

**SCHEME DOCUMENT  
FOR AUCTION OF COAL LINKAGES TO POWER  
PRODUCERS/IPPs WITHOUT PPAs  
ROUND 8**

**September 2025**

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**Coal India Limited  
A Government of India Undertaking**

**Disclaimers:**

*The information contained in this Scheme Document for auction of coal linkages to the Power Producers (as defined hereinafter)/IPPs (as defined hereinafter) without PPAs (as defined hereinafter) (“**Scheme Document**”) or information subsequently provided to any Power Producer/IPP, prospective bidder, Bidder (as defined hereinafter), Person (as defined hereinafter), party, participant, applicant or interested party (collectively referred to as the “**Prospective Bidder**”), whether in documentary or any other form by or on behalf of Coal India Limited and subsidiary Coal Companies (“**CIL**”) and/or any of its employees or Service Providers(including external agency), is provided to the Prospective Bidder(s) on the terms and conditions set out in this Scheme Document.*

*This Scheme Document is neither an agreement nor an offer by CIL to the Prospective Bidders or any other Person. The purpose of this Scheme Document is to provide Prospective Bidders with information that may be useful to them in making their Bids (as defined hereinafter) pursuant to this Scheme Document. This Scheme Document includes statements which reflect various assumptions and assessments arrived at by CIL. Such assumptions, assessments and statements do not purport to contain all the information that each Prospective Bidder may require. This Scheme Document may not be appropriate for all Persons and it is not possible for CIL, its employees or Service Providers to consider the investment objectives, financial situation and particular needs of each party who reads or uses this Scheme Document. The assumptions, assessments, statements and information contained in the Scheme Document may not be complete, adequate or correct. Each Prospective Bidder should, therefore, conduct its own investigations and analysis and should check the accuracy, adequacy, correctness, reliability and completeness of the assumptions, assessments, statements and information contained in this Scheme Document and obtain independent advice from appropriate sources before submitting a Bid.*

*Information provided in this Scheme Document to the Prospective Bidder(s) has been collated from several sources, some of which may depend upon the interpretation of Applicable Law. The information given is not intended to be an exhaustive account of statutory requirements and should not be regarded as complete. CIL accepts no responsibility for the accuracy or otherwise for any statement contained in this Scheme Document.*

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*CIL also accepts no liability of any nature, whether resulting from negligence or otherwise, howsoever caused, arising from reliance of any Prospective Bidder upon the statements contained in this Scheme Document.*

*Notwithstanding anything contained in the Scheme Document, CIL may, in its absolute discretion, but without being under any obligation to do so, update, amend or supplement the information, assessment, process or assumptions contained in this Scheme Document.*

*The issue of this Scheme Document does not imply that CIL is bound to select or shortlist any*

*Bidder and CIL reserves the right (without incurring any liability) to reject all or any of the Bidders or Bids without assigning any reason whatsoever.*

*Each Prospective Bidder (including, any Eligible Bidder (as defined hereinafter) and/or Successful Bidder (as defined hereinafter)) shall bear all its costs associated with or relating to its participation in the Auction including but not limited to preparation, copying, postage, delivery fees, expenses associated with any demonstrations or presentations which may be required by CIL or any other costs incurred in connection with or relating to its Bid, including the Process Fee (as defined hereinafter) and the Bid Security (as defined hereinafter). This Scheme Document is not transferable. Nothing contained in this Scheme Document shall be binding on CIL or confer any right on the Prospective Bidders. The examples set out in this Scheme Document are for illustrative purposes only.*

*In the event of any inconsistency or difference between the provisions of this Scheme Document, the Notice Inviting Registration dated September 01, 2025 and/or the Request for Submission of Expression of Interest for auction of coal linkages for Power Producers/IPPs without PPAs uploaded on September 01, 2025, this Scheme Document shall prevail.*

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## **1. Definitions**

- 1.1 In this Scheme Document, in addition to the terms defined in the body of this Scheme Document, the following capitalized terms shall, unless repugnant to the meaning or context thereof, have the following meanings:
- 1.1.1 “**Acceptable Bank**” 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.
- 1.1.2 “**Adjustment**” shall have the meaning ascribed to such term in Clause 3.6.2.6.
- 1.1.3 “**Allocated Quantity**” shall have the meaning ascribed to such term in Clause 3.6.2.6.
- 1.1.4 “**Amendment**” shall have the meaning ascribed to such term in Clause 2.1.1.
- 1.1.5 “**Applicable Law**” shall mean all applicable statutes, laws, by-laws, rules, regulations, orders, ordinances, protocols, codes, guidelines, policies, notices, directions, judgments, decrees 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, or determination, or any interpretation or adjudication having the force of law in India.
- 1.1.6 “**Auction**” shall have the meaning ascribed to such term in Clause 2.1.3.
- 1.1.7 “**Auction Process**” shall mean the process for conduct of the Auction as set out in Clause 3.
- 1.1.8 “**Authorised Signatory**” shall, as the context may require, mean the individual representing a Bidder who has been duly authorised on behalf of such Bidder to: (i) use the Bidder’s digital signature certificate; and/or (ii) execute and submit the EOI on behalf of the Bidder; and/or (iii) execute and submit the Bid on behalf of the Eligible Bidder; and/or (iv) sign the undertaking set out in **Annexure III**, the power of attorney set out in **Annexure IV** and the affidavit set out in **Annexure V** on behalf of the Bidder; and/or (v) execute and submit such other documents as may be deemed necessary, in accordance with the terms hereof.
- 1.1.9 “**Bid**” shall mean the bid submitted by the Eligible Bidder in accordance with Clause 3.6, for a Link Quantity with respect to a Specified End Use Plant, pursuant to a unique registration number given by the Service Provider.
- 1.1.10 “**Bid Security**” shall have the meaning ascribed to such term in Clause 5.2.
- 1.1.11 “**Bidder**” shall have the meaning ascribed to such term in Clause 3.1.1.

- 1.1.12 “CEA” shall mean Central Electricity Authority.
- 1.1.13 “CIL” shall mean Coal India Limited (a Government of India undertaking).
- 1.1.14 “Coal Linkages” shall have the meaning as intended at Clause 2.3.
- 1.1.15 “Coercive Practice” shall have the meaning ascribed to such term in Clause 7.3.3.
- 1.1.16 “Company” shall have the meaning ascribed to such term in clause (20) of section 2 of the Companies Act, 2013, as amended from time to time.
- 1.1.17 “Completion of the Auction Process” shall mean, with respect to a particular tranche of the Auction Process, the completion of the Auction for the last Lot of that tranche.
- 1.1.18 “Conditions to Auction” shall mean, with respect to each Bid, the conditions specified in Clause 3.5 and submission of the documents on the Electronic Platform of the Service Provider and in physical form to the Service Provider at the address specified in **Annexure VI**, in accordance with the Scheme Document.
- 1.1.19 “Corrupt Practice” shall have the meaning ascribed to such term in Clause 7.3.1.
- 1.1.20 “DISCOM” shall mean the distribution licensee authorised to operate and maintain a distribution system for supplying electricity to the consumers in its area of supply.
- 1.1.21 “Demand Supply Ratio” shall mean the sum of Link Quantity submitted by each Eligible Bidder for a particular round divided by the total quantity of coal being offered from the Lot.
- 1.1.22 “Due Date” shall have the meaning ascribed to such term in Clause 6.8.1.
- 1.1.23 “Electronic Platform” shall have the meaning ascribed to such term in Clause 3.1.1.
- 1.1.24 “Eligible Bidder” shall have the meaning ascribed to such term in Clause 3.3.2.
- 1.1.25 “Eligibility Conditions” shall mean the eligibility conditions specified in Clause 4.
- 1.1.26 “EOI” shall mean the Expression of Interest, the format of which is set out on the Electronic Platform.
- 1.1.27 “Fraudulent Practice” shall have the meaning ascribed to such term in Clause 7.3.2.;
- 1.1.28 “FSA” shall mean the fuel supply agreement to be executed between the Successful Bidder and the relevant Subsidiary in accordance with Clause 3.6.5.
- 1.1.29 “GCV” shall mean gross calorific value.
- 1.1.30 e-BG: Electronic Bank Guarantee
- 1.1.31 “IPP” shall mean an independent power producer which is a generating company not owned/controlled by the Central/State Government.
- 1.1.32 “IST” shall mean Indian Standard Time.
- 1.1.33 “Last Round” shall have the meaning ascribed to such term in Clause 3.6.2.6.

- 1.1.34 “**Link Quantity**” shall mean the quantity of coal from a particular Lot for which the Eligible Bidder has submitted a Bid in accordance with this Scheme Document.
- 1.1.35 “**LOA**” shall have the meaning ascribed to such term in Clause 3.6.3.
- 1.1.36 “**Lot**” shall mean a specified quantity of coal which is to be offered from a particular Source the details of which are specified in **Annexure VII**.
- 1.1.37 “**MoC**” shall mean the Ministry of Coal, Government of India.
- 1.1.38 “**MTPA**” shall mean million tonnes per annum.
- 1.1.39 “**Normative Coal Requirement**” shall have the meaning ascribed to such term in Clause 3.3.3.
- 1.1.40 “**Notice Inviting Registration**” shall mean the notice inviting registration dated September 01, 2025 set out on the Electronic Platform.
- 1.1.41 “**Notified Price**” shall mean the price of the relevant grade(s) of coal notified by CIL and/or its Subsidiaries as the case may be, from time to time.
- 1.1.42 “**Penultimate Round**” shall have the meaning ascribed to such term in Clause 3.6.2.6.
- 1.1.43 “**Person**” shall mean and include any individual, Company, entity, society or trust, whether incorporated or not.
- 1.1.44 “**Policy**” shall have the meaning ascribed to such term in Clause 2.1.1.
- 1.1.45 “**Power Producer**” shall mean a power producer which is a generating company owned/controlled by the Central/State Government.
- 1.1.46 “**PPA**” shall mean the medium term (exceeding 1 year but up to 7 years) and/or long term (7 years and above) power purchase agreement between the power generating source and the power procurer(s), i.e. DISCOM(s)/SDA either directly or through PTC(s) who has/have signed back to back PPA(s) with DISCOMs/SDA. However, the same shall not be applicable for the portion which is sold under market driven price.
- 1.1.47 “**PTC**” shall mean a power trading company, which is an electricity trader who has been granted a license to undertake trading in electricity under Section 12 of the Electricity Act, 2003.
- 1.1.48 Deleted
- 1.1.49 “**Process Fee**” shall have the meaning ascribed to such term in Clause 5.1.
- 1.1.50 “**Prospective Bidder**” shall mean any Power Producer/IPP, prospective bidder, Bidder, Person, party, participant, applicant or interested party.
- 1.1.51 “**Request for Submission of EOI**” shall have the meaning ascribed to such term in Clause 3.2.1.
- 1.1.52 “**Reserve Price**” shall have the meaning ascribed to such term in Clause 3.6.2.2.
- 1.1.53 “**Restrictive Practice**” shall have the meaning ascribed to such term in Clause 7.3.5.

- 1.1.54 “**SCCL**” shall mean the Singareni Collieries Company Limited.
- 1.1.55 “**Scheme Document**” shall mean this document, including its Annexures, appendices, schedules, amendment(s), addenda or corrigendum to this Scheme Document and/or any other document issued pursuant hereto.
- 1.1.56 “**SDA**” shall mean any agency appointed / designated by a State for the purpose of power procurement.
- 1.1.57 “**Selected Round**” shall have the meaning ascribed to such term in Clause 3.6.2.6.
- 1.1.58 “**Service Provider**” shall mean the entity that provides the Electronic Platform.
- 1.1.59 “**Short Term PPA**” shall mean short-term (i.e. for a period of more than one day to one year) power purchase agreement between the power generating source and the power procurer(s).
- 1.1.60 “**Source**” shall mean details of source of supply of coal, for the purposes of the Auction, more particularly specified in **Annexure VII**.
- 1.1.61 “**Source Grade**” for a Source, shall mean, the average/representative grade of that Source.
- 1.1.62 “**Specified End Use**” shall have the meaning ascribed to such term in Clause 2.3.1.
- 1.1.63 “**Specified End Use Plant**” shall mean 1 (one) or more power generating units (but does not mean and include a captive power plant as defined under Rule 3 of the Electricity Rules, 2005) situated in a single location within the same boundary located in India and owned by the Bidder.
- 1.1.64 “**Subsidiary**” shall mean a subsidiary of CIL listed in **Annexure VII**.
- 1.1.65 “**Successful Bidder**” shall have the meaning ascribed to such term in Clause 3.6.2.6.
- 1.1.66 “**TPA**” shall mean tonnes per annum.
- 1.1.67 “**Transport Factor**” shall have the meaning ascribed to such term in Clause 3.6.2.7(a).
- 1.1.68 “**Undesirable Practice**” shall have the meaning ascribed to such term in Clause 7.3.4.
- 1.1.69 “**Winning Premium**” shall mean:
- (a) for the purposes of the Auction, the relevant premium of the Selected Round expressed in absolute number terms; and
  - (b) for the purposes of Clause 2.3, Clause 5.3 and the FSA and the Annexures to this Scheme Document, the relevant premium of the Selected Round expressed as a percentage of the Notified Price.
- 1.1.70 **Additional Definition for Cost Plus:**
- (a) “**Actual Commissioning**” (AC): The cost plus mine is said to have achieved Actual Commissioning when it has achieved a cumulative production of 85% of the Annual Rated Capacity during a 12 continuous months period.



- (b) “**Base GCV**” shall mean the GCV of the coal as declared in the PR.
- (e) “**Base Price**” of cost plus mine is that price, in Rs/ton, which is fixed for 15-year term with a condition that mine can be continued as Mine specific for rest of life of mine.

Note: The initial Base price is fixed on the basis of latest PR report. The economics of the PR shall be updated time to time. As such, the revised Base Price, as and when issued as per the updated PR shall be considered

- (d) “**Detailed Project Report**” (DPR) or “**Project Report**” (PR) means the Project Report for the Cost Plus mine which contains all the relevant information, including number of mine entries, manpower planning, estimated productivity levels, method of working, suggested capital equipment to be procured, surface installations outlining the handling arrangements at the Pit head, workshops and any other amenities etc.
- (e) “**IRR**” shall mean the Internal Rate of Return.
- (f) “**Movable Asset**” in relation to the Project Report, shall mean the plant & machinery, vehicles and furniture & fixtures only. All assets other than the movable asset shall be treated as “**Immovable Asset**” including Net Revenue expenditure capitalized as shown in the Project Report.

## **2. Introduction**

### **2.1 Background**

- 2.1.1 Ministry of Coal (“**MoC**”) has *vide* its letter dated May 22, 2017 dealt with matters concerning “*Signing of Fuel Supply Agreement (FSA) with Letter of Assurance (LoA) holders of Thermal Power Plants - Fading Away of the existing LoA-FSA Regime and Introduction of a New More Transparent Coal Allocation Policy for Power Sector, 2017 - SHAKTI (Scheme for Harnessing and Allocating Koyala (Coal) Transparently in India)*” (“**Policy**”) and issued the amendment to the Policy dated March 25, 2019 (“**Amendment**”). The relevant provisions of the Policy and the Amendment shall be applicable to the Auction under this Scheme Document.
- 2.1.2 Paragraph B(iii) of the Policy *inter alia* provides that CIL/SCCL may grant future coal linkages on auction basis for Power Producers/PPAs without PPAs that are either commissioned or to be commissioned. Paragraph B(iii) of the Policy also provides that the methodology for bidding of linkages shall be similar to the bidding methodology in the policy on auction of linkages of Non-Regulated Sector dated February 15, 2016.
- 2.1.3 Accordingly, seven rounds of coal linkage auctions under Paragraph B(iii) of the Policy has been successfully concluded. Now, CIL *inter alia* proposes to conduct the ‘Eighth’ round of auction of coal linkages, as per Paragraph B(iii) of the Policy pursuant to a non-discriminatory ascending clock auction process conducted on the Electronic Platform (“**Auction**”).
- 2.1.4 This Scheme Document is being issued by CIL for auction of coal linkages under Paragraph B(iii) of the Policy.

