisions of this Clause shall be for the benefit of the Indemnified Party, and shall be enforceable by each such Indemnified Party.

19.2 The Purchaser shall indemnify the Indemnified Party against all liabilities, costs, expenses, damages and losses (including but not limited to any interest, penalties and legal costs (calculated on a full indemnity basis) and all other professional costs and expenses) (collectively the "**Losses**") suffered or incurred by the Indemnified Party arising out of or in connection with:

(a) any breach of the representations, warranties, covenants and/ or undertakings of the Purchaser contained herein or in the Scheme Document;

(b) any information or documentation submitted by the Purchaser to the Seller pursuant to this Agreement and/ or the Scheme Document, being untrue, incorrect or false;

(c) the Purchaser's breach or negligent performance or non-performance of this Agreement;

(d) any claim made against the Indemnified Party for actual or alleged infringement of a Third Party's rights or damage caused to a Third Party arising out of or in connection the performance or non-performance of any of the Purchaser's obligations under this Agreement to the extent that such claim arises out of the breach, negligent performance or failure or delay in performance of this Agreement by the Purchaser, its employees, agents or contractors;

(e) any Loss or damages caused on account of breach of any Applicable Law by the Purchaser, including without limitation any costs incurred by the Seller in rectifying any damages caused by the Purchaser on account of breach, negligent performance or failure or delay in performance of this Agreement or non-compliance with Applicable Law.

19.3 Any indemnifiable Claim under this Agreement must, be asserted by the Indemnified Party by prompt delivery of written notice thereof to the Purchaser,

delivered within 60 (sixty) calendar days of discovery by the Indemnified Party of the breach of the pertinent covenant or obligation of this Agreement, or of any misrepresentation or breach of any representation or warranty made by the Purchaser or of occurrence of the event specified in Clause 19.2.However, any delay on the part of an Indemnified Party in providing or failure to provide such notice will not relieve the Purchaserof its indemnification obligations hereunder.

19.4 The remedies set forth in this Clause 19 shall be without prejudice to all the rights and remedies that the Parties may have under the Applicable Law and shall not be the sole and exclusive remedies of the Parties for any breach of this Agreement or any matter relating to any representation, warranty, covenant or undertaking contained in this Agreement.

20. REPRESENTATIONS, WARRANTIES, COVENANTS AND UNDERTAKINGS

20.1 The Purchaser hereby warrants and represents to the Seller:

(a) it duly organized and validly existing under the Applicable Laws of India and has all powers and authorities to own its property and to carry on its business as now conducted;

(b) it has the full legal right, capacity and authority to enter into this Agreement and this Agreement constitutes its legal, valid and binding obligation;

(c) the execution, delivery and performance by it of this Agreement and the compliance by it with the terms and provisions hereof do not and will not:

(i) contravene any provision of any Applicable Law, statute or any order, writ, injunction or decree of any court or governmental instrumentality to which it is subject; or

(ii) conflict with or be inconsistent with or result in any breach of any of the terms, covenants, conditions or provisions of, or constitute a default under any other agreement, contract or instrument to which it is a party or by which it is bound or to which it may be subject; or

(iii) violate any provision of its constitutional documents;

(d) there are no claims, investigations or proceedings before any court, tribunal or governmental authority in progress or pending against or relating to it, which could reasonably be expected to prevent it from fulfilling its obligations set out in this Agreement or arising from this Agreement;

(e) this Agreement is enforceable against it in accordance with its terms;

(f) the undertakings of the Purchaser pursuant to the Scheme Document and the LOI are true and correct and all information provided by the Purchaser

under the Scheme Document and in connection with the LOI, as requested by CIL and/ or the Seller, is not untrue, incorrect or misleading in any way; and

.

20.2 The Purchaser hereby covenants and undertakes to the Seller as follows:

(a) it does and shall continue to satisfy all of the Eligibility Conditions and shall comply with all its obligations, covenants, undertakings and all other terms and conditions required to be complied by it under the Scheme Document;

(b) the Purchaser has and shall always conducted its business in compliance with all Applicable Laws; and

(c) all licenses, registrations, consents, permissions and other authorisations required by the Purchaser for or in connection with its business ("**License**") have been obtained and are validly held by the Purchaser and each License is in full force and effect and the Purchaser shall take necessary steps to renew the Licenses from time to time in accordance with the provisions of Applicable Laws.

21. MISCELLANEOUS

21.1 **Amendment**:This Agreement shall stand amended or modified pursuant to any modifications thereof as may be issued in writing or notified by the Seller or as may be entered into in writing by the Parties.

21.2 **Severability**: In the event that any part or provision of this Agreement becomes, for any reason, unenforceable or is declared invalid by a competent court of law or tribunal, the rest of this Agreement shall remain in full force and effect as if the unenforceable or invalid portions had not been part of this Agreement.

21.3 **Governing Law and Jurisdiction**: This Agreement and the rights and obligations of the Parties hereunder shall be interpreted, construed and governed by the laws of India. The courts of [*insert name of the state where the Seller's headquarters/ registered office is located*], India shall have exclusive jurisdiction in respect of all matters arising under or in connection with this Agreement.

21.4**Entire Agreement**: This Agreement together with the Scheme Document and any documents referred to therein (i) supersedes any and all oral and written agreements, drafts, undertakings, representations, warranties and understandings heretofore made in relation to the subject matter hereof; and (ii) constitutes the entire agreement and understanding of the Parties relating to the subject matter hereof. It is expressly agreed that this Agreement together with the Scheme Document and any documents referred to therein, shall supersede all previous discussions and meetings held and correspondence exchanged between the Seller and the Purchaser in respect of this

Agreement and any decisions arrived at therein in the past and before coming into force of this Agreement, shall have no relevance with reference to this Agreement and no reference of such discussions or meetings or past correspondence shall be entertained by either Party for the purposes of interpreting or implementing this Agreement.In the event of any conflict between the provisions of this Agreement and the Scheme Document, this Agreement shall prevail.The provisions of this Agreement shall be applicable individually to each FSA code/number mentioned in this Agreement.

21.5 **Counterparts**: This Agreement may be executed in any number of counterparts each of which will be deemed an original, and all of which will constitute one and the same instrument.

21.6 **Assignment**: The Purchaser shall not without the express prior written consent of the Seller, assign to any Third Party, this Agreement or any part thereof or any of its rights, benefits, obligations and/or interests herein or hereunder..

21.7 **Limitation of Liability**:Except as otherwise expressly agreed in this Agreement, neither Party shall have any right or entitlement to any consequential losses, costs or damages, loss of profit or market, as a result of a breach by the other Party of this Agreement.

21.8 **Best Efforts**:Subject to the terms and conditions of this Agreement, each Party shall use its best efforts to take, or cause to be taken, all actions and to do, or cause to be done, all things necessary or desirable under Applicable Laws to consummate the transactions contemplated herein. Each Party agrees to execute and deliver such other documents, certificates, agreements and other writings and to take such other lawful actions as may be necessary or desirable in order to consummate or implement expeditiously such transactions.

21.9 **Costs and Expenses**: Except as otherwise expressly provided for in this Agreement, each Party shall pay its own costs and expenses in connection with this Agreement and the transactions contemplated hereby.

21.10 **No Third Party Beneficiary**:The terms and provisions of this Agreement are intended solely for the benefit of the Parties and their respective successors and permitted assigns, and it is not the intention of the Parties to confer third party beneficiary rights upon any other Person.

21.11 **Change in Name**:

Any Change of name of the Purchaser, with or without change in control shall be taken on record provided that the nature of Specified End Use Plant and its location remains unaltered/unchanged.

