

## **Earnest Money Deposit (EMD)/ Bank Guarantee as Security Deposit:**

All interested registered consumers shall be required to deposit in advance non-interest bearing EMD with respective service provider for such an amount as would cover 10% of the reserve price (of e-Auction concerned) for the intended bid quantity in terms of basic price of coal exclusive of taxes, duties and other charges as applicable before participating in Special forward e-Auction, . This may be paid upfront by way of Bank Draft / Bankers P.O or by way of e-transfer. Or,

The Bidder shall have the option to furnish the EMD in the format of Bank Guarantee

1. Which shall be to the tune of 10% of the reserve price of special forward e-auction for the intended bid quantity in terms of Basic price excluding taxes duties and other charges.
2. The BG should be drawn on any schedule Bank located at Hyderabad and to be furnished **within Ten (10) days prior to 26<sup>th</sup> April 2016** or else due to delay in confirmation of BG Bidder cannot participate in auction.
3. The validity of the BG shall be till the period of Special Forward E-auction and additional 6 months.
4. Confirmation of the BG shall be taken in writing from the issuing and the nodal Branch by SCCL. However in spite of effort if SCCL fails to get required BG conformation from the issuing and the nodal branch before the schedule auction date, the bidder shall not be eligible to participate in the bidding and the reason for non confirmation of BG shall be attributed to the bidders.
5. After completion of auction the BG of the successful Bidders will remain with SCCL along with the copy of the confirmation of the BG.
6. In case of falsification in BG, the concerned Bidder will be Blacklisted also any amount equivalent to EMD in credit in SCCL and the same will be forfeited.
7. In the event of non-deposition of 100% coal value for issue of sale order by the bidder in terms of clauses, EMD as per e-auction scheme will be forfeited/proportionate encashment of the BG as the case may be.

### **Payment Terms**

The payment may also be in the form of Letter of Credit System., Where in the purchaser shall opens/ maintain Irrevocable Letter of Credit issued by a bank accepted to the seller as mentioned below

STATE BANK OF HYDERABAD  
INDUSTRIAL FINANCIAL BRANCH  
PUNJAGUTTA

## HYDERABAD

It shall be in the required format and an amount equivalent to one month coal sale value for the successful bid quantity. The IRLC shall be maintained throughout the terms of this agreement. The amount of IRCL shall be modified if there is a change in component of price of coal. The bills and payments shall be made as per the Terms and Conditions of IRLC (Enclosed )

### **IRLC Terms and Conditions**

In the event the Purchaser opts to submit IRLC, as per the payment provisions laid down in the IRLC shall conform to the following conditions:

1. The underlying amount of IRLC shall be equivalent to ONE MONTH TOTAL COAL SALE VALUE FOR THE SUCCESSFUL BID QUANTITY and at any point of time of the E-auction period the amount shall not be less than 1 month period.
2. The underlying amount of IRLC shall be suitably changed whenever there is a change in any component of the price of coal..
3. The terms of the IRLC shall be for a minimum period of e-auction and the same shall be renewed one month prior to its expiry so as to remain valid throughout the term of the Agreement.
4. 100% payment shall be released in favour of the Seller against the bills / invoices duly signed and submitted by the Seller.
5. IRLC shall be automatic without any reinstatement clause, accordingly the amount of each withdrawal shall be automatically reinstated.
6. IRLC shall be issued by a bank acceptable to the Seller.
7. All IRLC charges including those related to opening, establishment, negotiation, re-instatement, amendment or any other incidental charges shall be borne by the Purchaser.
8. All documents drawn under the IRLC shall be in English language only.
9. All amounts under this IRLC shall be payable at (..... To be mentioned by the Seller).
10. There shall be no restriction for the number of draws in a month.

## **BANK GUARANTEE PROFORMA FOR SECURITY DEPOSIT**

(On Rs. 50/- Non judicial Stamp Paper )

Date of Issue: -----

Effective Date: -----

Expiry Date: -----

Value of B.G: -----

The Singareni Collieries Company Limited  
Red Hills, Khairatabad, Hyderabad – 500 004,

In consideration of The Singareni Collieries Company Limited, Red Hills, Khairatabad, Hyderabad–500004, having its Registered Office at Kothagudem, Khammam district, A.P. (hereinafter referred to as '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 issue supplying coal under Forward E-auction. to \_\_\_\_\_(Name of the Company/ Partnership firm/ Proprietor) having its registered office at \_\_\_\_\_(address of the Company/ Partnership firm/ Proprietor) (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 in case of Company) and the Purchaser being required to furnish the Security deposit as per the terms of the Forward E-auction.

We, \_\_\_\_\_(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 Seller or such other place or places as may be directed by the Seller all amounts payable by the Purchaser to the extent of Rs. \_\_\_\_\_/- (Indian Rupees \_\_\_\_\_) at any time upto \_\_\_\_\_, subject to the following terms and conditions :-

1) The Guarantor shall pay 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 Assured, 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 not withstanding any other security or guarantee that the Seller may have in relation to the Purchaser liability.

5) The Guarantee will remain valid for the period of Forward E-auction and also additional 6 months i.e., upto -----.

6) The Guarantee shall cover all claims or demand of Seller to the extent of the amount guaranteed.

7) Notwithstanding anything contained, the liability of the Guarantor under this Agreement is restricted to Rs. \_\_\_\_\_/-(Indian Rupees \_\_\_\_\_), and the same will remain in force upto -----.

8) This guarantee can be enforced by 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) Unless a demand or claim under this guarantee is received by the Guarantor within the period mentioned in clause 5 and 7 hereof, all rights of the Seller shall be forfeited and the Guarantor shall be relived or discharged from all liabilities.

10) The guarantee is operative at our ----- (name and address of the branch) Branch, \_\_\_\_\_ (Place).

Signature of the Bankers

With date & Rubber Stamp