### **2.2 The Policy**

Prospective Bidders are encouraged to familiarise themselves with the Policy. As on the date of this Scheme Document, the Policy and the Amendment are available at:

<https://coal.gov.in/sites/default/files/2019-10/220517.pdf>

<https://coal.gov.in/sites/default/files/2020-01/25-03-2019.pdf>

### **2.3 Coal Linkages**

- 2.3.1 Each Lot identified in **Annexure VII** is being auctioned strictly for prospective consumption by the Specified End Use Plant(s) of the Bidders and in this regard, transfer, and/or sale of any Allocated Quantity, shall not be permitted, in any manner whatsoever other than as specifically envisaged in and as per the terms of this Scheme Document. Swapping and/or rationalization of coal shall be as per the extant applicable policy/guidelines, if any (“**Specified End Use**”).
- 2.3.2 However, in the event of termination of the PPA in case of default in payment by the DISCOM, the relevant Successful Bidder(s) shall be allowed to use the Allocated Quantity in respect of such PPA for sale of power through Short-Term PPAs using the Discovery of Efficient Energy Price (“**DEEP**”) portal or power exchange for a maximum period of 2 (two) years or until the Successful Bidder finds another buyer of power under long/medium term PPA, whichever is earlier. In this regard, adequate safeguards issued by the Ministry

of Power *vide* Office Memorandum dated August 30, 2019, as amended from time to time, shall be duly complied with. Further, the net surplus after meeting operating expenses generated in this manner shall be entirely used for servicing debt in the first place, in accordance with the mechanism prescribed by the Ministry of Power *vide* Office Memorandum dated August 5, 2019 and Office Memorandum dated August 20, 2019, as amended from time to time.

- 2.3.3 The Auction shall be conducted on the basis of the Source Grade and the actual supply may vary between a range of grades/GCV of each Source. However, the Winning Premium shall remain fixed and shall be payable by the Successful Bidder corresponding to the grade of coal actually supplied.

### **3 Auction Process**

#### **3.1 Registration**

- 3.1.1 Pursuant to the Notice Inviting Registration, a Power Producer/IPP, meeting the Eligibility Conditions set out in Clause 4 and which is desirous of participating in the Auction through its Specified End Use Plant(s), is required to register such Specified End Use Plant(s) on the website of the Service Provider (Mjunction Services Ltd.) (“**Electronic Platform**”), no later than the timeline as has been separately prescribed, against payment of a non-refundable fee of Rs. 10,000/- plus applicable taxes. An IPP/Power Producer which registers on the Electronic Platform in accordance with this Clause 3.1 shall be referred to as the “**Bidder**”. The link for the registration is provided below:

<https://auction.coaljunction.com/CoalWeb/getLinkageWelcomeAction.do>  
<https://coaljunction.in/>

Bidders already registered for the coal linkage auctions of either CIL and/ or SCCL in the present auction service provider Mjunction Services Ltd. must necessarily use the same registration for the same Specified End Use Plant and should not register again.

However, in case any bidder is registered in the portal of earlier service provider engaged prior to round 6 of B(iii) auction, the bidder will be required to register again in the portal of present service provider referring their earlier registration details. Such re-registration will not attract any further registration fee. However, in case of fresh registration (afresh without referring earlier registration details) in the auction portal, registration fee will be applicable.

- 3.1.2 Each Bidder’s registration shall be linked to a Specified End Use Plant and each Specified End Use Plant may be registered only once. It is clarified that in the event a Bidder registers more than 1 (one) Specified End Use Plant on the Electronic Platform, such Bidder shall be considered a separate Bidder in respect of each Specified End Use Plant. In the event that the Specified End Use Plant registered under this Clause 3.1 by the Bidder combines 1 (one) or more units, for the purposes of the entire Auction, the Bidder shall not be permitted to split such units and submit separate bid(s) in respect of such unit(s), at any subsequent stage.
- 3.1.3 The technical details and other information with respect to access to the Electronic Platform and bidding thereon are provided in **Annexure VI**.
- 3.1.4 In case of any technical clarification regarding access to the Electronic Platform or conduct of the Auction, the Bidder may contact the Service Provider directly at the contact details provided in **Annexure VI**.

#### **3.2 Submission of Expression of Interest**

- 3.2.1 Pursuant to the Request for Submission of Expression of Interest for auction of coal linkages to IPPs/Power Producers without PPAs dated September 01, 2025 (“**Request for Submission of EOI**”), each Bidder is required to upload, on the Electronic Platform, the duly executed and stamped Expression of Interest (“**EOI**”), no later than the timeline as has been separately prescribed.
- 3.2.2 Deleted.

- 3.2.3 All the other documents set out in the Request for Submission of EOI and the EOI are required to be uploaded on the Electronic Platform.
- 3.2.4 The self-certified information submitted by the Bidder as part of the EOI shall be treated as final. In case any additional information is required, the same shall be provided by the Bidder in a timely manner .

### **3.3 Normative Coal Requirement**

- 3.3.1 Bidder shall (i) self certify and confirm it meeting the Eligibility Conditions set out in Clause 4.1.1; and (ii) Self calculate and provide the self certified Normative Coal Requirement in the submitted the EOI, on the basis of the formula set out below in Clause 3.3.3.
- 3.3.2 Each registered Bidder, who meets the Eligibility Conditions(self certified by bidder) and for whom the Normative Coal Requirement(as per self-certification of the bidder) is set out on the Electronic Platform as per Clause 3.3.3, shall be referred to as the “**Eligible Bidder**”.
- 3.3.3 The normative coal requirement for each Specified End Use Plant shall be calculated as follows and the figure so calculated shall be referred to as the “**Normative Coal Requirement**”:

$$\text{Normative Coal Requirement (MTPA) in G13 grade equivalent} = \frac{[\text{Normative Energy Requirement (kcal per annum)}]}{[(10^9) \text{ multiplied by (the gross calorific value of G13 grade of coal as specified in Annexure VIII)}]}$$

**Where:**

$$\text{Normative Energy Requirement (kcal per annum)} = [100\% \times \{\text{annual energy requirement of the Specified End Use Plant for the capacity}^\# \text{ against which the Bidder: (i) does not have a valid PPA or (ii) is unable to submit the requisite DISCOM certificate in accordance with Clause 4.1.1.2, as the case may be, (calculated in kcal on the basis of the applicable CEA coal consumption norms set out in Annexure VIII) less annual energy requirement of the Specified End Use Plant met through any captive coal mine(s)/coal block(s) on the basis of peak-rated capacity (in kcal) (net of any adjustment made during auction of coal linkages under paragraph B(ii) of the Policy, if applicable)*}\}] \text{ less [adjustment for any existing coal linkage(s)**]}$$

\*The data with respect to the captive coal mines/coal blocks allocated, if any, (together with proportionate allocation of the peak-rated capacity of such captive coal mines/coal blocks, in case the same has been allocated for a combination of Specified End Use Plants and any sale of power on merchant basis) shall have to be reported by the Bidders on the Electronic Platform at the time of submission of EOI.

It is clarified that:

- (a) in case a coal mine/coal block has been allocated for captive

consumption of coal in a Specified End Use Plant, then the Normative Coal Requirement shall be net of grade adjusted coal requirement on the basis of the peak rated capacity of such captive coal mine/coal block;

(b) where a mine has been allocated for multiple plants, then the Normative Coal Requirement of the Specified End Use Plant shall be calculated after proportionately factoring in the coal consumption from the said mine; and

(c) The annual energy requirement met through the captive coal mine/coal block shall be net of any energy requirement for the sale of power on merchant basis.

<sup>#</sup>For the purpose of computation of Normative Coal Requirement, capacity shall be gross capacity at generation end.

**\*\***The percentage requirement of the capacity of the Specified End Use Plant: (i) which is not backed by any valid PPA(s), or (ii) for which the Bidder is unable to submit the requisite DISCOM certificate in accordance with Clause 4.1.1.2, as the case may be, and against which there is existing coal linkage, including any existing fuel supply agreement and/or fuel supply agreement to be executed pursuant to any existing letter of assurance, shall be excluded for the purpose of computation of the Normative Coal Requirement by CEA. The Station Heat Rate shall be considered as per applicable CEA norm for the unit-wise capacity of the Specified End Use Plant.

It is clarified that, for the purposes of self computation of the Normative Energy Requirement by bidder basis the above mentioned formula, at any stage of the Auction Process, the annual energy requirement of the Specified End Use Plant met through any allocation of coal linkage(s) pursuant to the Auction of any Lot conducted by CIL and/or by SCCL under Paragraph B(iii) of the Policy shall be deducted, irrespective of the status of issuance of the LOA or signing of the FSA.

- 3.3.3.1 Upon submission of the documents and information specified in Clause 3.5.1, the Normative Coal Requirement for various grades of coal with respect to a Specified End Use Plant shall be set out on the Electronic Platform. The Normative Coal Requirement shall be subject to reduction on a progressive basis depending on the allocations made to the Eligible Bidder during the Auction Process and the Eligible Bidder shall be informed of the same on the Electronic Platform.
- 3.3.3.2 The Eligible Bidders shall, based on the Normative Coal Requirement related information provided on the Electronic Platform, decide the Link Quantity across various Lots for the purposes of computing the Bid Security and the Process Fee payable by them.

**Example 1:**

*For the purposes of Clause 3.3.3.1, suppose the self certified Normative Coal Requirement of the Eligible Bidder in G13 grade as computed by bidder is 10 MTPA. The Electronic Platform shall display the Normative Coal Requirement of the Eligible Bidder and the corresponding Bid Security and Process Fee deposited as per Clause 5 is to be submitted as under:*

<b>Grade</b>	<b>Normative Coal Requirement (MTPA)</b>	<b>Bid Security and Process Fee (Rs Cr)</b>
G1	4.86	63.18
G2	5.07	65.91
G3	5.31	69.03
G4	5.57	72.41
G5	5.86	76.18
G6	6.18	80.34
G7	6.54	85.02
G8	6.94	90.22
G9	7.39	96.07
G10	7.91	102.83
G11	8.50	110.5
G12	9.19	119.47
G13	10.00	130
G14	10.97	142.61
G15	12.14	157.82
G16	13.60	176.8
G17	15.45	200.85

*With respect to Clause 3.3.3.2, if the Eligible Bidder submits Rs 96 crores collectively as bid security and process fee, such Eligible Bidder can bid upto the maximum of 8 MTPA subject to the Normative Coal Requirement across various grades as under:*

<b>Grade</b>	<b>Normative Coal Requirement (MTPA)</b>	<b>Maximum Quantity Bidder can Bid across various grades (MTPA)</b>
G1	4.86	4.86
G2	5.07	5.07
G3	5.31	5.31
G4	5.57	5.57
G5	5.86	5.86
G6	6.18	6.18
G7	6.54	6.54
G8	6.94	6.94
G9	7.39	7.38
G10	7.91	7.38
G11	8.50	7.38
G12	9.19	7.38

<b>Grade</b>	<b>Normative Coal Requirement (MTPA)</b>	<b>Maximum Quantity Bidder can Bid across various grades (MTPA)</b>
G13	10.00	7.38
G14	10.97	7.38
G15	12.14	7.38
G16	13.60	7.38
G17	15.45	7.38

*With respect to Clause 3.3.3.1, if the Eligible Bidder is successful in the Lot of G8 grade of coal for a quantity of 2,00,000 TPA (or 2 MTPA), the Normative Coal Requirement for say Lot with G9 grade coal would be as under:*

<b>Particulars</b>	<b>Unit</b>		
<b>Normative Coal Requirement (based on G8 grade)</b>	<b>TPA</b>	<b>(A)</b>	6,93,878
Allocated Quantity in Lot with G8 grade	TPA	(B)	2,00,000
Available Normative Coal Requirement (based on G8 grade)	TPA	(C=A-B)	4,93,878
Average GCV of G8 grade of coal		(D)	5,050
Average GCV of G9 grade of coal		(E)	4,750
<b>Normative Coal Requirement (based on G9 grade)</b>	<b>TPA</b>	<b>(F=C*D/E)</b>	5,25,070
<b>Normative Coal Requirement(based on G9 grade)</b>	<b>MTPA</b>	<b>(G=F/10<sup>6</sup>)</b>	<b>0.52507</b>

### **3.4 Clarification for Consumers**

- 3.4.1 CIL may conduct consumer conference(s) through physical/virtual mode , wherein Prospective Bidders/Bidders may seek clarifications regarding this auction. However, decision for conducting the consumer conference shall be sole discretion of CIL.
- 3.4.2 CIL shall endeavour to provide clarifications and such further information as it may, in its sole discretion, consider appropriate for facilitating a fair, transparent and competitive Auction Process. Each query should contain complete details of facts, information and Applicable Law germane to the query and also the particulars of the Person posing the query. CIL reserves the right to not answer any query, including any query which is incomplete or anonymous.
- 3.4.3 CIL may also on its own motion, if deemed necessary, issue interpretations and clarifications to all Prospective Bidders/Bidders. All clarifications and interpretations issued by CIL shall be deemed to be part of the Scheme Document. However, any non-written clarifications and information provided by CIL, its employees or representatives in any manner whatsoever shall not in any way or manner be binding on CIL.

### **3.5 Conditions to Auction**

- 3.5.1 Subject to satisfaction of the following conditions, the Eligible Bidder shall be entitled to participate in the Auction, the procedure of which is set out in Clause 3.6:the Eligible



Bidder has submitted the EOI and the other documents/information in accordance with Clause 3.2;

- 3.5.2 the Eligible Bidder shall submit all documents/information in support thereof as specified in Clause 4.1.3 and shall submit the relevant information required under **Annexure VI.**; and
- 3.5.3 the Eligible Bidder shall submit the Process Fee in accordance with Clause 5.1 and the Bid Security in accordance with Clause 5.2 within the specified timeframe.

### **3.6 Auction**

- 3.6.1 The Coal Linkages shall be auctioned Lot wise as per the sequence and schedule set out in **Annexure VII.** In case the Auction of Coal Linkages of any Lot spills over to the time of the next Lot(s), then the Auction of such Lot(s) will be deferred and will be conducted at the end of Auction of the Coal Linkages from the last Lot as per the auction sequence specified in **Annexure VII.**

#### ***Example 2:***

*There are 15 Lots (numbered L1 to L15) with a proposed auction sequence of 4 Lots per day at 11:00 HRS, 13:00 HRS, 15:00 HRS and 17:00 HRS respectively. In case the Auction of the Coal Linkages from Lot 1 continues till 17:01 HRS on Day 1, Auction of Coal Linkages from Lot 2, Lot 3 and Lot 4 will be deferred and will be conducted after the Auction of the Coal Linkages from Lot 15.*

- 3.6.2 The Auction Process for Auction of Coal Linkages shall be conducted in the following manner:
  - 3.6.2.1 The Auction for Coal Linkages will be conducted in multiple rounds.
  - 3.6.2.2 The floor price for the Auction in the first round of the Auction Process shall be the Notified Price (“**Reserve Price**”) and the Eligible Bidders shall Bid for a particular Link Quantity in accordance with the provisions hereunder.
  - 3.6.2.3 In round 1 of the Auction, the premium shall be Rs. zero/tonne against which the Eligible Bidders will be required to indicate their Link Quantity.
  - 3.6.2.4 At the end of each round of bidding with respect to a Coal Linkage, the Demand Supply Ratio will be assessed by the Electronic Platform and if demand/ supply ratio at the end of a particular round is greater than 100% (one hundred per cent.) then the auction will move on to next round with a premium of Rs. 75 (Indian Rupees Seventy Five) per tonne plus the premium of the previous round. In each round of the Auction, the Eligible Bidders may offer to purchase the Link Quantity against the Reserve Price plus premium for such round.
  - 3.6.2.5 Each Bid submitted by an Eligible Bidder during any of the Auction rounds shall be considered a valid and binding offer to purchase the Link Quantity at the Reserve Price plus premium applicable for the relevant round.
  - 3.6.2.6 The Auction Process shall stop when the Demand Supply Ratio is less than or equal to 100% (one hundred per cent.) in a particular round. The round at which the Auction stops (“**Last Round**”) shall be considered as final round (Selected Round) and allocation shall

be made based on the bids received in the Last Round.

In the event that the entitlement of an Eligible Bidder pursuant to Clause 3.6.2.6 above, is not as per Transport Factor, such entitlement shall be decreased and rounded off (downwards) to fit as per Transport Factor (such downward adjustment in the coal entitlement may hereinafter referred to as the “**Adjustment**”).

Each Eligible Bidder who has submitted Bids in the Selected Round shall hereinafter be referred to as a “**Successful Bidder**” and the quantity of coal to which the Successful Bidder would be entitled to in the Selected Round (as computed under Clause 3.6.2.6 above) post Adjustment, if any, shall be referred to as the “**Allocated Quantity**”.

It is clarified that each Successful Bidder shall be entitled to receive only the Allocated Quantity subject to fulfilment of the conditions set out in this Scheme Document and that the Allocated Quantity shall be used by the Successful Bidder only for consumption by the Specified End Use Plant.

In case Demand Supply Ratio is 100% (one hundred per cent.) or less in round 1 of the Auction, each Eligible Bidder shall be allocated their Link Quantity for that round at the Reserve/Floor Price.