Explanation – For the purpose of Clause ***Error! Reference source not found.*** *and Clause 21.11.1below, "change of name" means any change in the names of the Party with whom the Seller has entered into this Agreement.*

21.11.1Procedure & timeline

a) In case the Purchaser is Company registered under the Companies Act, 2013, the Purchaser (new entity) shall intimate the Seller about change of name within three months succeeding the month in which Certificate of Incorporation pursuant to change of name is issued by the Registrar of Companies.

b) In case the Purchaser is Company registered under the Companies Act, 2013, and the change of name of Purchaser is consequent to sale of Specified End Use Plant to a Company registered under Companies Act, 2013, then the Purchaser (new entity) shall intimate the Seller about the change of name within three months succeeding the month in which the instrument evidencing the sale of Specified End Use Plant/Sale Deed is executed and submit the Board Resolutions of both the Companies (vendor and vendee of the Specified End Use Plant).

c) In case the Purchaser is a partnership firm or sole proprietorship and consequent change of name due to sale of Specified End Use Plant to a partnership firm or sole proprietorship or vice versa, the Purchaser (new entity) shall intimate the Seller about change of name within three months succeeding the month in which the instrument evidencing the sale of Specified End Use Plant/Sale Deed is executed. The Purchaser shall in addition submit a declaration from all partners/sole proprietor regarding the sale of Specified End Use Plant from the vendor and vendee of the Specified End Use Plant.

d) In case the Purchaser is Company registered under the Companies Act, 2013, and the change of name of Purchaser is consequent to sale of Specified End Use Plant to a partnership firm or sole proprietorship or vice versa, the Purchaser (new entity) shall intimate the Seller about change of name within three months succeeding the month in which the instrument evidencing the sale of Specified End Use Plant/Sale Deed is executed. The Purchaser shall in addition submit a declaration regarding the sale of Specified End Use Plant from the partners of the partnership firm or from the sole proprietor and the Board Resolutions of the Company as the case may be.

e) In case the Purchaser is a Company registered under the Companies Act, 2013 and the change of name is on account of inter alia amalgamation, merger, demerger, takeover of the Purchaser, the Purchaser (new entity) shall intimate within three months succeeding the month in which the date of approval of the amalgamation, merger, demerger, takeover by the court/tribunal of competent jurisdiction.

f) In case the change of name of the Purchaser is consequent to any event not covered under Clauses21.11.1a), b), c), d), e) and f) above, the Purchaser (new

entity) shall intimate the Seller about the change of name within three months succeeding the month of issuance/execution of the relevant document.

g) The Purchaser (new entity) while intimating the Seller shall submit the following documents: -

i. Certificate of Incorporation pursuant to change of name wherever applicable
ii. Instrument evidencing sale of Specified End Use Plant/Board Resolutions wherever applicable/ Declaration from partners/proprietor wherever applicable
iii. PAN
iv. GSTIN
v. TAN as applicable
vi. Details of bank account
vii. Amended Bank Guarantee or any relevant financial instrument
viii. An indemnity bond (format as per Annexure - IXA) from Authorized Signatory.
ix. An undertaking/ declaration in the form of affidavit (Format as per Annexure-IX B) from Authorized Signatory

h) The Purchaser (new entity) shall provide any further documents/details as may be sought by the Seller.

i) If, in the event of change of ownership of the Specified End Use Plant or change of control necessitating a change of name, the Purchaser fails to intimate the Seller about such change of name within such time as prescribed in Clauses21.11.1a), b), c), d), e) and f) above, then the Seller shall be entitled to terminate the Agreement and take any coercive action as it deems fit including but not limited to forfeiture of the Performance Security.

j) After intimation of change of name by the Purchaser, if the Purchaser (new entity) fails to submit all requisite documents then coal supply may be continued for a period of three months succeeding the month of issuance/execution of the applicable document provided that the Purchaser has submitted the indemnity bond and the affidavit as provided in 21.11.1 (g)(viii) & (ix).

k) After submission of requisite documents within the stipulated period, coal supply to the Purchaser may be continued beyond the period of three months as provided in Clause (i) of 21.11.1 till the issuance of Acceptance Letter by the Seller.

l) During the intermittent period as mentioned in Clause (j) & (k) of 21.11.1, coal supply shall be made in the changed name (formerly .....)

m) Seller on acceptance of such change of name shall issue an Acceptance letter. A copy of Acceptance letter duly acknowledged by Purchaser's Authorized signatory, shall be an annexure to FSA and treated as its integral part. The Acceptance Letter issued by Seller and acknowledged by Purchaser, shall be treated as deemed modification in change of name in the FSA for the purpose of all transactions.

n) Non acceptance of the change of name of the Purchaser by the Seller or any violation of the aforementioned provisions shall entitle the Seller to terminate the Agreement with forfeiture of Security Deposit. The reason for non-acceptance of change of name shall be communicated to the Purchaser by the Seller.

Note:

- For Pending cases of change of name/ control with valid FSAS, Coal Company shall issue anotice for compliance. After issuance of such notice the compliance is to be done withinthree months from the succeeding month in which notice is issued. Procedure and timelinein such cases shall remain same as dealt in the modified clause relating to change of name.
- Prospective / successful bidders are required to inform pendency/ outcome of IBC proceedings, if any, through relevant Board resolution/ intimation by Company Secretary/self-declaration by proprietor/ partners (in case of proprietorship/ partnership firm). ln caseof non-intimation about referral/ commencement of proceedings before IBC/Debt RecoveryTribunal (DRT), as it be, by the bidder to the Seller prior to participation in the bid process or signing of FSA, as the case may be, the Bid security submitted by the purchaser would beforfeited in case such a lapse comes to the knowledge of seller. FSA shall be signed only ifthe matter is resolved favorably by NCLT/DRT.
- Consequent to taking change of name on record, coal company shall inform serviceProvider for effecting change in name of such registered bidder.

Notice to the above effect is to be issued by coal companies after makingsuitable modifications as per their requirement.

21.12 **Binding Effect**: This Agreement is binding upon and will inure to the benefit of the Parties.

21.13 **Notices**: Any notice to be given under this Agreement shall be in writing and shall be deemed to have been duly and properly served upon the Parties hereto if

delivered against acknowledgement or by registered mail with acknowledgement due or by facsimile or by e-mail, addressed to the signatories or the authorised representatives of the signatories nominated in accordance with the provisions of this Agreement at thefollowing addresses:

1) Seller's address	2) Purchaser's address
Name and Designation:	Name and Designation:
Address:	Address:
Telephone:	Telephone:
Fax:	Fax:
Email:	Email:

Any notice given by the Purchaser under this Agreement, if delivered otherwise than by e-mail, shall always be backed by an e-mail to the above mentioned email address of the Seller. Any notice delivered to the Party to whom it is addressed as provided in this Clause 21.13 shall be deemed (unless there is evidence that it has been received earlier) to have been given and received, if:

(a) hand delivered or sent by registered mail, at the time of acknowledgment of receipt of the same;and

(b) sent by facsimile or e-mail, when confirmation of its transmission has been recorded by the sender's facsimile machine or delivery receipt of email has been received.

21.14 **Waiver, Rights and Remedies**:No failure or delay by any Party in exercising any right, power or remedy under this Agreement shall operate as a waiver thereof. No single or partial exercise of any right, power or remedy under this Agreement by any Party shall preclude any further exercise thereof or the exercise of any other right, power or remedy by that Party. Without limiting the foregoing, no waiver by any Party of any breach by any other Party of any provision hereof shall be deemed to be a waiver of any subsequent breach of that or any other provision hereof.