3.6.2.7 The Eligible Bidders will have to abide by the following conditions in each round of the Auction:

- (a) for Road mode of dispatch, the Link Quantity shall be equal or greater than 100 TPA and shall neither exceed the Normative Coal Requirement nor the quantity offered in a particular Lot. For Rail mode of dispatch, the Link Quantity shall be in multiple of 4000 TPA and shall neither exceed the Normative Coal Requirement nor the quantity offered in a particular Lot;
- (b) the Link Quantity will be integer multiple of 4000 TPA for Rail mode & minimum 100 TPA for Road mode (hereinafter referred to as the “Transport Factor”); and
- (c) the Link Quantity in a particular round shall be lower than or equal to the Link Quantity quoted in the previous round.

3.6.2.8 In the event that any coal remains unallocated pursuant to Completion of the Auction Process for any tranche of the Auction, CIL reserves the right to dispose off such coal in any subsequent tranche of the Auction.

### **3.6.3 Issuance of LOA**

On behalf of concerned Coal company, the auction service provider, on completion of the auction/bidding process of the concerned subsector and upon receipt of clearance/order/advice/intimation from CIL/Coal company for issuing Letter of Assurance, shall issue, within 7 (Seven) days, a letter of assurance in the format set out in Annexure IX (“LOA”) to each of the Successful Bidders in respect of *inter alia* the Allocated Quantity of such successful Bidder from subsidiary coal company in respect of such round of the Auction. The terms of this Scheme Document shall be deemed to be incorporated in the LOA by reference and to form a part of the LOA and the relevant Subsidiary shall be entitled to exercise all its rights and remedies as stipulated in this Scheme Document.

### **3.6.4 Submission by Successful Bidder(s)**

- 3.6.4.1 Subject to the overall timelines prescribed in Clause 3.6.6.2, each Successful Bidder shall submit the documents and information specified in **Annexure X** to the relevant Subsidiary:
- (a) Within 75 (seventy five) days of issuance of the LOA to the Successful Bidder, in case the capacity of the registered Specified End Use Plant in respect of which the Bidder is the Successful Bidder is commissioned; or
  - (b) Within 75 (seventy five) days of commissioning of the capacity of the registered Specified End Use Plant in respect of which the Bidder is the Successful Bidder, in case the same is yet to commission.

### **3.6.5 Execution of the FSA**

- 3.6.5.1 Within 30 (thirty) days of fulfilment of all the conditions set out in Clause 3.6.4 to the satisfaction of CIL/the relevant Subsidiary, the FSA shall be executed between the Successful Bidder and the relevant Subsidiary in respect of the Allocated Quantity from a particular Lot.
- 3.6.5.2 The Successful Bidder shall not be entitled to seek any deviation, modification or amendment in the FSA, except with the prior written approval of the relevant Subsidiary. The terms of this Scheme Document shall be deemed to be incorporated in the executed FSA by reference and to form a part of the executed FSA and the relevant Subsidiary shall be entitled to exercise all its rights and remedies as stipulated in this Scheme Document. In the event of any inconsistency or difference in the provisions of the Scheme Document and those of the executed FSA, the provisions of the executed FSA shall prevail.

#### **Cost plus source specific terms:**

- In case booking on the cost-plus sources & subsequent FSA by Round-8, SHAKTI B (iii) bidders as a whole, under this round is less than 85% of the PRC, the residual quantity will be offered in all the remaining subsectors of Tranche-IX NRS Linkage Auction. In case the cumulative booking quantity under NRS Linkage auction even after offering in all the remaining subsectors of Tranche-IX and total linkage quantity of the cost plus mine do not reach to the level of 85% of the PRC of the cost-plus project, all the bid quantity and FSA of the particular source will stand cancelled/closed, unless decided otherwise by CIL/coal company, without any penal clauses/consequences on both the sides.
- In case, the total linkage of the respective cost plus mine and subsequent FSA will reach to 85% of Rated Capacity of the mine within the stipulated timeframe, the FSAs will become operative/effective and cost plus mine opening procedure and timeline will commence. Concerned coal company will issue necessary communication in this regard to the bidder and follow due diligence of operational and commercial formalities including obtaining RCFG amount from the concerned bidders.
- In case of cost-plus source, a Side Agreement of the FSA will also be executed with the concerned coal company from where alternative source of coal is offered (if different from the coal company of primary cost-plus source) in respect of primary cost-plus source. Such Side Agreement will be integral part of the FSA and will be binding in nature to both buyer and seller. The terms of the FSA will be applicable in case of supply of coal to the buyer from the Alternative Source.

Such side Agreement will only be executed in case the buyer provides consent for taking

supply from the Alternative Source, prior to signing of FSA, for such cases where supply from cost plus source will not be sufficient to meet the linkage requirement or till the time Rated Capacity of production from the cost plus mine is achieved.

- In case of requirement of Side Agreement for such cases where Alternative Source is offered from different coal company than the coal company offering primary cost-plus source, the same shall be signed by the Successful Bidder (if supply from Alternative sources is opted with prior declaration) and the concerned coal company offering Alternative Source to the Cost-Plus source
- Modalities of Offering coal from cost plus sources is enclosed as Schedule-2. Specific cost-plus source specific indicative parameters will be notified as per Schedule 2A prior to auction. The cost-plus source specific parameters may however, be changed/updated/modified by concerned coal company/CIL as and when required.

### **3.6.6 Submission of PPA**

3.6.6.1 The Successful Bidder shall be required to procure and submit the following documents, within 2 (two) years of Completion of the Auction Process:

- (a) Valid PPA(s); and
- (b) Certificate(s) of DISCOM(s) in the format provided in **Annexure XI**.
- (c) NOC/certificate issued by CEA ascertaining the validation of PPA/ERC Approval along with the effective period of PPA

3.6.6.2 Coal drawal by the Successful Bidder shall be permitted only against submission of all documents set out in Clause 3.6.6.1. In the event the Successful Bidder does not (i) submit the documents set out in Clause 3.6.6.1 within 2 (two) years of the Completion of the Auction Process; and/or (ii) start drawing coal within 2 (two) years of submission of all the documents set out in Clause 3.6.6.1, the corresponding FSA and/or the LOA, as the case may be, shall stand terminated and the corresponding proportionate Bid Security and Process Fee, shall be forfeited, without an exception for force majeure or any other ground whatsoever.

### **3.6.7 Tests of Responsiveness**

3.6.7.1 CIL may at any time prior to issuance of the LOA and the relevant Subsidiary may at any time post issuance of the LOA, determine whether the documents, information and/or payments as set out in this Scheme Document are in accordance with the requirements of this Scheme Document. CIL or the relevant Subsidiary, as the case may be, reserves the right to disqualify any Bidder, cancel the LOA, terminate the FSA and forfeit the Bid Security and/or Process Fee, as the case may be, if it is of the opinion that the Conditions to Auction or any other requirements for subsequent submissions have not been duly satisfied and no request for alteration, modification, substitution or withdrawal shall be considered or permitted by CIL or the relevant Subsidiary, as the case may be, in respect of the documents/information submitted pursuant to the Scheme Document. While making any determination with respect to responsiveness of any documents, information and/or payments submitted or received from the Bidder, CIL or the relevant Subsidiary, as the case may be, may consider such parameters as it may deem relevant including considerations that the same:

- (a) are as per the prescribed formats and have been submitted or paid in the manner stipulated in this Scheme Document;
- (b) have been submitted by the Due Date including any extension thereof;
- (c) contain all the information (complete in all respects) as requested in this Scheme Document;
- (d) are not incorrect, false or misleading etc.;
- (e) do not contain any inconsistency, error, omission, condition and/or qualification;
- (f) have been provided in relation to each Specified End Use Plant;
- (g) are generally not considered to be non-responsive in terms of any other parameters as may be considered relevant by CIL;
- (h) are strictly in compliance with this Scheme Document and the provisions contained herein; and/or
- (i) are not liable to be disqualified pursuant to any disqualification event(s) set out at Clause 6.6.

3.6.7.2 Save and except as provided in this Scheme Document, CIL or the relevant Subsidiary, as the case may be, shall not entertain any correspondence with any Bidder in relation to disqualification of a Bidder in accordance with this Clause 3.6.7.

#### **3.6.8 Schedule of the Auction Process**

The schedule of the Auction Process shall be as per the estimated timelines to be specified separately. The said timelines are merely indicative and tentative in nature. The same are subject to change as per the sole discretion of CIL. Any change in the said timelines will be set out on the Electronic Platform, through an addendum and/or corrigendum to this Scheme Document. Bidders are advised to regularly check the Electronic Platform in order to be informed of the same.

## **4 Eligibility Conditions**

4.1 A Bidder would be required to comply with the following eligibility conditions:

### **4.1.1 Basic Eligibility Conditions**

The Bidder shall be required to comply with the following basic eligibility conditions under Clause 4.1.1.1 or Clause 4.1.1.2, as applicable:

4.1.1.1 The Bidder should not have any valid PPA as on May 17, 2017, in respect of such capacity of the Specified End Use Plant(s) registered under Clause 3.1 for which it is desirous of participating in the Auction i.e. on or before May 17, 2017, the Bidder should not have any document signed by any DISCOM/SDA as PPA. In this regard, “PPA” shall mean the medium term (exceeding 1 year but up to 7 years) and/or long term (7 years and above) power purchase agreement between the power generating source and the power procurer(s), i.e. DISCOM(s)/SDA either directly or through PTC(s) who has/have signed back to back PPA(s) with DISCOMs/SDA. However, the same shall not be applicable for the portion which is sold under market driven price.

It is clarified that the Bidder will only be allowed to participate in the auction in respect of such capacity of the Specified End Use Plant(s) registered under Clause which is not linked to any valid PPA as on May 17, 2017 or PPA(as on May 17, 2017 or of later date) has expired subsequently or expiring within 2 years of EOI publishing date. Coal drawal will be permitted only against a valid PPA, which the successful bidder shall be required to procure and submit within 2 years of completion of the auction process pursuant to the auction of coal linkages conducted under Paragraph B(iii) of the Policy and the Amendment.

It is further clarified that the existing PPA(s) as on 17.05.2017 may get expired/cancelled/terminated subsequently(post 17.05.2017) and such power plant shall be eligible to participate in the B(iii) linkage auction for such non-linked capacities.

In no case coal supply be considered under B(iii) for any PPA which was valid on or before 17.05.2017.

4.1.1.2 If the Bidder is unable to submit the requisite DISCOM certificate, rendering him ineligible to participate under B(ii) auctions, he will be permitted to participate in B(iii) auctions. In that case, he will be required to submit a valid PPA within 2 years of auction for signing of the FSA. However, on a later date if the IPP bidder gets a DISCOM certificate of having a valid PPA (prior to May 17, 2017), he may be allowed to participate in future B(ii) auction. In that case, once FSA for B(ii) linkage is signed, Letter of Assurance (LoA)/ Linkage/ FSA for B(iii) will automatically be terminated.

### **4.1.2 Additional Eligibility Conditions**

4.1.2.1 In respect of the capacity of the registered Specified End Use Plant against which: (i) the Bidder does not have a valid PPA existing as on May 17, 2017, or (ii) the Bidder is unable to submit the requisite DISCOM certificate in accordance with Clause 4.1.1.2, as the case may be, the Bidder shall:

- (a) (i) not have coal linkage; or (ii) have coal linkage for less than 100% of the coal requirement for the aforesaid capacity, computed as per applicable coal Consumption Norms of CEA prescribed in **Annexure VIII**; and

- (b) (i) not have coal block pursuant to Applicable Law; or (ii) have coal block for quantity which is less than 100% of their coal requirement, computed as per applicable coal Consumption Norms of CEA prescribed in **Annexure VIII**.

For the purposes hereof, (a) and/or (b) in respect of a Specified End Use Plant shall be referred to as the “**Allocated Coal Block/ Letter of Assurance (LoA)/ Linkage**” and the Bidder may bid for the balance quantity of coal.

It is hereby clarified that with respect to such Specified End Use Plant, the Bidder whose:

- (i) coal block(s) has(ve) been deallocated and the Bidder furnishes clearance of MoC to this effect, on or before the last date for submission of EOI, and/or;
- (ii) letter of assurance (“LoA(s)”) / linkage(s) has(ve) been cancelled by the MoC / Standing Linkage Committee (Long Term) (“SLC(LT)”), may also participate in the Auction, if such Bidder does not, as on the last date of submission of EOI, hold any Allocated Coal Block/ Letter of Assurance (LoA)/ Linkage in respect of such Specified End Use Plant.

4.1.2.2 The Bidder should be the owner of the Specified End Use Plant registered under Clause 3.1.

4.1.2.3 The Bidder shall not have been convicted for wrongful utilization of coal by the Central Bureau of Investigation or any other governmental authority or statutory or judicial body.

4.1.2.4 Existing linkage holders are not allowed to surrender their LoA/ fuel supply agreement to participate in this Auction.

#### **4.1.3 Power of Attorney, Affidavit and Undertaking**

4.1.3.1 The Eligible Bidder will be required to upload scanned copies of the following documents on the Electronic Platform and also submit the documents (to the Service Provider at the address specified in **Annexure VI**) in original, in accordance with the Applicable Law, as part of the Conditions to Auction specified in Clause 3.5.2:

- (a) an affidavit cum indemnity in the format set out in **Annexure III**, wherein the Eligible Bidder shall undertake to *inter alia* comply with all Applicable Laws including environmental laws;
- (b) power of attorney in the format set out in **Annexure IV**, along with a certified true copy of the relevant authorizations in support thereof e.g. letter of authority, resolution of the board of directors, resolution of the shareholders etc.; and

## **5 Payments**

### **5.1 Process Fee**

- 5.1.1 The Eligible Bidder shall be required to submit a process fee, within the timelines to be stipulated in this regard, as per the following formula (“**Process Fee**”):

*Rs. 30/- (Indian Rupees Thirty) per tonne (inclusive of goods and services tax) multiplied by the Link Quantity across various Lots.*

- 5.1.2 The Eligible Bidder shall ensure that the Process Fee shall, at any time during the Auction, correspond to its Link Quantity. In case an Eligible Bidder decides to change the bidding strategy by opting to Bid for a different Link Quantity in a specific Lot, which requires additional Process Fee to be paid, the Eligible Bidder shall be required to top-up the Process Fee no later than 1 (one) business day prior to the scheduled Auction of the Coal Linkages from the relevant Lot.

- 5.1.3 The payments made by Eligible Bidders towards the Process Fee shall be paid into a designated bank account, the details of which are provided in **Annexure VI**.

- 5.1.4 The Process Fee pertaining to the Allocated Quantities of each Successful Bidder shall be debited towards transaction expenses for running the Auction Process and the balance Process Fee shall be refunded from the bank account (details of which are provided in **Annexure VI**), without interest, to the relevant Successful Bidder after Completion of the Auction Process. In the event that an Eligible Bidder does not qualify as a Successful Bidder, the entire amount of the Process Fee, without any interest, shall be refunded to such Eligible Bidder after Completion of the Auction Process.

- 5.1.5 The Process Fee shall be forfeited and appropriated *inter alia* in any of the following events or event(s) as specified elsewhere in this Scheme Document:

- 5.1.5.1 the Bid, information, documents, and/or payments with respect to the Conditions to Auction are determined to be non-responsive in terms of Clause 3.6.7;

- 5.1.5.2 if a Bidder engages in Corrupt Practice, Fraudulent Practice, Coercive Practice, Undesirable Practice or Restrictive Practice as specified in Clause 7 of this Scheme Document;

- 5.1.5.3 in case a Successful Bidder, fails to, or does not fulfil, the conditions set out at Clause 3.6.4, Clause 3.6.5 and/or Clause 3.6.6. in the manner prescribed therein;

- 5.1.5.4 any assignment/transfer which is not in accordance with Clause 6.3;

- 5.1.5.5 the Bidder has been disqualified for any reason set out in Clause 6.6;

- 5.1.5.6 the Bidder has participated in the Auction, other than in accordance with the Scheme Document; and/or

- 5.1.5.7 the Bidder has breached confidentiality in terms of Clause 8.5.

### **5.2 Bid Security**

- 5.2.1 Each Eligible Bidder shall furnish, as part of the Conditions to Auction, a bid security,



within the timelines to be stipulated in this regard as per the following formula (“**Bid Security**”):

*Rs. 100 (Indian Rupees One Hundred) per tonne of the Link Quantity across various Lots.*

- 5.2.2 The Eligible Bidder shall ensure that the Bid Security shall, at any time during the Auction, correspond to its Link Quantity. In case an Eligible Bidder decides to change the bidding strategy by opting to Bid for a different Link Quantity in a specific Lot, which requires additional Bid Security, the Eligible Bidder shall be required to top-up the Bid Security at least 1 (one) business day prior to the scheduled Auction of Coal Linkages pertaining to the Lot.
- 5.2.3 The payments made by Eligible Bidders towards the Bid Security will be made into a designated bank account, the details of which are specified in **Annexure VI**. The payments made towards Bid Security in the above mentioned bank account shall be transferred to the relevant Subsidiaries by auction service provider or shall be refunded in accordance with the provisions of Clause 5.2.4. Successful Bidders may get their Bid Security converted into a bank guarantee of an Acceptable Bank after issuance of the LOA in accordance with Clause 3.6.3, subject to verification of such bank guarantee by the issuing branch of the Acceptable Bank.
- 5.2.4 The refund of the Bid Security submitted by an Eligible Bidder(s) shall be as under:
- 5.2.4.1 As and when documents required as per Clause 3.6.6.1 are submitted, then in accordance with the terms of the FSA the proportionate amount of Bid Security, corresponding to the Allocated Quantity of the Successful Bidder against which the documents required as per Clause 3.6.6.1 are submitted, shall be returned by the relevant Subsidiary to the Successful Bidder(s), without any interest, upon the expiry of 30 (thirty) days from the First Delivery Date of such Allocated Quantity, as defined in the FSA; and
- 5.2.4.2 the balance Bid Security of the Successful Bidder (net of amounts retained under Clause 5.2.4.1 above), if any, and the Bid Security of other Eligible Bidder(s) shall be returned by the Service Provider to the Successful Bidder or Eligible Bidder(s), as the case may be, without any interest, after Completion of the Auction Process.
- 5.2.4.3 The SOP for interest on delayed refunds/delay in return of Bank Guarantees shall be applicable as per CIL notice no. CIL/M&S/GM(F)/463 dated 29.11.2024 and/or any subsequent guideline issued/notified by CIL time to time.
- 5.2.5 The Bid Security shall be liable to be forfeited and appropriated *inter alia* in any of the events specified in Clause 5.2.6 or elsewhere in this Scheme Document. The Eligible Bidder, by participating in the Auction Process pursuant to this Scheme Document, shall be deemed to have acknowledged and confirmed that CIL and the relevant Subsidiary will suffer loss and damage on account of any default by the Eligible Bidder during the period of Auction. No relaxation of any kind on Bid Security shall be given to any Eligible Bidder.
- 5.2.6 The Bid Security shall be forfeited as damages without prejudice to any other right or remedy that may be available to CIL and/or the relevant Subsidiary under the Scheme Document and/or under the FSA, or otherwise, under, *inter alia*, the following conditions:
- 5.2.6.1 the Bid, information, documents, and/or payments with respect to the Conditions to Auction are determined to be non-responsive in terms of Clause 3.6.7;

- 5.2.6.2 if a Bidder engages in Corrupt Practice, Fraudulent Practice, Coercive Practice, Undesirable Practice or Restrictive Practice as specified in Clause 7 of this Scheme Document;
- 5.2.6.3 in case a Successful Bidder, fails to, or does not fulfil, the conditions set out at Clause 3.6.4, Clause 3.6.5 and/or Clause 3.6.6 in the manner prescribed therein;
- 5.2.6.4 any assignment/transfer which is not in accordance with Clause 6.3;
- 5.2.6.5 the Bidder has been disqualified for any reason set out in Clause 6.6;
- 5.2.6.6 the Bidder has participated in the Auction, other than in accordance with the Scheme Document; and/or
- 5.2.6.7 the Bidder has breached confidentiality in terms of Clause 8.5.

### **5.3 Periodic Payments by the Successful Bidder(s)**

- 5.3.1 In addition to the payments specified in this Scheme Document, the Successful Bidder(s) shall be required to make periodic payments for the coal supplied under the FSA on the basis of the following formula:

*[(Aggregate of the Notified Price) and (the Winning Premium multiplied by the Notified Price)] multiplied by [the Allocated Quantity supplied under the FSA].*

- 5.3.2 The Winning Premium shall remain constant during the tenure of the FSA. The Notified Price may be reviewed by CIL semi-annually/periodically, and it may make such modifications as may be deemed appropriate. The price pursuant to any such modification shall be notified by CIL and such modification shall be regarded as an indexation. The Notified Price shall be payable in the manner contemplated in Clause 5.3.1 above over the tenure of the FSA.

#### ***Example 5***

Notified Price (Rs./tonne) <b>(A)</b>	1,475
Premium (Rs./tonne) <b>(B)</b>	200
Total Price Payable by Successful Bidder (Rs./tonne) <b>(C=A+B)</b>	1,675
% Premium over Notified Price (to remain constant) <b>(D=B/A)</b>	13.56%
<b>SCENARIO 1</b>	
Upward Revised Notified Price (Rs./tonne) <b>(E)</b>	1,700
Premium Payable @ 13.56% of Rs. 1,700 / tonne <b>(F=D*E)</b>	230.51
Total Price Payable by Successful Bidder after Price Revision (Rs./tonne) <b>(G=E+F)</b>	1,930.51
<b>SCENARIO 2</b>	
Downward Revised Notified Price (Rs./tonne) <b>(H)</b>	1,200
Premium Payable @ 13.56% of Rs. 1,200 / tonne <b>(I=D*H)</b>	162.71
Total Price Payable by Successful Bidder after Price Revision (Rs./tonne) <b>(J=H+I)</b>	1,362.71

- 5.3.3 The Successful Bidder(s) shall also be *inter alia* liable to pay the following pursuant to the FSA:
  - 5.3.3.1 all royalties, taxes, duties, cesses and such statutory levies due to the State Government,

Central Government and/or to any other statutory authority in connection with the supply, dispatch or delivery of the specified grade of coal; and

- 5.3.3.2 sizing charges, transportation charges up to the relevant delivery point, loading charges and such other charges as may be specified in the FSA and/or notified time to time by CIL/Coal company.

**5.4 Performance Security: Applicable for Cost Plus Source (for Successful bidders having/submitting PPA other than Long Term)**

- 5.4.1 The Successful Bidder of cost plus source, shall provide to the relevant Subsidiary, a Performance Security in the form of an irrevocable and unconditional guarantee from an Acceptable Bank, or in the form of a non-interest-bearing security deposit, for the performance of its obligations under the Agreement within such time as specified in Clause 3.6.4. The amount of Performance Security shall be computed as follows:

*Performance Security = {[Allocated Quantity of the Successful Bidder] multiplied by [6% of the aggregate of the floor Price and Winning Premium multiplied by (Notified/floor Price)]}.*

- 5.4.2 The Performance Security shall be provided to the relevant Subsidiary to the extent of the Allocated Quantity from such Subsidiary. The Performance Security, if provided in the form of a bank guarantee, shall remain valid till 3 (three) months from the date of expiry of the Agreement. The Performance Security, if provided in the form of a non-interest-bearing security deposit, shall be refunded to the Successful Bidder 3 (three) months after the date of expiry of the Agreement.

Successful Bidders will have option to submit the BG (as performance security) with initial validity of at least 5 years 3 months. The said BG should be extended/replaced to cover the remaining period of the tenure of the FSA tenure. The extended/replaced BG has to be submitted by the consumer at least 3 months prior to expiry of initial BG. In case of non-extension/non-replacement of initial BG, as required above, the instance will be considered as 'exit' from FSA and necessary penal provision including forfeiture Performance Security will be applicable.

- 5.4.3 The amount of Performance Security stipulated in Clause 5.4.1 is to be kept in full throughout the tenure of the agreement and shall be suitably revised in case of change in Price. In case the Performance Security was provided in the form of a bank guarantee, upon such revision, the Successful Bidder may:
- (a) provide a new bank guarantee issued by any Acceptable Bank for the revised value; 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.

Alternatively, the bank guarantee constituting the Performance Security may be suitably amended for the revised value. The revised/ amended/ top up bank guarantee shall be

provided within a period of 30 (Thirty) days of such revision.

In case the Performance Security was provided in the form of a security deposit, upon such revision;

- (a) the Successful Bidder shall deposit additional amount towards the security deposit; or
- (b) the relevant Subsidiary shall refund the excess value of the security deposit.

5.4.4 The Performance Security, if provided in the form of a bank guarantee shall be in substantially the form as provided in ***Annexure XIII***. The Performance Security, if provided in the form of a security deposit shall be non-interest bearing.

## **5.5 Forfeiture of Performance Security**

The Performance Security may be forfeited by the relevant Subsidiary in the manner specified in the Agreement.

## **6 Instructions to Bidders**

### **6.1 General Terms of Bidding**

- 6.1.1 Notwithstanding anything to the contrary contained in this Scheme Document, in the event of a conflict, the relevant provisions of the FSA when executed, shall have overriding effect.
- 6.1.2 Notwithstanding anything contained herein, in the event any non-compliance with respect to this Scheme Document comes to the knowledge or information of CIL/its Subsidiary(ies) upon or after the execution of the FSA, the rights and remedies envisaged under this Scheme Document shall subsist and shall be available to CIL/its Subsidiary(ies), in case such rights and remedies are not available to CIL/its Subsidiary(ies) under the FSA.
- 6.1.3 The Bid and all communications in relation to or concerning the Scheme Document, the Bid and the Auction are required to be in the English language.
- 6.1.4 The documents, including this Scheme Document and all attached documents, provided by CIL, are and shall remain or become the properties of CIL and are transmitted to the Bidders solely for the purpose of preparation and the submission of a Bid in accordance herewith. Bidders are required to treat all such information as strictly confidential and shall not use it for any purpose other than for preparation and submission of their Bid. The provisions of this Clause 6.1.4 shall also apply *mutatis mutandis* to the Bids and all other documents submitted by the Bidders in relation to the Bid, and CIL will not return to the Bidders any Bid, document or any information provided along therewith.
- 6.1.5 Any issuance of the LOA and execution of the FSA pursuant to this Scheme Document shall be subject to the terms hereof and any documents issued pursuant to this Scheme Document and/or any other document referred herein.
- 6.1.6 In the event of an enactment, promulgation, amendment or repeal of any statute, policy, decree, notice, rule or direction by any government instrumentality that would have an impact on the Auction Process, the LOA and/or the FSA, CIL/its Subsidiary shall be free to amend or repeal this Scheme Document, the LOA and/or the FSA without any liabilities or damages, whatsoever, payable to any Bidder.

### **6.2 Conduct of Auction**

- 6.2.1 The Auction shall be conducted as follows:
- (a) CIL shall notify the date and time of the Auction to the Bidders;
  - (b) The Eligible Bidder shall only be required to participate in the Auction Process under the digital signature of the Authorised Signatory(ies) of such Eligible Bidder; and
  - (c) The Bidder shall not, directly or indirectly or through an agent, engage or indulge in any Corrupt Practice, Fraudulent Practice, Coercive Practice, Undesirable Practice and/or Restrictive Practice during the Auction Process.

### **6.3 Assignment/Transfer**

The Bidder shall not, without the express prior written consent of CIL, assign to any Person,

any right, benefit, obligation or interest arising under or in respect of this Scheme Document.

#### **6.4 Cost of Bidding**

The Bidders shall be responsible for all of the costs associated with the preparation of their Bids and their participation in the Auction Process. CIL will not be responsible, or in any way be liable, for such costs, regardless of the conduct or outcome of the Auction Process.

#### **6.5 Verification of information by the Bidders**

It shall be deemed that by participating in the Auction Process, the Bidder has:

- 6.5.1 made a complete and careful examination of the Scheme Document and unconditionally and irrevocably accepted the terms thereof;
- 6.5.2 reviewed all relevant information provided by CIL, as may be relevant to the Auction Process;
- 6.5.3 satisfied itself about all matters regarding the Auction Process and this Scheme Document required for submitting an informed Bid in accordance with this Scheme Document and performance of all of its obligations hereunder;
- 6.5.4 acknowledged and agreed that inadequacy, lack of completeness or incorrectness of information provided in the Scheme Document or ignorance of any of the matters related to the Auction Process or the Lots hereinabove shall not be a basis for any claim for compensation, damages, extension of time for performance of its obligations, loss of profits etc., from CIL, or a ground for termination of the FSA by the Successful Bidder; and
- 6.5.5 agreed to be bound by the terms of this Scheme Document and the undertakings provided by it under and in terms hereof.
- 6.5.6 acknowledged and agreed that CIL shall not be liable for any omission, mistake or error in respect of any of the information provided or on account of any matter or thing arising out of or concerning or relating to the Scheme Document or the Auction Process, including any error or mistake therein or in any information or data given by CIL.

#### **6.6 Verification and Disqualification**

- 6.6.1 CIL and the relevant Subsidiary reserve the right to verify all statements, information and documents submitted by the Bidder and/or request for additional information/documents to be submitted by the Bidder in response to the Request for Submission of EOI and/or the Scheme Document and the Bidder shall, when so required by CIL or the relevant Subsidiary, make available all such information, evidence and documents as may be requested. Any such verification or lack of such verification by CIL or the relevant Subsidiary shall not relieve the Bidder of its obligations or liabilities hereunder nor will it affect any rights of CIL or the relevant Subsidiary thereunder.
- 6.6.2 Without prejudice to any other right or remedy that may be available to CIL or the relevant Subsidiary under the Scheme Document and/or the FSA, CIL and the relevant Subsidiary reserve the right to disqualify the Bidder, cancel the LOA and/or terminate the FSA, as the case may be, and to appropriate/forfeit the entire Bid Security or Process Fee, as the case may be, if:

- 6.6.2.1 at any time, a misrepresentation, fraud, inconsistency, error and/or omission on part of the Bidder is made or uncovered;
  - 6.6.2.2 the Bidder does not provide, within the time specified by CIL or the relevant Subsidiary, the documents/information sought by CIL or the relevant Subsidiary;
  - 6.6.2.3 the documents, information and/or payments submitted by the Bidder are not as per the prescribed formats, or do not contain all the information (complete in all respects) as requested in this Scheme Document and have not been submitted or paid in the manner stipulated in this Scheme Document;
  - 6.6.2.4 any act or omission of the Bidder results in breach of, violation of or non-compliance with the Policy, the LOA, the FSA, this Scheme Document and/or any other document referred therein or issued pursuant thereto or any Applicable Law relevant for the Auction Process;
  - 6.6.2.5 the Bidder has, directly or indirectly or through an agent, engaged or indulged in any Corrupt Practice, Fraudulent Practice, Coercive Practice, Undesirable Practice and/or Restrictive Practice during the Auction Process as specified in Clause 7 of this Scheme Document;
  - 6.6.2.6 existing linkage holders, having linkage(s) as on May 17, 2017, have surrendered/terminated or diluted their letter of assurance/fuel supply agreement to participate in this Auction;
  - 6.6.2.7 the Bid, information, documents and/or payments with respect to the Conditions to Auction are determined to be non-responsive in terms of Clause 3.6.7;
  - 6.6.2.8 the Successful Bidder, fails to or does not fulfil any of the conditions of Clause 3.6.4, Clause 3.6.5 and/or Clause 3.6.6, in the manner prescribed therein;
  - 6.6.2.9 any assignment/transfer which is not in accordance with Clause 6.3;
  - 6.6.2.10 at any time, any misrepresentation, fraud, inconsistency, error and/or omission in respect of the documents and/or information set out or provided in connection with the EOI and/or thereafter is made or uncovered; and/or
  - 6.6.2.11 the Bidder has breached confidentiality in terms of Clause 8.5.
- 6.6.3 In the event of any exercise of its rights by CIL under Clause 6.6.2, CIL may also, in its sole discretion, disqualify the Bidder from participating in any subsequent tranche of the Auction.

## **6.7 Amendment of the Scheme Document**

- 6.7.1 At any time prior to the Due Date, CIL may for any reason, whether at its own initiative or in response to clarifications requested by a Bidder, modify the Scheme Document by the issuance of an addendum and/or corrigendum and/or updated Scheme Document.
- 6.7.2 Any addendum and/or corrigendum and/or updated Scheme Document issued hereunder will be in writing and shall be accessible to all the Bidders and shall be deemed to be part of this Scheme Document.
- 6.7.3 In order to afford the Bidders a reasonable time for taking an addendum and/or corrigendum

into account, or for any other reason, CIL may, in its sole discretion, extend the Due Date in accordance with Clause 6.8.

## **6.8 Due Date and Extension**

- 6.8.1 The information, documents and payments pertaining to Conditions to Auction shall be submitted/uploaded by the Bidder at least 1 (one) business day prior (till 17:00 hours IST) to the date of the Auction of the Lot for which the Bidder intends to participate in accordance with the process specified in **Annexure VI (“Due Date”)**.
- 6.8.2 CIL may, in its sole discretion, extend the Due Date by issuing an addendum and/or corrigendum in accordance with Clause 6.7, uniformly accessible for all Bidders.
- 6.8.3 Any submission of information, documents and payments pertaining to the Conditions to Auction after the Due Date shall not be eligible for consideration and shall be summarily rejected.