21.15 **Legal and Prior Rights**: All rights and remedies of the Parties mentioned herein shall be in addition to all other legal rights and remedies belonging to such Parties and the same shall be deemed to be cumulative and not alternative to such legal rights and remedies aforesaid and it is hereby expressly agreed and declared by and between the Parties, that the determination of this Agreement for any cause whatsoever shall be without prejudice to any and all rights and claims of any Party, which shall or may have accrued prior thereto.

21.16 **No Agency**:The Parties agree that nothing in this Agreement shall be in any manner interpreted to constitute an agency for and on behalf of any other Party.

21.17 **Specific Performance of Obligations**:To the extent permitted by Applicable Law, the rights and obligations of the Parties under this Agreement shall be

subject to the right of specific performance and may be specifically enforced against a defaulting Party.

21.18 **Rationalization/Swapping of Coal:**Notwithstanding anything above, the coal linkage under this agreement/FSA may be considered for swapping/rationalization in line with Government policy/methodology.

21.19 In case any Purchaser is charge sheeted by any investigating agency or law enforcing authority of the Government of India/State Government/Governmental Authority for wrongful utilization/misutilization/diversion of coal, the coal supply under this Agreement shall stand in abeyance without any financial obligations on either the Seller or the Purchaser, till such time as the Purchaser is cleared or till the Term of the Agreement, whichever is earlier. In case the Purchaser is convicted, the Agreement shall stand terminated and the Security Deposit/Performance Security shall be forfeited. The Purchaser shall notify the Seller of any such developments, within 1 (one) week of receipt of such information.

22. IMPLEMENTATION OF THE AGREEMENT

22.1 The chief executive officer of the Specified End Use Plant or his nominated representative or any other representative duly authorized by the Purchaser shall be authorised to act for and on behalf of the Purchaser in respect of matters arising out of or in connection with this Agreement.

22.2 The GeneralManager/HOD(Marketing &Sales) or any other representative duly authorized by the Seller shall be authorised to act for and on behalf of the Seller in respect of matters arising out of or in connection with this Agreement.

22.3 Any other nomination of an authorised representative shall be informed in writing, by the Seller or the Purchaser, as the case be, within 1 (one) month of the Signature Date or by giving 30 (thirty) days prior written notice in this regard to the other Party.

22.4 It shall be the responsibility of the Parties to ensure that any change in the address for service or in the particulars of the designated representative or in any other particulars specified Clause 21.13is notified to theother Party and all othersconcerned, before effecting a change and in any case within 2 (two) Business Days of such change.

Signed in presence of the witness /witnesses under mentioned on _____ day of _____.

For (_____name of the Seller) For (_____name of the Purchaser)

Signature **Signature**

Name
(block letters)
Designation:
Address:
Telephone:
Fax:
Email:

Name:
(block letters)
Designation:
Address:
Telephone:
Fax:
Email:

1. WITNESS

a) Signature
b) Name
(block letters)

c) Address & Occupation

1. WITNESS

a) Signature
b) Name
(block letters)

c) Address & Occupation

2. WITNESS

a) Signature
b) Name
(block letters)

c) Address & Occupation

2. WITNESS

a) Signature
b) Name
(block letters)

c)Address & Occupation

Annexure I

Format of Performance Security

[Reference number of the bank] *[date]*

To
[insert name and address of the relevant Subsidiary]

WHEREAS

A. **[Name of the Successful Bidder]**,a company incorporated in India under the Companies Act, [1956/2013] with corporate identity number [CIN of the Successful Bidder], whose registered office is at [address of registered office], India and principal place of business is at [address of principal place of business, if different from registered office] **OR[Name of the Individual]**, an individual residing at [address] and carrying on a sole proprietorship business under the name style of **[Name of Successful Bidder]** at [address of sole proprietorship], **OR** [**Name of the Successful Bidder**], a limited liability partnership incorporated under the Limited Liability Partnership Act, 2008, with its registered office at [address of registered office] **OR** [**Name of the Individual**], an individual residing at [address], [**Name of the Individual**], an individual residing at [address] and [**Name of the Individual**], an individual residing at [address] all carrying on a partnership business under the name style of [**Name of the Successful Bidder**] registered under [name of Act under which the firm is registered] and with its principal place of business at [address of principal place of business] **OR** [**Name of the Successful Bidder**], a [insert legal nature of the Successful Bidder (e.g. trust, society etc.)] incorporated under the [insert statute under which the Successful Bidder is incorporated] with its registered office/ principal place of business/ office at [address of registered office/ principal place of business/office] (hereinafter referred to as the "**Purchaser**") is required to provide an unconditional and irrevocable bank guarantee for an amount equal to INR [*figures*] (Indian Rupees [*words*]) as a performance security valid until [*date of expiry of performance bank guarantee*] ("**Expiry Date**").

B. The Performance Security is required to be provided to **[insert name of the relevant Subsidiary]** (the "**Seller**") for discharge of certain obligations of the Purchaser under the Scheme Document dated, [date] with respect to Auction of Coal Linkages of coking/non-coking coal in the [insert sub-sector name] sub-sector and the fuel supply agreement to be executed between the Seller and the Purchaser (hereinafter collectively referred to as the "**Agreement**)".

We, [***name of the bank***] (the "**Bank**") at the request of the Purchaser do hereby undertake to pay to the Seller an amount not exceeding INR [*figures*] (Indian Rupees [*words*]) ("**Guarantee Amount**") to secure the obligations of the Purchaser under the Agreement on demand from the Seller on the terms and conditions contained herein.

NOW THEREFORE, the Bank hereby issues in favour of the Seller this irrevocable and unconditional payment bank guarantee (the "**Guarantee**") on behalf of the Purchaser in the Guarantee Amount:

1. The Bank for the purpose hereof unconditionally and irrevocably undertakes to pay to the Seller without any demur, reservation, caveat, protest or recourse, immediately on receipt of first written demand from the Seller, a sum or sums (by way of one or more claims) not exceeding the Guarantee Amount in the aggregate without the Seller needing to prove or to show to the Bank grounds or reasons for such demand for the sum specified therein and notwithstanding any dispute or difference between the Seller and Purchaser on any matter whatsoever. The Bank undertakes to pay to the Seller any money so demanded notwithstanding any dispute or disputes raised by the Purchaser in any suit or proceeding pending before any court or tribunal relating thereto the Bank's liability under this present being absolute and unequivocal.

2. The Bank acknowledges that any such demand by the Seller of the amounts payable by the Bank to the Seller shall be final, binding and conclusive evidence in respect of the amounts payable by Purchaser to the Seller under the Agreement.

3. The Bank hereby waives the necessity for the Seller from demanding the aforesaid amount or any part thereof from the Purchaser and also waives any right that the Bank may have of first requiring the Seller to pursue its legal remedies against the Purchaser, before presenting any written demand to the Bank for payment under this Guarantee.

4. The Bank further unconditionally agrees with the Seller that the Seller shall be at liberty, without the Bank's consent and without affecting in any manner the Bank's obligation under this Guarantee, from time to time to: (i) vary and/ or modify and of the terms and conditions of the Agreement; (ii) extend and/ or postpone the time for performance of the obligations of the Purchaser under the Agreement, or (iii) forbear or enforce any of the rights exercisable by the Seller against the Purchaser under the terms and conditions of the Agreement and the Bank shall not be relieved from its liability by reason of any such act or omission on the part of the Seller or any indulgence by the Seller to the Purchaser or other thing whatsoever which under the law relating to sureties would, but for this provision, have the effect of relieving the Bank of its obligations under this Guarantee.

5. Any payment made hereunder shall be made free and clear of and without deduction for, or on account of, any present or future taxes, levies, imposts, duties, charges, fees, commissions, deductions or withholdings of any nature whatsoever.