## **6.9 Rejection**

- 6.9.1 Notwithstanding anything contained in this Scheme Document, CIL reserves the right to reject any Bid and/or to annul the Auction Process relating to one or more Lots and reject all Bids at any time without any liability or any obligation for such acceptance, rejection or annulment and without assigning any reasons thereof.
- 6.9.2 CIL reserves the right not to proceed with the Auction Process at any time, without notice or liability, and to reject any Bid without assigning any reasons.
- 6.9.3 Without prejudice to the generality of the foregoing, CIL reserves the right to reject any Bid or any Bidder’s participation in the Auction on any criteria specified in this Scheme Document, including without limitation, the following:
  - 6.9.3.1 Bidder has not submitted all the documents, information, payments and/or details listed in this Scheme Document in the manner prescribed in the Scheme Document;
  - 6.9.3.2 the information, documents and/or payments with respect to the Conditions to Auction are determined to be non-responsive in terms of Clause 3.6.7;
  - 6.9.3.3 Bidder has not submitted the Bid Security and/or the Process Fee;
  - 6.9.3.4 Bidder has participated in the Auction, other than in accordance with the Scheme Document;
  - 6.9.3.5 existing linkage holders, having linkage(s) as on May 17, 2017, have surrendered/terminated or diluted their letter of assurance/fuel supply agreement to participate in this Auction;
  - 6.9.3.6 Bidder has, directly or indirectly through an agent, resorted to any unfair means and/or engaged in a Corrupt Practice, Fraudulent Practice, Coercive Practice, Undesirable Practice or Restrictive Practice as specified in Clause 7 of this Scheme Document; and/or Bidder has breached confidentiality in terms of Clause 8.5.



## **7 Fraud and Corrupt Practices**

- 7.1 The Bidders and their respective officers, employees, agents and advisers shall observe the highest standard of ethics during the Auction Process, and subsequent to the issue of the LOA, and during the subsistence of the FSA. Notwithstanding anything to the contrary contained herein, or in the LOA and/or the FSA, CIL may reject a Bid or any Bidder's participation, cancel the LOA and/or terminate the FSA, as the case may be, without being liable in any manner whatsoever to the Bidder, the Eligible Bidder, or the Successful Bidder, as the case may be, if CIL determines that the Bidder, the Eligible Bidder, or the Successful Bidder, as the case may be, has, directly or indirectly or through an agent, engaged in Corrupt Practice, Fraudulent Practice, Coercive Practice, Undesirable Practice and/or Restrictive Practice in the Auction Process. In such an event, CIL shall be entitled to forfeit and appropriate the Bid Security and/or the Process Fee, as the case may be, as damages, without prejudice to any other right or remedy that may be available to CIL under the Scheme Document and/or the FSA, or otherwise.
- 7.2 Without prejudice to the rights of CIL under Clause 8 and under the LOA or the FSA, or otherwise if a Bidder, the Eligible Bidder, or the Successful Bidder, as the case may be, is found to have directly or indirectly or through an agent, engaged or indulged in any Corrupt Practice, Fraudulent Practice, Coercive Practice, Undesirable Practice and/or Restrictive Practice during the Auction Process, or after the issuance of the LOA or the execution of the FSA, such Bidder, Eligible Bidder, or Successful Bidder, as the case may be, shall be disqualified from participating in the subsequent tranche of Auction conducted by CIL.
- 7.3 For the purposes of this Clause 7, the following terms shall have the meaning hereinafter respectively assigned to them:
- 7.3.1 **“Corrupt Practice”** means (i) the offering, giving, receiving, or soliciting, directly or indirectly, of anything of value to influence the actions of any Person connected with the Auction Process (for avoidance of doubt, offering of employment to or employing or engaging in any manner whatsoever, directly or indirectly, any official of CIL/its subsidiaries who is or has been associated in any manner, directly or indirectly, with the Auction Process or the LOA or has dealt with matters concerning the FSA or arising therefrom, before or after the execution thereof, at any time prior to the expiry of 1 (one) year from the date such official resigns or retires from or otherwise ceases to be in the service of CIL/its subsidiaries, shall be deemed to constitute influencing the actions of a Person connected with the Auction Process); (ii) save and except as permitted under this Scheme Document, engaging in any manner whatsoever, whether during the Auction Process or after the issuance of the LOA or after the execution of the FSA, as the case may be, with any Person in respect of any matter relating to the Auction Process or the LOA or the FSA, who at any time has been or is a legal, financial or technical adviser of CIL in relation to any matter concerning the Auction Process; or (iii) resorting to any unfair means whether during the Auction Process or after the issuance of the LOA or after the execution of the FSA, as the case may be, to derive any undue benefit or advantage for any Person that would not have otherwise been available in accordance with the terms of the Scheme Document;
- 7.3.2 **“Fraudulent Practice”** means a misrepresentation or omission of facts or suppression of facts or disclosure of incomplete facts, in order to influence the Auction Process;
- 7.3.3 **“Coercive Practice”** means impairing or harming, or threatening to impair or harm, directly or indirectly, any person or property to influence any Person's participation or

action in the Auction Process;

- 7.3.4 **“Undesirable Practice”** means (i) establishing contact with any Person connected with or employed or engaged by CIL with the objective of canvassing, lobbying or in any manner influencing or attempting to influence the Auction Process; (ii) having a conflict of interest; or (iii) violating of any Applicable Law; and
- 7.3.5 **“Restrictive Practice”** means forming a cartel or arriving at any understanding or arrangement among Bidders with the objective of restricting or manipulating a full and fair competition in the Auction Process, including but not limited to anti-competitive practices such as collusion, bid rigging and/or cartelization.

## **8 Other Provisions**

- 8.1 The Auction Process shall be governed by, and construed in accordance with, the laws of India and any dispute arising out of or in connection with this Scheme Document shall be subject to the exclusive jurisdiction of the courts in Kolkata, India.
- 8.2 CIL, in its sole discretion and without incurring any obligation or liability, reserves the right, at any time, to:
- 8.2.1 suspend and/or cancel the Auction Process with respect to Coal Linkages from one or more Lots and/or amend and/or supplement the Auction Process or modify the dates or other terms and conditions relating thereto;
- 8.2.2 consult with any Bidder in order to receive clarification or further information;
- 8.2.3 retain any information and/or evidence submitted to CIL by, on behalf of, and/or in relation to any Bidder; and/or
- 8.2.4 independently verify, disqualify, reject and/or accept any and all submissions or other information and/or evidence submitted by or on behalf of any Bidder.
- 8.3 It shall be deemed that by participating in the Auction, the Bidder agrees and releases CIL, its employees, subsidiaries, agents and advisers, irrevocably, unconditionally, fully and finally from any and all liability for claims, losses, damages, costs, expenses or liabilities in any way related to or arising from the exercise of any rights and/or performance of any obligations hereunder, pursuant hereto and/or in connection with the Auction Process and waives, to the fullest extent permitted by Applicable Laws, any and all rights and/or claims it may have in this respect, whether actual or contingent, whether present or in future.

### **8.4 Proprietary data**

All documents and other information supplied by a Bidder to CIL shall remain or become the property of CIL. It will not return any Bid or any information provided by the Bidder.

### **8.5 Confidentiality**

- 8.5.1 Any document/information relating to this Scheme Document and/or any document/information provided to the Bidder(s) pursuant to this Scheme Document, including but not limited to, the Bid(s) or any document/information relating to the examination, clarification, evaluation and recommendation of the Bidder(s), shall not be disclosed by any Bidder to any other Person. The Bidder shall treat all documents, information and/or material as confidential and shall ensure and require that all those

who have access to such documents, information and/or material to treat the same as confidential.

- 8.5.2 Each Bidder is expressly prohibited from communicating, directly or indirectly, with any other Bidder and/or any other Person in respect of or in relation to this Scheme Document and/or the Auction Process, at all times prior to, during or after the Auction Process.
- 8.5.3 Any breach, violation or non-compliance with the provisions of this Clause 8.5 shall entitle CIL to disqualify such Bidder, forfeit the Bid Security and/or the Process Fee in accordance with the terms of this Scheme Document and seek other remedies in accordance with Applicable Law.
- 8.5.4 Electronic Bank Guarantee(e-BG): In case of requirement of submission of Bank Guarantee for different purposes mentioned in the Scheme/FSA document, the bidder may use the additional facility of e-Bank Guarantee(e-BG) in terms of the SOP and other guidelines notified/updated time to time by CIL/Coal companies.

**Annexure I**  
**Model Form of the FSA**

*(To be uploaded separately)*

**Annexure II**  
**Format of EOI**

*(In the format set out in the Electronic Platform)*

**Annexure III**  
**Format of Affidavit cum Indemnity Bond**

*(To be stamped in accordance with the relevant Stamp act and duly sworn before Notary public/Magistrate)*

**(In case of Name Change Stamp Paper to be purchased in the name of the New Entity)**

Date:

**Sub: Affidavit cum Indemnity Bond**

**SHAKTI B(iii) Linkage Auction**

1. Bidder Id/Registration no.:

2. Name of Service Provider:

3. Plant/unit details:

[Name/Address/Capacity & unit details]

4. Policy & round details: B(iii) & round ...(month...)

5. Notice of relevant round of auction: Reference/Notice... dated....

6. Scheme details:

7. Bid details: [Auction window details/subsidiary/Source(Primary/Secondary) & coal company/Mode/Grade(s)/Size/Notified Price/Bid price/Winning premium%](insert details as relevant and applicable, or as per Bid outcome in Schedule 1)]

Dear Sir,

With reference to the above mentioned, I/we -----aged -----years, resident of -----working as -----an Authorised Signatory on behalf of ----- (name of Bidder) having its registered corporate office at [insert address of the Purchaser] (hereinafter referred to as the “Bidder”/ “Purchaser” and “Indemnifier”) hereby state, certify, undertake and confirm as follows in favour of M/s Coal India Limited/Coal company[herein under referred as Seller](insert name of Seller) (hereinafter referred to as the ‘Indemnified’) having its registered office at [insert address of the Seller].:

1. I, Mr./Ms. [ ], the undersigned, am duly authorised to represent and act on behalf of [insert name of the Bidder/Purchaser] and having reviewed and understood all information provided in the Scheme Document/ the Notice/Notice Inviting Registration/ model Fuel Supply Agreement, as the case may be, and having considered all relevant information/documents, do hereby express our continued interest in the Allocation/Auction as under
2. I say that I am the [insert designation of the deponent] of the Bidder/Purchaser. I am conversant with the facts and circumstances surrounding the subject of this Affidavit cum Indemnity Bond and have been authorized to sign this Affidavit cum Indemnity Bond the power of attorney dated [insert].
3. I am submitting this Affidavit cum Indemnity Bond to place on record veracity of facts and documents submitted in connection with the Auction Process/Process or agreement for supply of coal as mentioned in the Scheme/FSA/LOA/other documents or notices or references mentioned above, as it be.
4. I certify and confirm that all the Eligibility Conditions (specified in Clause .... of the Scheme Document) required for participation in the Auction Process and/or the conditions for signing of FSA/other relevant documents for supply of coal have been satisfied and met and Undertaking provided by us is true and accurate in all respects. *(Delete in case not applicable)*
5. I/we certify all information provided by us to CIL/Subsidiary/Service Provider [insert name] is and shall be true and correct and no information has been concealed/omitted which may render such information as misleading. I/we submit that on any document submitted by us, if it is discovered subsequently that any such document or declaration was false, misleading or incorrect, then we

understand that any action may be taken against us as envisaged in the Scheme/FSA/other Documents and/or under the law/rule/policy of GOI including, inter alia, including but not limited to disqualification from further participation in Auction/allocation of coal linkage, as the case may be.

6. I/we undertake that due to any change in facts or circumstances or the Applicable Laws during the tenure of Auction/Allocation of linkage, if we are disqualified, we shall intimate CIL/Subsidiary [insert name] of the same immediately.
7. I/we have examined the terms of the Scheme/model FSA and other relevant Documents and do hereby unconditionally and irrevocably accept, agree and acknowledge the terms thereof including addendum and/or corrigendum to Scheme/model FSA Documents issued by CIL/Coal company. I/we undertake to accept policy or guideline issued by GOI or notification/guideline issued by CIL/coal companies during the allocation/auction process or after signing of FSA.
8. I/we acknowledge that CIL/Coal company/Auction Service provider (as applicable) relies on the information and documentation provided by us during the Auction Process for determination of the Successful Bidder/post auction for the purpose of signing of FSA or during the process of allocation of linkage/for the purpose of signing the FSA. *(Delete in case not applicable)*
9. I/we undertake that all documents submitted by us (digitally/physically) are complete, accurate and correct. I/we also hereby certify & confirm accuracy & validity of all relevant documents, required for running the operation of the plant, coal supply and its utilization or discharge of Performance Security, as the case may be. We hereby also undertake that all the documents / clearances required for running of the aforesaid EUP plant, are/ shall remain valid, as per relevant Acts/ rules/ notifications issued by concerned State/ Central Govt. and the Seller shall not be liable in whatsoever manner, in case any discrepancy surfaces or is detected at a later stage.
10. I/we undertake to make available to CIL/Subsidiary [insert name] any additional information if necessary or required to supplement or to authenticate our Bid/eligibility to submit the Bid/linkage, as the case may be.
11. CIL/Subsidiary [insert name] may, in its sole, absolute and unfettered discretion, reject or accept our Bid/Linkage. CIL/Subsidiary [insert name] shall have the right to reject our Bid/Linkage without assigning any reason or otherwise and we hereby waive, to the fullest extent permitted by Applicable Law, our right to challenge the same on any account whatsoever.
12. I/we shall not be engaged in or indulge in, either directly or indirectly or through an agent, any Corrupt Practice, Fraudulent Practice, Coercive Practice, Undesirable Practice or Restrictive Practice, as per Scheme/Model FSA/relevant Documents and have taken steps to ensure that no person acting for us or on our behalf has engaged or will engage in such Practices  
*[In case of auction based mechanism (delete if not applicable): we understand that CIL/Subsidiary [insert name] may cancel/ modify the Auction Process at any time and that CIL/Subsidiary [insert name] is neither bound to accept any Bid(s) that it may receive nor to invite the Bidders to Bid for Coal Linkages from the Lots, without incurring any liability to the Bidders, in accordance with the Scheme Document. We shall not, in any case, have any claim or right of whatsoever nature if the Link Quantity is not allocated to us or our Bid is not accepted];*
13. I/we hereby irrevocably waive any right or remedy which we may have at any stage at law or otherwise arising to challenge or question any decision taken by CIL/Subsidiary [insert name] in connection with selection of the Successful Bidder or in connection with the Auction/Allocation Process itself and the terms and implementation thereof
14. I/we shall continue to comply with the terms and conditions of the Scheme/FSA Document and/or the Intimation Letter/LOA and all Applicable Laws and to furnish corresponding performance security/Bid security amounts, as the case may, and provide and continue in full such security as required therefor.

15. I/we understand that the Scheme Document is governed by Applicable Laws being in force in India.
16. I/we irrevocably agree to indemnify and hold harmless the Indemnified for any liability, loss, damages arising on account of the following:
  - a. name change of the bidder or indemnifier and for any false statement in the present Affidavit dated *[insert date]*.
  - b. non-compliance of any law, rules and regulations and any consequential liability arising out of such non-compliance in relation to the *[insert explanation for change of name event]*.
  - c. any false information furnished to the Indemnified or any misrepresentation/wilful omission of facts by the Indemnifier and any consequential liability arising out of such false/incorrect information furnished to the Indemnifier.
  - d. any loss or damage caused to the Indemnified due to any act/omission/ misrepresentation of the Indemnifier in relation to the *[insert explanation for change of name event]*
17. We agree to indemnify and hold harmless to the Supplier against any loss, damage, or liability arising out of or in connection with the Company's non-compliance with any terms and conditions of the Fuel Supply Agreement/Scheme/other relevant documents including any claims, suits, or proceedings initiated against the Purchaser as a result of such non-compliance.
18. This indemnity bond shall remain in force for the entire duration of the Auction/Allocation process and tenure of the Fuel Supply Agreement & utilization period thereof or until all obligations under the Agreement have been fully satisfied.
19. This Affidavit Cum Indemnity Bond shall be binding upon us as bidder/ purchaser and Indemnifier including its successors, and assigns.
20. This document shall be governed by & construed in accordance with the laws of *[Jurisdiction]*.
21. I represent that I have the authority to execute this Affidavit Cum Indemnity Bond on behalf of the Company and that all statements made herein are true and correct.
22. I, *[insert]*, the *[insert designation of the deponent]* of the Bidder/ Purchaser & Indemnifier above named, having my office at *[insert]*, do hereby state that the facts and undertakings in paragraphs *[insert]* to *[insert]* are true and correct and no part of it is false and nothing material has been concealed

Solemnly affirmed and verified on this *[insert]* day of, *[insert]*, *[insert]* at *[insert place]*.

Signature of the Authorised Signatory:

Name and designation of the Authorised Signatory:

Name of the Bidder and Indemnifier:

Stamp of the Bidder and Indemnifier:

Date:

Place:

Witness:

1. Signature with Name, Designation & Address
2. Signature with Name, Designation & Address
- 3.



**Annexure IV**  
**Power of Attorney**

*(To be stamped in accordance with the relevant Stamp Act and notarized)*

Know all men by these presents, We, [●], (*name and address of the registered office*) do hereby irrevocably constitute, nominate, appoint and authorise Mr./Ms [●], son/daughter/wife of [●] and presently residing at [●], who is presently employed with us and holding the position of [●], as our true and lawful attorney (hereinafter referred to as the “**Attorney**”) to do in our name and on our behalf, all such acts, deeds and things as are necessary or required in connection with or incidental to participation in the auction process, in response to documents, including but not limited to, the Notice Inviting Registration dated *September 01, 2025* (“**Notice Inviting Registration**”), the Request for Submission of EOI for auction of coal linkages for Power Producers/PPAs without PPAs uploaded on *September 01, 2025* (“**Request for Submission of EOI**”), the Scheme Document of *September 2025* and any other document(s) issued by Coal India Limited (“**CIL**”) in this regard (collectively referred to as the “**Documents**”) including but not limited to signing (including through affixation of digital signatures) and submission of all applications, affidavits, bids and other documents and writings, participate in bidders’ and other conferences and providing information/responses to CIL, representing us in all matters before CIL, and generally dealing with CIL in all matters in connection with or relating to or arising out of our bid for the coal linkages and/or upon award thereof to us and/or till the entering into of the fuel supply agreement with the relevant subsidiary.

AND we hereby agree to ratify and confirm and do hereby ratify and confirm all acts, deeds and things done or caused to be done by our said Attorney pursuant to and in exercise of the powers conferred by this power of attorney and that all acts, deeds and things done by our said Attorney in exercise of the powers hereby conferred shall and shall always be deemed to have been done by us.

All capitalized terms used but not defined herein shall have the meanings ascribed to them in the Documents.

IN WITNESS WHEREOF WE, [●], THE ABOVE NAMED PRINCIPAL HAVE EXECUTED THIS POWER OF ATTORNEY ON THIS [●] DAY OF [●], 20[●]

For [●]

(Signature, name, designation and address)

Witnesses:

- 1.
- 2.

Accepted Notarised

(Signature, name, designation and address of the Attorney)

Notes:

- *The power of attorney to be submitted by the Bidder shall substantially be in the format set*

*out above.*

- *The mode of execution of the power of attorney should be in accordance with the procedure, if any, laid down by the Applicable Law and the charter documents of the executant(s) and when it is so required, the same should be under common seal affixed in accordance with the required procedure.*
- *Wherever required, the Bidder should submit for verification the extract of the charter documents and documents such as a board or shareholders' resolution authorizing the execution of this power of attorney.*
- *For a power of attorney executed and issued overseas, the document will also have to be legalised by the Indian Embassy and appropriately notarised in the relevant jurisdiction. However, the power of attorney provided by Bidders from countries that have signed the Hague Legislation Convention, 1961 are not required to be legalised by the Indian Embassy if it carries a conforming apostille certificate.*
- *The power of attorney must be issued in the name of the person whose digital signature would be used to sign the documents on the Electronic Platform.*

**Annexure V  
Deleted**

**Annexure VI  
Technical Details with respect to electronic auction**

**1. Registration Methodology**

In order to participate in the auction of Coal Linkages, a Bidder would be required to register its Specified End Use Plant with the e-auction website of MJUNCTION SERVICES LIMITED Limited (“**MJUNCTION SERVICES LIMITED**”). For this, the Bidder should visit the website of MJUNCTION SERVICES LIMITED namely <https://auction.coaljunction.com/CoalWeb/getLinkageSignUpAction.do> and click on the button “**Registration**”.

On the next page, the Bidder shall click on the link “Register as Bidder” and an online Registration Form will appear on the screen and the Bidder would be required to fill up the same. During this process, Bidder would be required to create its “user id” and “password” and keep note of the same. Bidder should ensure that the secrecy of its user id and password is maintained at all time and Bidder shall alone be responsible for any misuse of the user id and password. Bidder may also refer to the “Bidder’s Guide” available online in the above mentioned website for assistance. The Bidder shall ensure that the entries made while filling up the Form are correct including the name of the Specified End Use Plant and should select the correct sub-sector name from the dropdown menu.

The Bidder registration on the Electronic Platform shall be linked to Specified End Use Plant and each Specified End Use Plant may be registered only once on the Electronic Platform. It must be noted that separate registrations are required to be made for individual Specified End Use Plant and not for individual units within the same Specified End Use Plant. Power plant units located within the same plant boundary are allowed to be registered as one Specified End Use Plant. However, once the units are combined and registered as single Specified End Use Plant, they cannot be split subsequently.

Bidder should read carefully the **GENERAL TERMS & CONDITIONS OF e-AUCTION** and **BIDDER SPECIFIC TERMS & CONDITIONS (BSTC)** before submitting the Registration Form.

On successful submission of the online registration Form, Bidder shall receive a confirmation e-mail at the registered email address advising the Bidder to submit the following documents:

1. Self-attested Income Tax PAN Card. In case of a registered Company or Firm, the Firm's PAN card and in case of a proprietorship firm, proprietor's personal PAN card is required. In case of partnership firm, PAN of the firm and that of the authorized partner are to be submitted.
2. Self Attested Certificate mentioning GST Number
3. Copy of the confirmation email Letter received from MJUNCTION SERVICES LIMITED after successful completion of on-line registration and containing buyer registration details of the Bidder.

4. A non-refundable registration fee of Rs 10,000/- plus GST to be paid by NEFT through Payment Gateway available in the portal after registration for buyers who are not registered in MSTC

The Bidder shall have to submit all the above documents along with the details of the payment made towards Registration Fee like UTR No, remitting bank name, date of payment and amount to MJUNCTION SERVICES LIMITED for verification and activation of their login ids. The Bidder should send scanned copies of the above documents to the designated email id only which is given below.

**coaljunction@mjunction.in**

Once the scanned documents and requisite registration fee are received from the Bidder, MJUNCTION SERVICES LIMITED shall activate Bidder's login after verification/scrutiny of the documents. MJUNCTION SERVICES LIMITED reserves the right to call for additional documents from the Bidder if needed and the bidder shall be obliged to submit the same.

On completion of the above stated registration process, a Bidder shall be able to login to MJUNCTION SERVICES LIMITED's website.

It may be noted that Bidders need not visit any of the offices of MJUNCTION SERVICES LIMITED for submission of the aforementioned documents.

## **2. Submission of EOI (Expression of Interest)**

To submit EOI, a registered bidder has to login to web site <https://auction.coaljunction.com/CoalWeb/getLinkageWelcomeAction.do> with its user id and password and click on the link Upload/Edit EOI. The bidder shall then mention the number of files it wishes to upload and submit. The bidder shall then give brief description of the files and browse the files and click on Upload File button. It may be noted that only pdf files can be uploaded. A bidder may upload files under this link in multiple sessions within the time specified for EOI submission. A bidder may also delete any uploaded file. Bidders may also refer to the Bidder's Guide available on the said website. The name of the Bidder who has submitted its EOI shall not be visible to other Bidders on the Electronic Platform.

## **3. Payment towards Bid Security and Process Fee**

The Bidders shall have to deposit Bid Security before non-discriminatory ascending clock Auction Process to MJUNCTION SERVICES LIMITED. The Bid Security shall be Rs. 100/- per tonne of the Link Quantity that the Bidder is willing to bid for. In addition, the Bidder shall also have to deposit a Process Fee of Rs. 30 per tonne of coal that it intends to bid for. Thus, the Bidders shall have to pay Rs. 130 per tonne of the Link Quantity that it intends to bid for.

To deposit the Bid Security and the Process Fee, the Bidder shall login and click on the link "e-Payment" and fill up the RTGS Application Form. The Bidder should fill up the amount that it wishes to deposit and transfer the amount through RTGS only. Bid Security and Process Fee shall not be acceptable in any other mode. Details of designated bank

account for payment of Bid Security and Process Fee would be made available in the portal. Bidders are requested to follow the Bid Security and Process Fee deposition processes for their reference.

It is further clarified that the Credit Account No contains and represents bidder's registration number (indicated by #) with MJUNCTION SERVICES LIMITED portal for coal linkage auction.

After remitting the amount, the Bidder shall have to send an intimation to MJUNCTION SERVICES LIMITED giving details of the payment made including Bidder Registration No, UTR No, amount, date of remittance, remitting bank etc., so that the payment can be traced at the end of MJUNCTION SERVICES LIMITED with the identity of the Bidder. Such intimation should be sent to the following email address only.

[coaljunction@mjunction.in](mailto:coaljunction@mjunction.in)

It may be noted that intimation about the payment made must be sent to the above email address at least one Business day prior to the scheduled auction of the Coal Linkages from the Lot in which the Bidder intends to participate. In the absence of the intimation, payment made shall not be considered.

Bidders are advised to deposit the payment towards Bid Security and the Process Fee well in advance prior to the scheduled auction of the Coal Linkages from the said Lot. It should be noted that the payments received by MJUNCTION SERVICES LIMITED in their designated bank account only up to at least one Business day prior to the scheduled auction of the Coal Linkages from the said Lot will be considered. Payment received on the day of auction for a particular Lot shall not be considered for the same day's auction. Bidders are also advised to ensure that the payment towards Bid Security and Process Fee is submitted by the Bidder from their bank accounts so that the identity of the remitter of the payment is correctly established at the end of MJUNCTION SERVICES LIMITED. CIL and/ or MJUNCTION SERVICES LIMITED shall not be responsible if the identity of the remitter of the payment can't be established correctly and for any subsequent loss to any Bidder.

### **Calculation of Bid Security and Process Fee:**

If a Bidder wishes to bid for Q (tonne) quantity of coal for a Specified End Use Plant, then it must have a balance Bid Security plus Process Fee of Rs. 130 Q before the start of the auction. For example, if a Bidder wishes to bid for 1,00,000 tonnes of coal, it must have a balance Bid Security plus Process Fee amount of Rs. 1,30,00,000/- before the start of auction.

### **Submission of Scanned Copies of Documents as per Clause 4.1.3**

Bidders shall upload the scanned copies of the following documents on the Electronic Platform:

- a. an EOI and the supporting documents as per Request for submission of EOI dated [*insert*]; through the link Upload/Edit EOI.
- b. an affidavit cum indemnity in the format set out in ***Annexure III***;

- c. a power of attorney in the format set out in ***Annexure IV***;
- d. Certified true copy of the relevant authorizations authorizing the execution of power of attorney e.g. letter of authority, resolution of the board of directors, resolution of the shareholders etc.; and

In order to upload the above documents (except EOI), the Bidder shall have to click on the link “Upload Documents” provided under their logins and upload the appropriate files against the options given therein.

#### **4. Bid Submission**

The Bidder who satisfies the Conditions to Auction i.e. submits the required information, documents and make payment towards Bid Security and Process Fee, can participate in the non-discriminatory ascending clock auction process. For this, the Bidder shall login to the above mentioned website of MJUNCTION SERVICES LIMITED and click on the link “Click for Auctions” followed by “Live Auctions”. The Bid Floor shall display inter alia the balance Bid Security plus Process Fee and the maximum quantity of coal that the Bidder can bid for the particular grade of coal. The Bid Floor will also display the start time of e-auction, the number of the auction round, the premium for the auction round, the offered quantity of coal per annum, the grade and other details of offered coal etc. The Bidder shall quote its required quantity of coal per annum (Link Quantity) in the space provided for the same and click on the BID button. The Bidder shall have to sign the bid that it intends to submit with its registered Digital Signature Certificate (DSC). The Link Quantity should be less than or equal to the maximum quantity of coal that the Bidder can bid for the particular grade of coal and the balance Bid Security plus Process Fee of the Bidder should be sufficient for the quantity quoted.

The first round of auction will be of 15 mins followed by subsequent round(s) of 8 mins each. There will be no time gap between two consecutive auction rounds for the same Lot. The Bidder shall have to submit its Bid within the stipulated time of any auction round. Bids received at the server before the expiry of the auction round time, as per server time, only will be considered as valid and will be recorded for further action. Therefore, Bidders are advised to submit their Bids well before the expiry of the stipulated time of the auction round and not wait for the last moment to submit their Bids. CIL and/ or MJUNCTION SERVICES LIMITED shall not be responsible for non-recording of any Bid due to delay in submission of Bid by any Bidder or due to delayed receipt of Bid in the server of MJUNCTION SERVICES LIMITED. In case of any complaint or dispute regarding this, the data available at the server of MJUNCTION SERVICES LIMITED shall be final and binding on the Bidders.

In round 1 of the auction, the premium shall be Rs. zero/ tonne. Thereafter, the premium of the subsequent auction rounds will be increased depending on the demand registered in the previous auction round (as per rule set out in Clause 3.6.2 of the Scheme Document). The Bidder may note that it is entitled to submit only one Bid in an auction round. Bid once submitted in an auction round can't be edited/ modified/ amended/ changed/ recalled. Hence, Bidders are advised to exercise extreme caution while bidding so as to avoid making any mistake. Bidders are also advised to protect the secrecy of their login id and password because Bid recorded against any user id or login id will be deemed

to have been submitted by the Bidder concerned. No representation/ complaint stating the misuse/ unauthorized usage of login id and password will be entertained at any stage.

Bidders may further note that bidding in subsequent auction rounds is allowed only for such bidders who have quoted a non-zero quantity in the immediately preceding auction round. A Bidder is not allowed to increase its Link Quantity in subsequent auction rounds but can quote the same or less Link Quantity in the subsequent auction rounds. Hence, in their own interest, Bidders may quote their desired maximum quantity (subject to Bid Security plus Process Fee and maximum permissible quantity) in the first auction round itself.

### **Digital Signature Certificate**

A Bidder shall be required to possess a valid Digital Signature Certificate (DSC) of signing type to be able to submit its Bid in the electronic auction on MJUNCTION SERVICES LIMITED's website. For this purpose, the authorized person should possess a class III DSC of signing type from any Certifying Authority or their authorized agencies in India.

The Bidder shall have to register its DSC through the link Register/Verify DSC provided under the login of the Bidder. Bidders may note that only one user id will be mapped with a given DSC. One DSC can be used with multiple user ids provided the PAN for all such user ids are same. DSC once mapped with a particular user id of a Bidder will normally not be changed and therefore Bidders are advised to carefully select the DSC before registering the same on the Electronic Platform.

The registered DSC will only be used to digitally sign the Bids that the Bidder will submit online. No Bid will be accepted by the system which is not signed with the registered DSC. Therefore, Bidders are advised to register their DSCs well in advance to avoid any inconvenience during the bidding process.

It will be the sole responsibility of the Bidder to maintain the secrecy of the password for the Digital Signature Certificate. The Bidder and its Authorized Signatory shall be solely responsible for any misuse of the DSC and no complaint / representation in this regard shall be entertained at any stage by MJUNCTION SERVICES LIMITED / CIL.

The Bidder may note that the following configurations will be required to be undertaken in their Internet Explorer browsers for smooth functioning of the website and the e-auction portal.

The system requirements are as follows:

Minimum Software Requirement: Minimum Internet Speed: 2 Mbps;

Browser Versions: Microsoft Edge, Mozilla Firefox 46+; Google Chrome 99+

Valid Digital Signature Certificate

## **5. Contact Details**

Please note that [eauction.cil@coalindia.in](mailto:eauction.cil@coalindia.in) with copy to [eauction2.cil@gmail.com](mailto:eauction2.cil@gmail.com) will serve as official e-mail addresses for communication relating to the Auction Process.