6. The Bank agrees that Seller at its option shall be entitled to enforce this Guarantee against the Bank, as a principal debtor in the first instance without proceeding at the first instance against the Purchaser.

7. The Bank further agrees that the Guarantee herein contained shall remain in full force and effect during the period that specified in the Agreement and that it shall continue to be enforceable till all the obligations of the Purchaser under or by virtue of the said Agreement with respect to the Performance Security have been fully paid and its claims satisfied or discharged or till the Seller certifies that the terms and conditions of the Agreement with respect to the Performance Security have been fully and properly carried out by the Purchaser and accordingly discharges this Guarantee. Notwithstanding anything contained herein, unless a demand or claim under this Guarantee is made on the Bank in writing on or before the Expiry Date the Bank shall be discharged from all liability under this Guarantee thereafter.

8. The payment so made by the Bank under this Guarantee shall be a valid discharge of Bank's liability for payment thereunder and the Seller shall have no claim against the Bank for making such payment.

9. This Guarantee is subject to the laws of India. Any suit, action, or other proceedings arising out of this Guarantee or the subject matter hereof shall be subject to the exclusive jurisdiction of courts at [*where the Seller's registered office/ principal place of business is located*], India.

10. The Bank has, under its constitution, the power to issue this Guarantee in favour of the Seller and Shri _____ who has signed this Guarantee on behalf of the Bank has the authority to do so. This Guarantee will not be discharged due to the change in the constitution of the Bank.

11. The Bank undertakes not to revoke this Guarantee during its currency except with the previous consent of the Seller in writing.

12. The Seller may, with prior intimation to the Bank, assign the right under this Guarantee to any other person or entity. Save as provided in this Clause 12, this Guarantee shall not be assignable or transferable.

13. Notwithstanding anything contained herein,

    a) the liability of the Bank under this Guarantee shall not exceed the Guarantee Amount; and

    b) this Guarantee shall be valid up to the Expiry Date.

14. The Bank is liable to pay the Guaranteed Amount or any part thereof under this Guarantee only and only if the Seller serves upon the Bank a written claim or demand on or before the Expiry Date.

15. The Guarantee is operative at our **[insert name and address of Branch]**.

Dated the [day] day of [month] [year] for the Bank.

In witness whereof the Bank, through its authorized officer, has set its hand and stamp.

_____

(Signature)

_____

(Name and Designation)
(Bank Stamp)

Annexure II

Documents provided to the Seller under Clause 3.5.4 of the Scheme Document

For execution of FSA:

1. Relevant Corporate Authorizations of the Successful Bidder for execution and performance of his obligations under the agreement suchas:
   - Notarised Power of Attorney(PoA).
   - Certified true copy of Board Resolution or Certified true copy of Shareholders Resolutionetc.

   In case the Bidder wants a different person (different from the one who participated in the online auction on behalf of the Bidder) to enter into the Agreement, a PoA authorizing such person to enter into the Agreement on behalf of the Bidder has to be submittedintheformatasprovidedinthe***AnnexureIII***ofthisSchemeDocument.

2. Commercial operation Commencement certificate of EUP from a certified Chartered Engineer or IEM Part B acknowledgement.

3. Self-attested copy of valid Factory License with respect to the Specified End Use Plant or copy of application filed for renewal of the same, in case the Factory License has recently expired. In case Factories Act not applicable due to number of workers employed then an affidavit cum undertaking to the effect that the said unit does not qualify as a factory under the provisions of Factories Act as per stipulations under section 2(m) of Factories Act regarding number of workers/ is to be submitted.

4. Self-attested copy of Consent to Operate with respect to the Specified End Use Plant issued under the relevant pollution control laws or copy of application filed for renewal of the same, in case the Consent to Operate has recently expired. Alternatively, a valid no-objection certificate from the relevant State Pollution Control Board may be submitted. Wherever, the relevant State Pollution Control Board does not specify the validity of the certificate issued by them to the Specified End Use Plant, such a certificate will be considered acceptable and an intimation will be sent by relevant Subsidiary to the authority responsible for the issuance of the certificate.

5. Self-attested copy of GSTIN and PAN number of the SuccessfulBidder.
6. Self-attested copy of the documents uploaded at the RFPstage
7. Valid SSI/industrial registration certificate.
8. Documentation with respect to existing coal linkages, assurance of linkages and/ or allocation of mine, as available.
9. Certificate of coal requirement verified by Verification Agency/chartered

Engineer[Applicable for others (coking) and others(non-coking) sector consumers only]

10. Performance Security

2. [Ignore if not applicable] Details of the coke oven plant, if any, in the format provided below:

Details of the coke oven plant				
Name	Address	Capacity	Quantity of coking/ non-coking coal converted (in Tonnes)	Output in terms of coke (in Tonnes)

For lifting of coal:

1. Notarised power of attorney.
2. Payment of coal value as per FSA.
3. Authorization document from consumer/Bidder for lifting/supervise loading

NOTE:

Validity of the documents wherever applicable to be maintained for lifting. FSA can be executed and/or coal supply continued for a maximum of 3 (three) months after the date of expiry of the CTO/Factory License if the Bidder has submitted proof of its application for renewal of the same.

After lifting:

Yearly coal consumption certificate (as per prescribed format) to be given to coal co. duly certified by chartered accountant within 3 months of completion of FY.

Coal (Qty wise) Opening stock:

Add:

Purchase From CIL sources under FSA:

From any other source:

Less:

Consumption:

Year end closing stock:

Annexure III

Details of Annual Contracted Quantity, Contracted Grade of Coal, Delivery Point, Secondary Source(s)

Sl. No.	Year	FSA Code/number	Mode	Contracted Grade	Size	Annual Contracted Quantity (in tonnes)	Notified Price (in Rs./tonne)	Winning Premium (%)	Delivery Point (Coal Mine in case of Road & Railway Siding in case of Rail)	Secondary Source(s)

Annexure IV

Details of Specified End Use Plant(s)

1. Name of the Specified End Use Plant(s) : [*to be inserted*]

2. Location of the Specified End Use Plant(s) : [*to be inserted*]

3. Configuration and capacity details of each [insert relevant sub-sector] unit in the Specified End Use Plant(s): [*to be inserted*]

Annexure V
PROCEDURE TO BE FOLLOWED FOR VERIFICATION OF THE RFP INFORMATION BY FINAL VERIFICATION AGENCY

(Ignore whichever is not applicable. Follow the provisions for the relevant subsector)

The Final Verification Agency has been appointed for verification of the RFP information submitted by the Successful Bidders under coal linkage auctions for non-regulated sector. In this regard, following process needs to be followed:

1) **The terms used in this document shall have the meaning as provided for in the Scheme Document for 'Auction of coal linkages for non-regulated sector'.**
2) Each subsidiary/ NEC needs to collate and submit the registration wise RFP information of successful bidders to Final Verification Agency for verification. Information may be submitted in electronic or physical format. Following information needs to be submitted:
    a. Capacity of the Specified EUP (applicable for Successful Bidders in the Sponge Iron, Cement, CPP and Steel (coking) sub sector) including any other technical details submitted by the Bidder as part of the RFP information or subsequently on request from the relevant subsidiary/ NEC.
    b. Annual Coal Requirement submitted by the successful bidders of the Others sub sector (both non-coking and coking coal) along with the documents evidencing the basis of computation of the Coal Requirement including any other technical details submitted by the Bidder as part of the RFP information or subsequently on request from the relevant subsidiary/ NEC.
    c. Verification Certificate from the Verification Agency (or Licensed Chartered Engineer's Certificate, if Verification Agency's Certificate is not available) for successful bidders in the Others sub sector (both for non-coking and coking coal).
    d. Any other information as required by Final Verification Agency (which should be sought from the Successful Bidder by the concerned subsidiary/ NEC and provided to Final Verification Agency)

3) **On the basis of the information submitted,** Final Verification Agency **shall compute and verify the Annual Coal Requirement, Normative Coal Requirement and RFP calculation for the Specified EUP of successful bidders in accordance with the Scheme Document.**

4) Verification shall be done in the following sequence of priority:
    a. Successful Bidders in the Others sub sector (non-coking and coking)
    b. Thereafter, specific cases under Sponge Iron, Cement, CPP & Steel (coking) sub-sectors wherein clarifications/confirmations have been sought pertaining to the assessment of the normative coal requirement or allocation of quantity
    c. Thereafter, remaining cases under Sponge Iron, Cement, CPP and Steel (coking) sub-sector

Verification of annual coal requirement in case of Others sub sector (for non-coking and coking coal consumers)

1) If the Coal Requirement verified by Final Verification Agency, on the basis of the information submitted by the Successful Bidder, is lower than (i) Coal Requirement verified and certified by the Verification Agency and (ii) Coal Requirement specified by the Successful Bidder, then the Allocated Quantity (i.e. quantity allocated to the successful bidder post adjustment, if any, after verification by the verification agency as defined in the scheme document) will be subject to further downward adjustment based on principles defined in the scheme document. The same are also outlined hereunder:

a) the Allocated Quantities would be further reduced by the Deficit Percentage, where:
   - *Deficit Percentage = (Deficit / Normative Coal Requirement) × 100*
   - *Deficit = Difference between the Coal Requirement specified by the Successful Bidder and the Coal Requirement verified by the final Verification Agency*

b) such reduced quantities would be rounded off (downwards) to the nearest integer multiple of the Transport Factor (i.e. integer multiple of 100 TPA).

Illustration: Verification of Coal Requirement and adjustment of Provisional Allocated Quantity

Description	*Formula*	*Quantity (in TPA)*
Coal Requirement (*as per Bidder's self-assessment in G10 Grade for non-coking coal consumers and Washery-III Grade for coking coal consumers)*	A	***1,50,000***
Existing Linkage Quantity pre NRS linkage auction regime*(deemed as G10 Grade for non-coking coal consumers and Washery-III Grade for coking coal consumers)*	B	20,000
Quantity of coal allocated from the Mine as per production schedule*(computed for G10 equivalent Grade for non-coking coal consumers and deemed to be of Washery-III Grade for coking coal consumers)*	C	30,000
Normative Coal Requirement *(based on Bidder's self-assessed Coal Requirement)*	**D = A - B – C**	**100,000**
Provisional Allocated Quantity		
Lot 1 *(after adjustment for Transport Factor)*	E	25,000
Lot 2 *(after adjustment for Transport Factor)*	F	22,000
Lot 3 *(after adjustment for Transport Factor)*	G	18,000
Coal Requirement (as per the Verification Agency)	H	1,32,000

Description	*Formula*	*Quantity (in TPA)*
Normative Coal Requirement ***(****based on Coal Requirement as per the Verification Agency****)***	**I = H - B - C**	**82,000**
Deficit *(in case H is lower than A)*	J = A – H	18,000
Deficit %	K = J/D × 100	18.00%
Allocated Quantities post verification by Verification Agency		
Lot 1 *(after adjustment for Transport Factor)*	L = E × (1-K)	20,500
Lot 2 *(after adjustment for Transport Factor)*	M = F × (1-K)	18,000
Lot 3 *(after adjustment for Transport Factor)*	N= G × (1-K)	14,700
Coal Requirement (as per the Final Verification Agency)	O	1,18,000
Normative Coal Requirement ***(****based on Coal Requirement as per the Final Verification Agency****)***	**P = O - B – C**	**68,000**
Deficit *(in case O is lower than both A and H)*	Q = A - O	32,000
Deficit %	R = Q/D × 100	32.00%
Allocated Quantities post verification by Final Verification Agency		
Lot 1 *(after adjustment for Transport Factor)*	S = E × (1-R)	17,000
Lot 2 *(after adjustment for Transport Factor)*	T = F × (1-R)	14,900
Lot 3 *(after adjustment for Transport Factor)*	U = G × (1-R)	12,200

2) The aforesaid further downward revision / adjustment shall be given effect to and adjusted during the residual period of the initial 2 (two) years from the execution of the Fuel Supply Agreement, in accordance with the following illustration, and the revised Allocated Quantity will be supplied during the balance term of the Agreement.

Illustration: Adjustment of Allocated Quantity post verification by the Final Verification Agency

Description	Formula	Value
Allocated Quantity for a particular Lot	A	12,000 TPA
Time taken by the Final Verification Agency to verify the	B	4

Description	Formula	Value
Coal Requirement		months
Say, total quantity supplied prior to the verification by the Final Verification Agency	C	4,000 Tonnes
Allocated Quantity post verification by the Final Verification Agency	D	9,065 TPA
Allocated Quantity post verification by the Final Verification Agency (post adjustment for the Transport Factor)	E	9,000 TPA
Excess supply before the verification by Final Verification Agency is available	F= C – (E × B/12)	1,000 Tonnes
Residual Period	G = 24 – B	20 months
Required Monthly Adjustment	H = F /G	50 Tonnes
Quantity to be supplied monthly during the Residual Period	I = (E/12) – H	7,00 Tonnes
The figures have been rounded off for the purpose of this illustration.		

Note:
The Deficit Percentage calculated during any tranche shall be applied for all subsequent tranches.

3) In case the Coal Requirement verified by the Final Verification Agency is more than: (A) the Coal Requirement specified by the Successful Bidder; or (B) the Coal Required verified by the Verification Agency, then the Allocated Quantity will not be subject to further revision / adjustment.

4) In the event the Normative Coal Requirement calculated on the basis of the Coal Requirement verified by the Final Verification Agency is less than the Transport Factor for Road and Rail mode, as the case may be, the Successful Bidder shall not be entitled to receive any coal pursuant to the Scheme and the Agreement(s) entered into by the Successful Bidders with the relevant Subsidiary(ies) shall stand terminated.

Verification of RFP information in case of Sponge Iron, Cement, CPP and steel (coking) sub sector:

1) Basis of the RFP information submitted, Final Verification Agency shall validated the capacity details of the successful bidders submitted for participating in the auction process.

2) In case there is any deviation in the capacity details as verified by Final Verification Agency and as submitted by the Successful Bidder, Final Verification Agency shall inform the same to the relevant subsidiary which may take necessary actions as per the provisions of the scheme document.

Annexure VI

Specifications on quality of the Contracted Grade of Coal

FSA code/number	Size (mm)	Contracted Grade of Coal
	[*insert size*]	[*insert grade*]

Annexure VII

Procedure For Third Party Sampling

1. APPOINTMENT OF THE THIRD PARTY AGENCY

1.1 **Third Party Agencyand costs of third party samplingin case of delivery by Rail**

In case of off-take of the Contracted Grade of Coal *via* rail mode, the Purchaser may, on the Signature Date, choose athird party agency to conduct the third party sampling from thelist of independent third parties provided by CIL from time to time.

1.1.1 The third party agency chosen by the Purchaser shall conduct the third party sampling throughout the Term; provided that the Purchaser may change (on reasonable grounds) the third party agency chosen by it with prior written approval of the Seller. In the event that the Seller does not accept the request of the Purchaser for change in the third party agency, the Purchaser shall have the option to:

(a) terminate the arrangement for third party sampling availed by it hereunder, in which case, the Purchaser shall not be entitled to resume the third party sampling at any time during the remainder of the Term; or

(b) to continue the arrangement for third party sampling for the remainder of the Term with the existing third party agency chosen by it.