The Bidders may contact the following officials of MJUNCTION SERVICES LIMITED Limited for seeking assistance on the login or registration process or any clarification regarding the Auction Process:

For Registration queries:-

Sl No	Name	Email	Mobile
1	Arup Basak	<a href="mailto:Arup.basak@mjunction.in">Arup.basak@mjunction.in</a>	9163348262
2	Arijit Paul	<a href="mailto:Arijit.Paul1@mjunction.in">Arijit.Paul1@mjunction.in</a>	9163348277
3	Vikash Ranjan	<a href="mailto:Ranjan.Vikash@mjunction.in">Ranjan.Vikash@mjunction.in</a>	9163348123

For Auction queries:-

Sl No	Name	Email	Mobile
1	Soumita Karmakar	<a href="mailto:Karmakar.Soumita@mjunction.in">Karmakar.Soumita@mjunction.in</a>	8584008139
2	Arindam Majumder	<a href="mailto:arindam.majumder@mjunction.in">arindam.majumder@mjunction.in</a>	9051200394
3	Shrabanti Chakraborty	<a href="mailto:C.Shrabanti@mjunction.in">C.Shrabanti@mjunction.in</a>	9163348072

The above details may be updated time to time with notification

Email ID for sending all coal linkage registration and general query: [coaljunction@mjunction.in](mailto:coaljunction@mjunction.in)

All capitalized terms used but not defined herein shall have the meaning ascribed to such term in the Scheme Document.



**Annexure VII**  
**Details regarding Link Quantity offered for each Lot and Sequence of Auction**

*(To be uploaded separately on a later date)*

<b>S. No.</b>	<b>Subsidiary Name</b>	<b>Source</b>	<b>Mode</b>	<b>Indicative Range of Grades*</b>	<b>Source Grade**</b>	<b>Quantity Offered (tonnes)</b>	<b>Notified Price (Rs./Tonne)</b>

*\*The Auction shall be conducted, and the Normative Coal Requirement shall be computed, on the basis of Source Grade. The actual supply pursuant to the FSA may vary between the range of grades, as applicable in respect of the Source from which the coal is actually supplied under the FSA and the terms of such supply shall be as set out in the FSA.*

*\*\*“Source Grade” for a Source, shall mean, the average/representative grade of that Source.*

*# Washery grades W-IV & below shall be considered equivalent to G-7 grade non-coking coal for the purpose of calculation or as per offer notification, as the case may be.*

**Annexure VIII**

**Applicable Coal Consumption Norms of CEA (to be used for self certified eligibility assessment by Bidder)**

Link: <https://cea.nic.in/thermal-project-planning-development-division/?lang=en>

[https://cea.nic.in/wp-content/uploads/tpp\\_\\_\\_\\_d/2024/03/Report\\_on\\_finalization\\_of\\_Norms\\_for\\_ACQ\\_for\\_TPPs-1.pdf](https://cea.nic.in/wp-content/uploads/tpp____d/2024/03/Report_on_finalization_of_Norms_for_ACQ_for_TPPs-1.pdf)

**Annexure IX  
Format of LOA**

**[To be issued by Auction Service Provider, on behalf of relevant Coal company,  
through digital/electronic mode]**

[insert place]  
Dated: [insert date]

To

[Name of Authorized Signatory]

[Name of Successful Bidder]

[Bidder ID]

[Name & Address of the Specified End Use Plant]

**Subject: Declaration of Successful Bidder pursuant to the Auction Process of SHAKTI  
B(iii) round 8**

Dear Sir/Madam,

Pursuant to the Scheme Document for auction of coal linkages to IPPs/Power Producers without PPAs dated [insert date] (“**Scheme Document**”), I am directed to declare M/s [insert name of the Successful Bidder] as the Successful Bidder for award of the quantity of coal specified in **Schedule 1**. This declaration is in pursuance of the provisions contained in the Scheme Document, fulfilment of the Conditions to Auction, and participation in the Auction and submission of the Bid by the Bidder in respect of the Specified End Use Plant [insert name].

Details of the Specified End Use Plant, the Allocated Quantity, the Winning Premium and other relevant details are set out in **Schedule 1**. The Allocated Quantity shall also be proportionately adjusted in accordance with the provisions set out under the Eligibility Conditions, particularly, Clause 4.1.1.2 of the Scheme Document. It is further clarified that, in accordance with Clause 4.1.1.2 of the Scheme Document, if the Purchaser gets a DISCOM certificate of having a valid PPA (prior to May 17, 2017), the Allocated Quantity shall be correspondingly reduced for the capacity of the Specified End Use Plant against which the Purchaser gets a DISCOM certificate of having a valid PPA (prior to May 17, 2017).

In accordance with Clause 3.6.4 of the Scheme Document, the Successful Bidder shall submit the documents and information specified in **Annexure X** to the relevant Subsidiary, within the timelines prescribed in Clause 3.6.4 of the Scheme Document.

Within 30 (thirty) days of fulfilment of all the conditions set out in Clause 3.6.4 of the Scheme Document to the satisfaction of CIL/the relevant Subsidiary, the Fuel Supply Agreement (“**FSA**”) shall be executed with the Successful Bidder in respect of the Allocated Quantity as set out in **Schedule 1**.

As per Clause 3.6.6.1 of the Scheme Document, the Successful Bidder is required to procure and

submit the following documents, within 2 (two) years of Completion of the Auction Process:

- (a) Valid PPA(s); and
- (b) Certificate(s) of DISCOM(s) in the format provided in **Annexure XI** of the Scheme Document.
- (c) NOC/certificate issued by CEA ascertaining the validation of PPA/ERC Approval along with the effective period of PPA

Coal drawal by the Successful Bidder shall be permitted only against submission of all documents set out in Clause 3.6.6.1 of the Scheme Document. In the event the Successful Bidder does not (i) submit the documents set out in Clause 3.6.6.1 of the Scheme Document within 2 (two) years of the Completion of the Auction Process; and/or (ii) start drawing coal within (two) years of submission of all the documents set out in Clause 3.6.6.1 of the Scheme Document, the corresponding FSA and/or the LOA, as the case may be, shall stand terminated, and the corresponding proportionate Bid Security and Process Fee shall be forfeited without an exception for force majeure or any other ground whatsoever.

The Successful Bidder shall be required to depute an Authorised Signatory to execute the FSA on its behalf. The Authorised Signatory deputed by the Successful Bidder should be present at the aforementioned time and place along with: (a) original documents confirming identity of such person along with a self-attested photocopy of the same; (b) true copy of power of attorney in favour of the Authorised Signatory to execute the FSA including the extract of the charter documents or documents such as a board or shareholders resolution authorizing the execution of such power of attorney and/or the FSA.

The Subsidiary may, at any time prior to execution of the FSA, determine whether the documents, information and/or payments in relation to the Conditions to Auction have been submitted or received from the Bidder in accordance with the requirements of this Scheme Document. The Subsidiary reserves the right to cancel this LOA, disqualify the Bidder and forfeit the Process Fee and/or the Bid Security and/or Performance Security (applicable for cost Plus Source-for bidder/purchaser submitting PPA other than Long Term) as per Clause 5 of the Scheme Document, if it is of the opinion that the requirements and conditions of the Scheme Document and the LOA, in this regard, have not been duly satisfied.

The Authorised Signatory shall also procure 2 (two) sets of non-judicial stamp papers of Rs. [insert] each for execution of the FSA and submit the same at the time of execution of the FSA.

This LOA is only indicative of the quantity allocated to you and any entitlement to such quantities of coal are subject to satisfaction of the conditions set out in the Scheme Document and the LOA, execution of the FSA in accordance with the provisions of the Scheme Document and satisfaction of the conditions prescribed in the FSA.

The terms of the Scheme Document are incorporated in this LOA by reference and form part of this LOA. The relevant Subsidiary shall be entitled to exercise all its rights and remedies as stipulated in the Scheme Document.

\_\_\_\_\_  
(Signatory)

Acknowledged and Accepted by:

(Signatory)

*Note:*

*The format of LOA set out hereinabove is merely indicative in nature. CIL/the relevant Subsidiary reserves the right to modify or amend the same at its sole and absolute discretion.*

*In the event that this LOA is not signed and the contents hereof are not acknowledged and accepted by the Successful Bidder within 30 (thirty) days hereof, the Successful Bidder shall no longer be entitled to receive the Allocated Quantity and we shall have the right to forfeit the Bid Security and the Process Fee.*

**Schedule 1: Details of Specified End Use Plant and Allocated Quantity**

**Name of Successful Bidder:** [Name of Successful Bidder]

**Bidder ID:**

**Details of Specified End Use Plant:**

<b>Name of Specified End Use Plant</b>	<b>Address</b>	<b>Capacity</b>

**Details of the EUP mentioned in the Self-Certified eligibility assessment provided in the EOI document:**

**Allocated Quantity under Auction and other details pertaining thereto**

<b><i>S. No.</i></b>	<b><i>Subsidiary Name</i></b>	<b><i>Source</i></b>	<b><i>Mode</i></b>	<b><i>Indicative Range of Grades</i></b>	<b><i>Source Grade &amp; equivalent non-coking grade, if any</i></b>	<b><i>Notified Price (Rs./Tonne)</i></b>	<b><i>Quantity Allocated (Tonne)</i></b>	<b><i>Winning Premium(%)</i></b>

**Annexure X**

**Documents to be submitted to the relevant Subsidiary prior to execution of the FSA**

1. Relevant Corporate Authorizations of the Successful Bidder for execution and performance of his obligations under the FSA such as:
  - (a) Notarised Power of Attorney (PoA); and
  - (b) Certified true copy of Board Resolution or Certified true copy of Shareholders Resolution etc.

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 FSA, a PoA authorizing such person to enter into the FSA on behalf of the Bidder has to be submitted in the format as provided in **Annexure IV** of this Scheme Document.

2. 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.
3. Self-attested copy of GSTIN and PAN number of the Successful Bidder.
4. Certificate of Date of Commercial Operation (COD) issued by CEA.
5. Documentation with respect to existing coal linkages, assurance of linkages and/or allocation of mine.
6. Balance life of each Unit of the Specified End Use Plant as certified by CEA.
7. Copy of Valid PPA document and NOC issued by CEA ascertaining the validation of PPA/ERC Approval along with the effective period of PPA [ In case PPA is not available at the time of signing of FSA, the NOC of CEA shall be required to be submitted along with PPA document]
8. Certificate of DISCOM (verification certificate)[ In case PPA is not available at the time of signing of FSA, the certificate shall be required to be submitted along with PPA document].
9. Affidavit cum Indemnity covering all formalities/provisions/documentations, as per Annexure-III
10. Declaration of the bidder regarding option for availing supply from Alternative source in case of cost-plus source, as per Annexure-XII

11. Performance Security/Risk Coverage Financial Guarantee (as applicable)- in case of cost-plus source for successful bidders having/submitting PPA other than Long term

**For Lifting of Coal**

1. Copy of valid PPA & NOC/certificate issued by CEA ascertaining the validation of PPA/ERC Approval along with the effective period of PPA

*Note: In case the validity of any of the documents submitted at the time of execution of the FSA expires, a valid document is required to be re-submitted at the commencement of lifting of coal*



**Annexure XI**  
**Certificate of DISCOM**

*Sub: Verification Certificate*

Pursuant to Paragraph B(iii) of the Scheme for Harnessing and Allocating Koyala (Coal) Transparently in India dated May 22, 2017 issued by the Ministry of Coal (“**Policy**”) and the amendment to the Policy dated March 25, 2019 (“**Amendment**”), we have verified the validity and enforceability of the following valid [*insert medium term and/or long term as applicable*] power purchase agreement(s) (“**PPA(s)**”), as set out in **Schedule I** below.

We hereby certify that, having regard to the provisions of the Policy and the Amendment, each of the above executed [*insert medium term and/or long term PPAs as applicable*] has been adopted or approved by the appropriate regulatory commission after May 17, 2017 and the Bidder meets the Basic Eligibility Criteria specified in the Request for Submission of Expression of Interest notified on *September 01, 2025* (“**Request for Submission of EOI**”).

\_\_\_\_\_  
(Signatory)  
(Stamp)

### **Schedule I**

1. Name of project/Specified End Use Plant			
2. Capacity (MW) and unit configuration			
3. Name of Developer as per Co. registration / Registration No.			
4. COD (Actual / Anticipated)			
5. Status of PPA			
5.1 Name of DISCOM / Lead Procurer (in case of more than one PPA details may be furnished separately for each PPA)			
5.2 If the PPA has been signed back to back with Trader the following details may be furnished.			
5.2.1 Name of the Trader			
5.2.2 PPA capacity (MW)			
5.2.3 Date of signing of PPA with Trader			
5.2.4 Tenure			
6. Capacity (MW) for which PPA has been signed either directly with DISCOM / Lead Procurer or through Trader as back to back (specify Gross capacity, in case of Net capacity approved Aux. consumption and Transmission loss if any shall be taken in to account)			
7. Tenure (Years)			
8. Date of signing of PPA with DISCOM			
9. Effective date of supply of Power as per PPA			
10. Actual date of supply of Power			
11. PPA valid up to (date) :			
12. Remaining period of the PPA in Years			
13. Source of coal as per PPA and adopted by Regulator			
14. If the PPA has been adopted by Regulator (Yes / No) and if Yes furnish date of adoption and effective date of PPA.			
15. If PPA signed through MoU or tariff based competitive Bidding			
16. In case PPA signed through MoU whether two part tariff or single part tariff or on variable cost etc.			
16.1 Fixed Charge and Variable Charge for 1 <sup>st</sup> year and levellised tariff to be furnished.		Fixed Charge	Variable Charge
	1 <sup>st</sup> Year		
	Levellised		
17 In case PPA signed through tariff based Competitive Bidding furnish the following:			
17.1 Whether competitive bidding is as per competitive bidding guidelines and standard bidding documents issued by MoP			

17.2 If not, furnished details about basis of competitive bidding			
17.3 Fixed Charge and Variable Charge for 1st year and levellised tariff to be furnished.		Fixed Charge	Variable Charge
	1 <sup>st</sup> Year		
	Levelling		

**Signature of Authorised Person  
of Project Developer**

**Date**

**Name**

**Designation**

**Seal**

**Signature of Authorised Person  
of DISCOM/Lead Procurer**

**Date**

**Name**

**Designation**

**Seal**

**Annexure XII**

**Declaration of the bidder regarding availing coal supply from Alternative source**  
(Applicable for Cost Plus Source)

Pursuant to the Scheme Document dated [insert date] (“**Scheme Document**”), I, ..... on behalf of M/s [Name of Successful Bidder], successful Bidder for award of the quantity of coal specified in ***Schedule 1***, declare the following:

[applicable for cost plus source, as primary source] Willing to take supply of coal from the Alternative Source (as per offer notification) in case the supply/schedule of production of Cost-Plus auctioned source is not sufficient to meet the linkage requirement of the Purchase: Yes or No.

[In case supply from Alternative source is opted, the supplementary agreement to the FSA will be signed.]

Yours faithfully,

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

Date:  
Place:

### Annexure XIII– Format of Performance Security

(Applicable for Cost Plus Source- for successful bidders having/submitting PPA other than Long term)

[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 in the [insert SHAKTI B(iii) Round-8] 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 [insert name of the signatory] 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)

## **Schedule-2 - Modalities for Cost Plus sources**

### **1. The floor/Reserve Price/supply price of cost plus sources:**

The floor/Reserve Price/supply price of cost-plus sources shall be fixed by concerned coal company considering using applicable indexation mechanism for the concerned cost plus mine. The base/floor price of coal from the cost plus mine has to be fixed in such a way that post completion of 15 years FSA tenure, the mine can be continued as a Notified/mine specific/regular Mine for rest of the life of the mine.

The Base/applicable price for cost plus mine shall be worked out by WCL/concerned coal company and shall be notified at periodic intervals considering the indexation mechanism mentioned in the offer notification and cost-plus FSAs. The GCV mentioned against the sources of the cost-plus offer/notification shall be considered for calculation purpose.

### **2. Offer modalities of Cost-Plus source & bid validity:**

The quantum of offer from cost plus source (to be opened) will be to the tune of its Peak Rated Capacity (PRC) of yearly production. In case booking on the cost-plus sources in Round-8, SHAKTI B(iii), as a whole is less than 85% of the PRC, the residual quantity will be in all the remaining subsectors of Tranche-IX of NRS Linkage Auction.

In case the cumulative booking quantity under Round-8, SHAKTI B(iii) & NRS Linkage auction even after offering in all the remaining subsectors of Tranche-IX and total linkage quantity do not reach to the level of 85% of the PRC of the cost-plus project, all the bid quantity/FSA quantity on the particular source will stand cancelled without any penal clauses on both the sides, unless decided otherwise by CIL/concerned coal company.