1.1.2 Third party sampling, if requested by the Purchaser, shall be done from the Delivery Point and the costs in this regard shall be borne equally by the Purchaser and the Seller.The costs of third party sampling shall be payable on the basis of the following formula:

Third Party Sampling Cost = [(Scheduled Quantity specified in the programme submitted by the Purchase under Clause 8.1.1) *multiplied by* (cost per tonne specified by the third party agency)].

1.2 **Third Party Agency and costs of third party sampling in case of delivery by Road**

1.2.1 The Purchaser shall, on the Signature Date, be required to inform the Seller whether it is desirous of availing third party sampling hereunder. In case of off-take of the Contracted Grade of Coal *via* road mode, a single independent third party sampling agency will be appointed by the Seller for sampling Coal supplied to various purchasers(including the Purchaser) who have opted for third party sampling at the Delivery Point.It is clarified, that the Seller shall have the sole discretion and right to replace, substitute or change the third party sampling agency nominated by it.

1.2.2 The third party agency chosen by the Seller shall conduct the third party sampling throughout the Term; provided that the Purchaser may make a written request (on reasonable grounds) to the Seller to change the third party agency chosen by the Seller. In the event that the Seller does not accept the request of the Purchaser for change in the third party agency, the Purchaser shall have the option to:

(a) terminate the arrangement for third party sampling availed by it hereunder, in which case, the Purchaser shall not be entitled to resume the third party sampling at any time during the remainder of the Term; or

(b) to continue the arrangement for third party sampling for the remainder of the Term with the existing third party agency chosen by the Seller.

1.2.3 The costs in relation to third party sampling shall be borne as follows:

(a) 50% (fifty per cent.) of the cost of third party sampling will be borne by the Seller; and

(b) the residual 50% (fifty per cent.) cost shall be paidby the Purchaser.

The costs of third party sampling shall be payable on the basis of the following formula:

Third Part Sampling Cost = [(Scheduled Quantity specified in order placed by the Purchaser under Clause 8.2.2) *multiplied by* (cost per tonne specified by the third party agency)].

2. MODALITIES FOR THIRD PARTY SAMPLING

2.1 Collection of Samples by the Third Party Agency

Samples of Coal shall be collectedby the Third Party Agency from the Delivery Point as follows:

2.1.1 *Collection of samples from the Railway Siding*

(a) In case of dispatch by rail each rake of Coal supplied to the Purchaser from the Delivery Point shall be considered as a lot for the purpose of sampling.

(b) Each rake shall be divided into approximately equal sub-lots as under:

No. of wagons in the rake	Number of sub-lots
Up to 30 wagons	4

>30 wagons up to 50 wagons	5
>50 wagons and above	6

(c) From each of the sub-lots, one wagon each shall be selected as per a random table in BIS Standards (IS: 436 (Part I/Section I) 1964) or its latest version for collection of increments.

(d) In each wagon selected for sampling, the sample will be drawn from the spot in a manner so that if in one wagon the sample is collected at one end, in the next wagon the spot will be in the middle of the wagon and in the third wagon at the other end and this sampling procedure will be repeated for subsequent wagons.

(e) Before collecting the samples, the spot will be leveled and at least 25 cm of Coal surface shall be removed/scrapped from the top and the place will be leveled for an area of 50 cm by 50 cm.

(f) About 50 kg of the sample shall be collected from each selected wagon in the rake by drawing 10 increments of approx. 5 kg each with the help of shovel/scoop.

(g) Samples collected from all the selected wagons in a rake shall be mixed to form a gross sample.

(h) Item (d) to (f) above shall be applicable for Coal supplied in all types of wagons.

(i) In case of the rake having live overhead traction line, the power supply in the overhead traction shall be switched off to facilitate collection of samples from the wagons pursuant to points (d) to (f) above.

2.1.2 *Collection of Samples of Coal Dispatches by Road*

(a) Samples of Coal shall be collected at the Delivery Point during the day between 6.00 hr to18.00 hr only from the trucks of the purchasers (including the Purchaser, if applicable) who have opted for third party sampling under the linkage auction scheme ("**PurchasersOptingforSampling**") in the manner specified below.

(b) The first sample of Coal shall be collected from the first truck at the Delivery Point belonging to a Purchaser Opting for Sampling.

Once a sample is collected from the first truck as stipulated above, samples of Coal shall be collected from every 8th (eighth)truck after the truck from which the first sample has been collected. In the event that such8th (eighth) truck does not belong to a Purchaser Opting for Sampling, then thenext truck belonging to a Purchaser Opting for Sampling shall be deemed as the

8th(eighth) truck and a sample shall be collected from such truck.The same process shall be repeated for every 8thtruck thereafter.

(c) The spot at the top of the truck will be leveled and at least 25 cm of Coal surface shall be removed/scrapped from the top and the place will be leveled for an area of 50 cm by 50 cm for collection of sample.

(d) About 30 kg of the sample shall be collected from each truck by drawing 6 increments of approx. 5 kg each with the help of shovel/scoop.

(e) All the samples collected from every truck in accordance with paragraph 2.1.2(b) above shall be mixed together to form a gross sample.

2.2 **Preparation of laboratory samples**

2.2.1 The gross sample collected at the Delivery Point by the Third Party Agency shall be divided into two portions. One portion (one fourth of the gross sample) called Part-1 will be used for analysis of total moisture and the other portion (three fourth of the gross sample) called Part-2 will be used for determination of ash, moisture and GCV on equilibrated basis.The Third Party Agency shall prepare laboratory samples (at the Delivery Point) in the size of 12.5mm for total moisture and 212 micron IS Sieve for proximate and GCV analysis. Precaution shall be taken so that before analysis in any government accredited laboratory or National Accreditation Board for Testing and Calibration Laboratories("**Laboratory**"), further sieving or pulverizing is not required.

2.2.2 The Part-2 sample shall be reduced into a laboratory sample on the date immediately following the date of collection as per BIS Standards (IS: 436 (Part I/Section I) - 1964). The final pulverized sample will be divided into four parts viz. Set – I, Set – II, Set-III and Set-IV as follows:

(a) Set – I shall be taken by the Third Party Agency to a Laboratory for analysis of ash, moisture and GCV by the Third Party Agency as per BIS Standards (IS: 1350 Part 1-1984) or BIS Standards(IS: 1350 Part-II-1970), as applicable;

(b) Set-II of the sample shall be handed over by the Third Party Agency to the Seller

(c) Set-III of the sample shall (i) in case of rail mode, be handed over by the Third Party Agency tothe Purchaser; and (ii) in case of road mode, be handed over in equal portions to all of the Purchasers Opting for Sampling on that particular day; and

(d) Set-IV of the sample called referee sample shall be sealed jointly by the Third Party Agency and representatives of each of the Parties(in case of rail mode) or representatives of each of the Purchasers Opting for Sampling (in case of road mode), as the case may be,and shall be kept with the Third

Party Agency at the Delivery Point under proper and good quality lock and key arrangement. The referee sample shall be retained in double sealed condition (duly signed by the Third Party Agency and the representatives of the Parties or the representatives of the Purchaser Opting for Sampling, as the case may be) for 30 (thirty) days from the date of sample collection.The referee sample shall be analyzed in the situations specified in paragraph 2.2.4 below.

All samples prepared by the Third Party Agency shall be packed and transported by the Third Party Agency to the relevant persons identified in paragraph 2.2.2(a) to paragraph 2.2.2(d) above, in such a manner so as to make these tamper proof to the satisfaction of the Parties or the Purchasers Opting for Sampling, as the case may be.