In case the booked quantity and subsequent FSA quantity reaches to the level of 85% of PRC in the instant Round-8, the following mechanism will be adopted:

- Since the production of cost plus mine (after opening) reaches to its peak of production in gradual manner, till such time it reaches to its PRC/RC or is sufficient to cater the linkage requirement, there will be flexibility to supply the residual requirement of coal of the concerned EUP against the linkage quantity from Alternative Source of same or other coal company, as per available grade.
- Availing the facility for procuring coal from Alternative Source will be optional to the bidder. At the time of signing of FSA, the bidder shall have to declare their willingness to avail such facility and in case of non availing such option, penalty/compensation will not be applicable to the bidder and also to the coal company for non-supply of the concerned quantity of coal. However, once the option is availed as per initial declaration, non-lifting of coal from Alternative Source (as required) shall attract short lifting penalty/compensation as per FSA document.

**The year-wise tentative supply plan from the Cost Plus mine shall also be required to be declared by coal company against each cost-plus FSA/successful bid, prior to signing of FSA in the following format, which will be required for supply/lifting schedule fixation from Primary/Alternative Source:**



<u>Year</u>	<u>Yr. 1(FSA signing year)</u>	<u>Yr. 2</u>	<u>Yr. 3</u>	<u>...</u>	<u>...</u>	<u>...</u>	<u>...</u>		
<u>Planned supply from Cost Plus source (tes)</u>									

However, the schedule of production plan may be finalized on the basis other operational factors. As such, the actual production of the cost plus mine may vary from the planned production schedule (maximum by 2 years), pursuant to signing of FSA and in such case(s), supply will be made from Alternative Source to fulfil the requirement of the FSA holder till such time the production from Cost Plus mine will become sufficient to cater linkage requirement or rated capacity of production from the cost plus mine is achieved, as the case may be. In such case, deviation (maximum by 2 years) from supply commitment from cost plus mine with respect to planned supply/production schedule & schedule of lifting provided by the bidder, shall not attract any penal consequence on the Seller (coal company).

In case supply from cost plus source will not be sufficient to meet the linkage requirement [as per planned production/supply schedule or deviation(for maximum 2 years) from the same due to any operational reason] , the willing Purchaser shall be supplied coal from Alternative Source (may be of different coal company) through a Side Agreement of this FSA (as per Annexure III of FSA), signed between the concerned coal company of Alternative Source (if different) and the Purchaser. Such Side Agreement is integral part of the FSA and will be binding in nature to both Buyer and Seller (i.e. Coal Company of Primary Cost-plus source & coal company of Alternative Source, as the case may be). The general terms of supply from Cost Plus source/Alternative source will be guided by the terms of the FSA & Side Agreement, as the case may be.

### **3. Secondary Source and Alternative Source:**

**Secondary Source**-The Secondary Source(s) of cost-plus primary source, if any, shall be mentioned in the offer notification. For supply of coal from Secondary source, Per GCV price of secondary source (at midpoint of the secondary source grade) should be atleast equal to per GCV price of Primary cost-plus source (at midpoint of the primary source grade).

**Alternative Source** -Offer of cost plus mine will be made along with Alternative Source (from same or different coal company and same or different grade) to bridge the possible time gap between the operationalization of the EUPs and cost plus mine reaching to the capacity to cater full linkage quantity. In case of supply from Alternative Source, the quantum of supply may be adjusted as per cumulative GCV value of original bid from cost plus Primary source.

In case coal company of Alternative Source is different from coal company of Primary Cost-Plus source, supply from Alternative source shall be subject to execution of Side Agreement pursuant to availing such option of supply from Alternative Source by the successful bidder

as per declaration in Annexure XII.

**4. Bidding mechanism:**

The bidding in cost plus source shall start at the above-mentioned Floor price. From the final bid price, the percentage premium shall be calculated over the Floor price which (%) will remain constant over the contract period. The % premium shall be applicable over and above the price notified by concerned coal company time to time of the concerned cost-plus source.

**5. Tenure of FSA:**

The tenure of the FSA shall be (a) the balance maximum life of the Specified End Use Plant; or (b) the date of expiry (as per the original term) or the date of termination of the valid PPA, as the case may be or (c) life of cost plus mine, whichever is earlier. The residual life of each cost plus mine (in years) shall be mentioned in the offer notification or will be notified separately in case life of mine less than 10 years.

In case any consumer establishes Captive mode of transport (MGR, Belt, Pipe Conveyor, Rope), such supply through captive mode shall attract facilitation charge of 10% over the Price applicable for coal supply.

**6. Risk Coverage Financial Guarantee: (Applicable for successful bidders having/submitting PPA other than Long term)**

**A. For the purpose of execution of FSA, Purchaser/bidder shall furnish Risk Coverage Financial Guarantee (RCFG). The RCFG amount will be lower of:**

a. the estimated initial capital invested in the immovable assets of the proposed cost-plus mine,

(or)

b. the difference between estimated initial capital investment of the proposed cost-plus mine at cost-plus price and estimated capital investment required/desired to achieve a 12% pre-tax IRR at 85% capacity utilization at notified sale price of coal (reverse calculation).

The risk coverage may necessarily cover such eventuality that in case of premature exit/termination of cost-plus FSA, the guarantee can be forfeited and mine can run as notified price mine for rest of the mine-life.

In other words, RCFG amount should cover the eventuality that in case a Bidder/Linkage holder will exit from Cost Plus arrangement/agreement in between the tenure of FSA, upon forfeiture of the same the mine could run at notified price for rest of the life of the mine and would provide 12% IRR @ 85% capacity utilization as derived and depicted in the Project Report by CMPDIL, Ranchi.

The detailed calculation of RCFG shall be made/developed/worked out by the concerned Coal company in coordination with CMPDIL.

**B. The bidder shall have the following option for paying of Risk Coverage Financial Guarantee:**

- Entirely in Bank-Guarantee (BG) mode.
- Minimum 50% in BG. Plus, rest of the amount (maximum up to 50% of RCFG) through alternate financial instrument like any AAA (highest rated) Bonds/securities purchased in the name of Bidder and Pledged with and hold by concerned coal company. However, Insurance Surety bonds will not be accepted for this purpose.
- In case of down-gradation of rating of such bonds/securities post submission, within one month of such down-gradation, it will be responsibility of the bidder to replace the earlier bond/security with any other AAA (highest rated) bond/security.
- The coal company shall undertake periodic review in case RCBG is given through Bonds/Securities for maintaining required amount of risk coverage financial guarantee. In case the bidder fails to replace/replenish the same within time limit, the coal company may consider it as default in compliance by the bidder and may liquidate the financial instrument at market rate with due notification to the bidder.
- The concerned Coal Company will monitor such RCFG, so that in case rating is degraded, the Bidder will be notified for replacement of the RCFG with any other AAA rated (highest rated) Bond/security within a month, else the said Bond/Security will be liquidated with due notification to the Bidder.
- Financial Guarantee/Risk coverage of BG may be obtained from the Bidders in a phased manner (year-wise advance) in tandem with projected/planned investments to be made by the Coal Company and shall be applicable for release of the same also in a year-wise tapered manner, subsequent to reaching Rated Capacity (RC), in line with the proportion of return of investment of fixed cost. It is clarified that for the purpose of phase-wise year-wise return of RCFG amount by Coal Company the proportion of recovery of capital investment for immovable asset shall be considered as- 'proportion of return of investment of fixed cost'.
- The methodology for operationalization of the above to be worked out by WCL/concerned Coal Company, in coordination with CMPDIL, followed by issuance of due notification.

**C. Invocation/ Forfeiture of RCFG**

The Risk Coverage Financial Guarantee of the bidder can be forfeited by the Seller in case of termination/closure of FSA due to the reasons attributable to the Purchaser and/or as per terms and conditions mentioned in the bid documents and notification by concerned coal company/CIL.

Note: The Bank Guarantee Format for Financial Guarantee Against Risk shall be uploaded by concerned coal company

**7. Performance Security: (Applicable for successful bidders having/submitting PPA other than Long term)**

The performance security shall be 6% of the bid price of cost-plus source. In case of upward revision of price (as per subsequent notification of concerned coal company), the additional performance security (covering 6% of ACQ) shall have to be deposited by the bidder to coal company within 30 days of such revision. The Performance Security amount must be

submitted by the bidder either in Bank Guarantee or in RTGS/electronic mode.

Higher of the risk coverage financial guarantee and value of 6% of ACQ (performance security) may only be obtained from the successful bidder in respect of cost-plus linkage. However, in case of risk coverage guarantee is obtained from the bidder in phased manner, post commencement of mine operation after reaching cumulative linkage @85% of RC, the coal company must have coverage of 6% of ACQ value (performance security amount) throughout the effective tenure of FSA. In case risk coverage guarantee amount is more than 6% of ACQ, the rest of the required coverage amount to be taken from the bidder in phases.

In no case, the security coverage/performance security amount available with coal company must not go below 6% of ACQ at any point of time all throughout the effective tenure of FSA.

**8. As Delivered Price of Coal:**

The Successful Bidder shall be required to make periodic payments for the coal supplied under the Agreement of cost-plus source [Primary or Secondary, as the case may be,] on the basis of the following formula:

[(aggregate of the Floor/Indexed Price based on cost plus source specific price notified by concerned coal company and (the Winning Premium (%)) multiplied by the Floor/Indexed Price) multiplied by (the Allocated Quantity supplied under the Agreement)].

Other Charges shall remain applicable as in vogue.

**9. Change of mode:**

In case of change of mode of supply in Cost plus source from Rail to Road, the supply shall be made from the temporary Road source without any additional premium. The per GCV price of the temporary Road source (at the midpoint of GCV band) shall be atleast the per GCV price of the Primary Rail cost plus source.

The Change of mode facility for Rail to Road and Road to Rail, as the case may be, to be exercised as per the provisions of Fuel Supply Agreement.

**10. Operational points:**

Concerned coal company may also mention/notify their operational/commercial points (including Security Deposit applicable for Cost plus sources) or any other terms in relation to the offer of coal from cost plus projects under this subsector. Such operational points will be also be applicable for bidding process and during FSA tenure and will be considered as part of Scheme/FSA document.

The specific provisions of this document and FSA document shall be applicable for cost plus sources offered under this auction.

## Schedule 2A

**(Specific parameter/terms. To be notified for each cost plus mine under offer)**  
**Specific parameters/terms for offering coal from Borda UG cost plus mine of WCL:**

**1. Specific definitions:**

- a) **“Actual Commissioning” (AC)** Borda UG (Cost Plus) (March 2024) (3.06 MTY) is said to have achieved Actual Commissioning when it has achieved a cumulative production of 85% of the Annual Rated Capacity of 2.601 MTY during a 12 continuous months period.
- b) **“Base Price”** The Base Price of coal for Non Regulated Sector (except: Production of Syngas Leading to Coal Gasification’ Subsector), fixed for 15-year term with a condition that mine can be continued as Mine specific for rest of life of mine shall be Rs 3422.80/Ton.

Note:

- *As the approved PR was prepared in March 2024, the economics of the PR shall be updated. As such, the revised Base Price as per the updated PR shall be considered.*
- *For Cost Plus Sources Periodic intervals for price notification may be bi-annual.*

- c) **“Detailed Project Report” (DPR) or “Project Report” (PR)** means the Project Report for Borda UG (Cost Plus) (2.601 MTY) which contains all the relevant information, including number of mine entries, manpower planning, estimated productivity levels, method of working, suggested capital equipment to be procured, surface installations outlining the handling arrangements at the Pit head, workshops and any other amenities etc.

2. **Tenure of FSA:** The tenure of the FSA shall be (a) the balance maximum life of the Specified End Use Plant; or (b) the date of expiry (as per the original term) or the date of termination of the valid PPA, as the case may be or (c) life of cost plus mine, whichever is earlier.

3. **Base/Floor Price:** The Base Price of coal for Regulated Sector fixed for 15-year term with a condition that mine can be continued as Mine specific for rest of life of mine shall be **Rs 3422.80/T.**

*Note: As the approved PR was prepared in March 2024, the economics of the PR shall be updated. As such, the revised Base Price as per the updated PR shall be considered.*

4. **Risk Coverage Financial Guarantee: (Applicable for successful bidders having/submitting PPA other than Long term):-** Rs 1043.44 Cr (equivalent to the value of immovable assets) for the total yearly quantum against point (a) above

- **Phase wise distribution** for the total yearly quantum @85% RC of Borda UG mine:

Year	1	2	3	4	5	6	7	8	Total
RCFG proportion in Cr	36.84	39.15	181.25	282.66	275.57	125.07	72.98	29.91	1043.43
Cumulative RCFG		75.99	257.24	539.9	815.47	940.54	1013.52	1043.43	

- When there are more than one Purchaser of coal from a Cost Plus mine, the

RCFG to be furnished by the Purchaser shall be equivalent to the investment as attributable to the Purchaser, which is to be calculated in accordance with the Contracted Quantity of the Purchaser as per the agreement as a percentage of total Contracted Quantity for all the Purchasers taken together.

- For signing the FSA, the total value of the Risk Coverage Financial Guarantee shall be equivalent to the value of immovable assets of the concerned Annual Contracted Quantity (ACQ)(**proportionate**) **in respect of total RCFG amount required for opening the mine.**
- The concerned RCFG amount (projected for any financial year) to be furnished by the bidder atleast 02 (two) months prior to commencement of concerned Fiscal. Coal company will issue notification in this regard.
- The amount of RCFG shall be tapered-off/released every year from the year subsequent to reaching Rated Capacity (RC), in line with the proportion of return of investment of fixed cost. It is clarified that for the purpose of phase-wise year-wise return of RCFG amount by Coal Company the proportion of recovery of capital investment for immovable asset shall be considered as- 'proportion of return of investment of Fixed Cost'.
- The cumulative value of the RCFG shall in no case be less than the total value of the immovable assets invested till that Financial Year plus the investment planned for the concerned Financial Year. (Where RCFG is being furnished in phased manner)
- In any case, the value of RCFG BG shall not be less than the value of Performance Security/Security Deposit, i.e., 6% of the Sale Value of the Annual Contracted Quantity (Where RCFG is being furnished in phased manner), at any point of time throughout the tenure of FSA.
- Performance Security/Security Deposit/RCFG shall be non-interest bearing.
- The Base Price shall be subject to revision bi-annually i.e., 1st of January and 1st of July every year, with an Index based formula same as in the case of Power Sector

#### **5. Indexation formula: -**

[Part of price related to wages \* (CURRENT AICPI) \* (1+B) \* (1+B1).. / (BASE AICPI)] + [Part of price related to admin overhead other than wages \* (CURRENT AICPI) / (BASE AICPI)] + [Power tariff \* (CURRENT Power Tariff) / (BASE Power Tariff)] + [Part of price related to stores-POL \* (CURRENT WPI - HSD) / (BASE WPI - HSD)] + [Part of price related to capital (WPI for heavy machinery & parts) \* (CURRENT WPI-Machinery & Machine Tools) / (BASE WPI-Machinery & Machine Tools)] + [Hiring cost \* (Actual awarded rate for Escalation Period) / (HOE Rate Considered in PR)] + [Part of price related to other cost elements not included in any other head-stores other than POL, EMP, Misc Exp., W/c interest etc. \* (CURRENT WPI-All Commodities) / (Base WPI - All Commodities)]

Where:

B	refers to minimum guaranteed benefit (MGB) under NCWA-XI & BI-MGB under NCWA XII and so on
---	--

AICPI	refers to All India Consumer Price Index of the current review month
HSD	refers to High Speed Diesel
WPI	refers to Wholesale Price Index
HOE	refers to Hiring of Equipment

**6. Year-wise production Schedule:**

As per approved PR for Borda UG tentative Weighted Average Grade/GCV – G-8/4943 kcal/kg & the tentative production programme as per approved PR for Borda UG is as under;

Year	1-3	4	5	6-27	28	29-31	32
Production (MT)	NIL	1.00	2.20	3.06	2.63	2.04	0.38

Note-

- *Year 1 shall start from completion of signing of Cost-Plus Agreement for a cumulative minimum Annual Contracted Quantity (ACQ) i.e. 85% of Rated Capacity of the project.*
- *In case of signing of multiple agreements, Year 1 shall start from the date of signing of last Cost-Plus Agreement. Coal company will issue notification to the bidders in this regard.*
- *The production programme may vary subject to issuance of Statutory Clearances like, Forestry Clearance, Environmental Clearance, Possession of Land, etc.*

7. **Other terms:** In case booking on the cost-plus sources in Round-8, SHAKTI B(ii) as a whole is less than 85% of the PRC, the residual quantity will be offered in all remaining subsectors of Tranche-IX of NRS Linkage auction.

In case the cumulative booking quantity and subsequent FSA quantity do not reach to the level of 85% of the PRC of the cost-plus project even after offering in all remaining subsectors of Tranche-IX, all the bid quantity/FSA quantity on the particular source will stand cancelled without any penal clauses on both the sides, unless decided otherwise by CIL/coal company.