2.2.3 The Third Party Agency shall communicate the analysis result of the sample to the Parties or Purchasers Opting for Sampling, as the case may be, within 18 (eighteen) working days of the sample collection. Either Party(in case of rail mode) and one or more Purchasers Opting for Sampling (in case of road mode)may raise a dispute, if any, regarding the findings of the Third Party Agency within 7 (seven) days of the submission of the analysis result by the Third Party Agency, failing which such analysis result shall be binding on the said parties.

2.2.4 In the event that a dispute is raised by the relevant parties within the time period stipulated at paragraph 2.2.3 above, the referee sample shall be analyzed by a mutually agreed government laboratory (other than the Laboratory at which the original sample has been analyzed by a Third Party Agency).The cost analysis of the referee sample shall be borne by the challenging/disputing parties. The non-disputing party(ies) may witness transportation and analysis of referee sample to the above mentioned government laboratory. The findings of such government laboratory, post analysis of the referee sample, shall be binding only on the challenging/ disputing parties and the non-disputing parties shall be bound by the findings of the Third Party Agency.

2.2.5 All tools and tackles, plastic bags, sealing compound and other items required for collection, preparation, storage and analysis of the sample shall be provided by the Seller.

2.2.6 Notwithstanding anything to the contrary contained herein the analysis results communicated by the Third Party Agency or the government laboratory under paragraph 2.2.3 and paragraph 2.2.4 respectively, shall be binding only with respect to the samples of Coal collected for a particular day and shall not impact any past / future supply of the Contracted Grade of Coal made/ to be made to the Purchaser in accordance with the terms of this Agreement.

2.3 **Records of Samples/ Third Party Sampling**

2.3.1 Proper analysis records shall be maintained at the Laboratories where the samples are analyzed by the Third Party Agency.

2.3.2 The name/ details of the Delivery Point, date of collection and other identification details (e.g. rake no. in case of rail supply) shall be maintained by the Third Party Agency in a register and a proper code number shall be assigned for each sample for identification and reconciliation of results.

2.3.3 Monthly statements containing the details of each and every analysis result finalized during a month based on analysis by a Third Party Agency or referee analysis, as the case may be, shall be prepared indicating *inter-alia* the quantity of Coal covered by the respective analysis results. The respective analysis results shall be applied for adjustment of billing/ commercial purpose. Copies of the monthly statement / report shall be submitted by the Third Party Agency to (i) the general manager (quality control) of the Seller or hisrepresentative; and (ii) the representatives of the Purchaser (in case of rail mode) or the representatives of all the purchasers who have requested for third party sampling (in case of road mode), as applicable.

<u>Annexure VIII</u>
Format of Financial Coverage Bank Guarantee

On Non judicial Stamp Paper of adequate value

Date of Issue :----------
Effective Date :----------
Expiry Date: ----------
Value of B.G. :----------

1. [The Chairman-cum-Managing Director,

_____
(Name & Address of the Seller)]

3. _____
(Name & Address of any other office of the Purchaser)

In consideration of _____(*insert name of the Seller*) having its registered office at _____ (*insert regd. address of the Seller*) and sales office at _____ (*insert address of the sales office of the Seller*) (hereinafter referred to as the '**Seller**', which expression shall unless excluded by or repugnant to the subject or context, include its legal representatives, successors and permitted assigns) having agreed to supply the Annual Contracted Quantity (*as defined in the Agreement*) to [*Name of the Purchaser*], a company incorporated in India under the Companies Act, [1956/2013] with corporate identity number [*CIN of the Purchaser*], whose registered office is at [*address of registered office*], India and principal place of business is at [*address of principal place of business, if different from registered office*] **<u>OR</u>** [*Name of the Individual*], an individual residing at [*address*] and carrying on a sole proprietorship business under the name style of [*Name of Purchaser*] at [*address of sole proprietorship*], **<u>OR</u>** [*Name of the Purchaser*], a limited liability partnership incorporated under the Limited Liability Partnership Act, 2008, with its registered office at [*address of registeredoffice*] **<u>OR</u>** [*Name of the Individual*], an individual residing at [*address*], [*Name of the Individual*], an individual residing at [*address*] and [*Name of the Individual*], an individual residing at [*address*] all carrying on a partnership business under the name style of [*Name of the Purchaser*] registered under [*name of Act under which the firm is registered*] and with its principal place of business at [*address of principal place of business*] **<u>OR</u>** [*Name of the Purchaser*], a [*insert legal nature of the Purchaser (e.g. trust, society etc.)*] incorporated under the [*insert statute under which the Purchaser is incorporated*] with its registered office/ principal place of business/ office at [*address of registered office/ principal place of business/office*] (hereinafter referred to as the '**Purchaser**', which term shall unless excluded or repugnant to the subject or context include its legal representatives, successors and permitted assigns, as applicable), as per the terms of the Fuel Supply Agreement vide Agreement No. (_____) dated (_____) ("**Agreement**").

We, _____(*insert name and address of the Bank*), having its Head Office at _____ (*Address of the Head Office of the Bank*) (hereinafter called the "**Guarantor**", which expression shall, unless repugnant to the context or meaning thereof, include its successors, administrators, executors and assigns) do hereby irrevocably and unconditionally guarantee and undertake to pay the Seller or such other Person or Persons as may be directed by the Seller,Seller an amount not exceeding INR [*figures*] (Indian Rupees [*words*]) ("**Guarantee Amount**") to secure the obligations of the Purchaser to pay the As Delivered Price of Coal with respect to the Annual Contracted Quantity under the Agreement on demand from the Seller on the terms and conditions contained herein-

1. The Guarantor shall pay the Guarantee Amount to the Seller on demand and without any demur, reservation, contest, recourse or protest and/ or without any reference to the Purchaser. As to whether the occasion or ground has arisen for such demand, the decision of the Seller shall be final.

2. The Seller shall have the fullest liberty without reference to the Guarantor and without affecting this guarantee to postpone at any time or from time to time the exercise of all or any of its powers and rights under arrangement made with the Purchaser, and the Guarantor shall not be released from this guarantee by any arrangement between the Seller and the Purchaser or any alteration thereof made with or without the consent of the Guarantor or by exercise or non-exercise by the Seller of all or any of its powers and rights against the Purchaser, or any other forbearance, act of omission on the part of the Seller or indulgence granted by or on behalf of the Seller to the Purchaser, which under the law relating to surety ship would but for this provision have the effect of releasing the Bank as Guarantor from their obligations under this guarantee.

3. The guarantee herein contained shall not be determined or affected by the winding up or insolvency of the Purchaser but shall in all respects and for all purpose be binding and operative until all monies due to the Seller in respect of all liability or liabilities of the Purchaser are fully paid.

4. It is also agreed that Seller will be entitled at its option to enforce this guarantee against the Guarantor as principal debtor in the instance notwithstanding any other security or guarantee that the Seller may have in relation to the Purchaser's liability.

5. The guarantee shall remain valid for a period of [*insert number*]months/ years from the date hereof.

6. It is expressly agreed between the Parties that this guarantee is in respect of prices of the Contracted Grade of Coal for all orders for purchase of the Contracted Grade of Coal which may be placed by the Purchaser on the Seller during the subsistence of this Agreement.

7. Notwithstanding anything contained herein, the liability of the Guarantor under this guarantee is restricted to Rs. _____/- (Indian Rupees _____) and the same will remain in force upto and including the day of _____(date that is [insert number] months/ years from the date hereof).

8. This guarantee can be enforced by the Seller any number of times for their claims or demand to the total extent of Rs. _____/- (Indian Rupees _____), as long as it remains in force.

9. The guarantee is operative at our _____ (*insert name and address of the branch*) Branch, _____.

10. The Guarantor has, under its constitution, the power to issue this guarantee in favour of the Seller and Shri _____ who has signed this Guarantee on behalf of the Guarantor has the authority to do so. This guarantee will not be discharged due to the change in the constitution of the Guarantor.

11. Capitalized terms used but not defined herein shall have the meaning assigned to them in the Agreement.

Signature of the Bankers
With date & Rubber Stamp.

Annexure IX A

FORMAT OF INDEMNITY BOND
(To be furnished in Stamp paper as per Stamp Act)
(Stamp Paper should be purchased in the name ofthe New Entity)
(At present not less than Rs 50/- stamp paper)

This deed of Indemnity is executed on this day (Date) by (Name of the Proprietor,/Partnership/Company Name)having its registered corporate office at (Address) represented trough Mr/Ms (Name) s/o (Name) its duly authorized representative (here referred to as **'Indemnifier'**) in favour of M/s. Coal India Limited/subsidiary. (hereinafter referred to as the '**Indemnified**') having its registered office at (Address)'.

Whereas the Indemnified herein has entered into a Fuel Supply Agreement dated ..... with (Name of the previous entity).

And Whereas, (Name of Previous Entity) has changed its name from XYZ to ABC on account of (Explanation of the Change of Name Event)

And whereas the (Name of New Entity) has complied with all applicable laws, rules and regulations in relation to (Explanation ofChange of Name event).

The Indemnifier irrevocably agrees to indemnify for any liability to the Indemnified accruing on account of the (Name of earlier Entity) & (Name of Present Entity) and for any false statement in the Affidavit/Undertaking dated …….

The Indemnifier irrevocably agrees to indemnify for any liability to the Indemnified by virtue on non compliance of any law, rules and regulations and any consequential liability arising out ofsuch non compliance in relation to the (explanation ofChange of Name event).

The indemnifier hereby irrevocably agrees from time to time and all times to save and keep harmless and to indemnifyCoal India Limited/Subsidiary from any loss or damage caused to the Indemnified due to any act/omission/misrepresentation of the Indemnifier in relation to the (Change of Name Event).

Station:

(Signature with Name and Designation)

Date:

Company Seal (New Entity)

Witness:
l Signature with Name, Designation & Address
2Signature with Name, Designation & Address

Annexure IX B

AFFIDAVIT CUM UNDERTAKING

(*to be stamped in accordance with Indian / State Stamp Act, as may be applicable, and duly sworn before Notary public*)

I, [*insert*], son/daughter of [*insert*], aged [*insert*] years, resident of [*insert*] working as [*insertdesignation of the deponent*] an Authorized Signatory on behalf of [*insert name of the new entity]* hereby solemnly affirm and declare as under:

1. I am authorized to swear and submit this affidavit on behalf of (Name of the new entity). 2. That a Fuel Supply Agreement dated ..... was entered between (Name ofthe Previous Entity) and the Coal Company.

3. Pursuant to (Details of the Change of Name Event), the (Name of Earlier Entity) has changed to (Name of the New Entity)

4. That the (Name of the new entity) hereby undertakes to pay any outstanding amount due to the Seller from the (Name of Previous Entity).

5. That the (Name of the new entity) hereby undertakes to satisfy all the eligibility conditions for entering into the Fuel Supply Agreement with Coal Company

6. That the (Name of the new entity) hereby undertakes that the supplies in (New name) shall not be construed to be acceptance ofthe Seller for change ofname till the same is taken on record.

7. That the Name ofthe new entity) hereby undertakes that it shall be solely responsible for all statutory compliances and terms and conditions of the Fuel Supply Agreement in respect of supplies of coal under new name and agrees to fully indemnify the seller for any consequences thereof.

Deponent

Verification:

Verified on [*insert*] day of [*insert month*], [*insert year*] at [*insert place*]that the contents ofthe above affidavit are true and correct to the best ofmy knowledge, being derived from the records maintained by the [Company] in the ordinary course of its business and nothing material has been concealed therefrom.

DEPONENT

Annexure-X

Enabling conditions for change of mode from Rail to Road under NRS Linkage Auction FSAs

<u>The option for change of Mode from Rail to Road, subject to approval of the concerned coal company, shall be available to eligible Purchaser under following terms:</u>

a) Successful Bidder(Purchaser) under NRS Linkage Auction sourcing coal through Rail mode (Primary Source or Secondary Source(s)) may be given an additional option by the concerned coal company(Seller) to take coal throughTemporary Road Source(s) in cases where supply throughRail mode is not possible.
b) The Temporary Road Source(s) of coal would be decided by the coal company in the following preference order:
    i. Road despatch point of mine(s) linked to the Primary Source
    ii. Road despatch point of mine(s) linked to the Secondary Source(s)
    iii. Any other Road Source(s) within the coal company from where linkage has been booked in the latest two concluded tranches of linkage auction NRS.
c) The Grade of coal of the Temporary Road Source should be same as that of the Primary Rail Source.
d) In case linkage has been booked from the Temporary Road Source in the latest two concluded tranches of NRS linkage auction, the price payable by the willing FSA holder for supply of coal through the Temporary Road Source would be higher of the following:
    i. the bid price for the Primary Rail Source, or
    ii. the highest price bid for the Temporary Road Source under any subsector during latest two (2) concluded tranches of NRS Linkage Auction.
e) In case no linkage has been booked from the Temporary Road Source [applicable only for (b)(i)&(ii) above] in the latest two concluded tranches of NRS linkage auction, the price payable by the willing FSA holder for supply of coal through temporary Source would be the bid price for the Primary Rail Source.
f) This dispensation is to be offered against those Primary Rail Source(s) where more than one month's rakes are pending to be supplied under Linkage auction NRS.
g) Any revision in the notified price or the declared grade of the Primary Rail Source post auction shall be applicable while exercising this option.
h) Coal Company would endeavor to re-instate the supplies from the Primary Rail Source as soon as possible.
i) Such a decision, whenever taken by the subsidiary coal company, should be executed in a transparent manner duly notifying the same on company website/ notice boards etc.

Annexure XI – Self-Certificate for Captive Coal Mine
(To be submitted separately for each captive coal mine, on the letter head of the Bidder/Purchaser)

Date: [insert Date]

Ref: Scheme Document dated [insert Date] ("**Scheme Document**")

[General Manager (Sales & Marketing)
Coal India Limited,
Coal Bhawan
Premise No. 04 MAR,
Plot No. AF-III, Action Area 1A
New Town, Rajarhat
Kolkata- 700156 (West Bengal)]

Dear Sir,

With reference to the Scheme Document dated [●] ("**SchemeDocument**") we hereby certify, undertake and confirm as follows:

1. Coal Controllers' Organisation has granted the mine opening permission for the [insert name] coalmine on [DD-MM-YY].

2. The Scheduled Production for the said coal mine for the 10 years commencing from the current financial year is as below:

10 Year Scheduled Production for [insert name] coal mine

Financial Year	Scheduled Production (TPA)
[Insert Year 1]*	
[Insert Year 2]	
[Insert Year 3]	
[Insert Year 4]	
[Insert Year 5]	
[Insert Year 6]	
[Insert Year 7]	
[Insert Year 8]	
[Insert Year 9]	
[Insert Year 10]	
Minimum Scheduled Production	

**In the event Mine Opening Permission is granted in the middle of a financial year, first financial year should correspond to the period between the date of grant of Mine Opening Permission and the corresponding financial year end*

Copy of the mine opening permission is enclosed herewith.

Yours faithfully,

(Signature, name and designation of the Authorised Signatory)
Name and seal of Bidder/Purchaser

Date:
Place: