कोल इण्डिया लिमिटेड
(महारत्न कंपनी)
(भारत सरकार उपक्रम)
....डिविजन,
'कोल भवन', प्रेमिसिज सं.04 एमएआर,
प्लॉट सं.-एएफ-III, एक्शन एरिया-1 ए, न्यूटाउन, राजरहाट,
कोलकाता-700 156
वेबसाइ: www.coalindia.in
सी आई एन सं. L23109WB1973GOI028844

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5 DECADES OF UNEARTHING ENERGY

COAL INDIA LIMITED
(A Maharatna Company)
(A Govt. of India Undertaking)
....Division,
'Coal Bhawan', Premises No.04-MAR,
Plot No-AF-III, Action Area -1A,
New Town, Rajarhat
Kolkata – 700 156
Website: www.coalindia.in
CIN No.L23109WB1973GOI028844

सन्दर्भ संख्या: सीआईएल/वि एवं वि/Power/ 126 दिनांक: 07.09.2026

NOTICE

Revised Model Fuel Supply Agreements (FSAs) applicable to Nomination based allocations to State/Central GENCOs & Private Power Plants having existing FSAs under Pre-NCDP, Post-NCDP (LoA Route) including SHAKTI A(i), A(iv) & B(i)

CIL Board in its 493rd Meeting held on 14.08.2026 deliberated on Revised Model Fuel Supply Agreements (FSAs) applicable to Nomination based allocations to State/Central GENCOs & Private Power Plants having existing FSAs under Pre-NCDP, Post-NCDP (LoA Route) including SHAKTI A(i), A(iv) & B(i) and accorded its approval to the following:

a) Revised Model FSA applicable to State/Central GENCOs which are having existing FSAs under Pre-NCDP & Post-NCDP (LoA Route) including SHAKTI A(i), A(iv) & B(i), enclosed as **Annex-I.**

b) Revised Model FSA applicable to Private Power Plants which are having existing FSAs under Pre-NCDP & Post-NCDP (LoA Route) including SHAKTI A(i), enclosed as **Annex-II.**

c) Following broad guidelines:
- The revised Model FSA shall be effective from 1st April of a Financial Year.
- The existing FSAs shall remain in force till the revised Model FSA becomes effective.
- Execution of the revised FSA shall be optional. The purchasers shall be required to give acceptance to sign the revised FSA by 30.11.2026 and sign the revised FSA, post clearance of all disputes and dues, within next 13 months i.e. by 31.12.2027. In case the revised FSA is signed by 28.02.2027, the revised FSA shall be effective from 01.04.2027 otherwise, the FSA shall be effective from 01.04.2028.

This is for kind information of all concerned and further needful action in the matter.

संलग्नक: यथोपरि

भवदीय,

7/9/26

ED (M&L), CIL

वितरण:

1. D(M), CIL
2. GM(TS), Chairman's Secretariat, CIL
3. Concerned Central/State Gencos & Private Power Plants
4. GM/HoD (M&S)-ECL/BCCL/CCL/NCL/WCL/SECL/MCL/NEC
5. DS (CPD), MoC
6. Chief Engineer, CEA

ANNEX-I

COAL SUPPLY AGREEMENT

BETWEEN

[Name of the subsidiary Company]

AND

[Name of the State/Central GENCO]

This Agreement is made on this _____ day of **……'20__**between **[Coal Company]**, a company registered under the Companies Act, 1956 and having its registered office at **[Address of coal company]** hereinafter called the "**Seller**" (which expression shall unless excluded by or repugnant to the subject or context, include its legal representatives, successors and permitted assigns) of the one part,

AND

[M/S___________], a company registered under the Companies Act, 1956/ State Electricity Board (if applicable) and having its registered office at___________**]** hereinafter called the "**Purchaser**" (which term shall unless excluded or repugnant to the subject or context include its legal representatives, successors and permitted assigns) of the other part

A. WHEREAS, the Purchaser and the Seller have previously executed one or more Coal Supply Agreements (CSAs)/ Fuel Supply Agreements (FSAs), together with amendments, addendums and supplementary agreements thereto, the details whereof are set out in Schedule-I to this Agreement;

B. WHEREAS, the Parties have mutually agreed that, upon this Agreement becoming effective, the said FSAs and related addendums specified in Schedule-I shall stand superseded and governed by the terms and conditions of this Agreement;

C. WHEREAS, all outstanding payments, dues and claims under or arising out of the previous FSAs specified in Schedule-I, including dues, which have been duly determined as per decision of the relevant forums such as AMRCD, courts and the Competition Commission of India etc. have been fully settled by the Purchaser as on [●] ("**Specified Date**"). Further, no dispute/litigation is pending for decision, as on Specified Date. .The Purchaser undertakes to clear all additional dues, if any, that may arise pursuant to the previous FSAs after the Specified Date . The Purchaser shall pay such amounts so due within thirty (30) days of receipt of the invoice / notice from the Seller, failing which, interest shall be payable in terms of Clause 12 of this Agreement. Further, the Seller reserves the right to recover the unpaid dues, if any from payments made under this FSA or any other means available;

D. WHEREAS the Purchaser has requested the Seller for supply of Coal to_________of the Purchaser (as per details contained in Schedule-I to this Agreement) and the Seller has agreed to make such supplies on the terms and conditions set out hereafter;

E. WHEREAS, the Purchaser gives a self-declaration that no coal block(s) has/have been allotted for the Power Plant(s) covered under this Agreement and even if coal block(s) has/have been allotted, such coal block(s) has/have not been allotted as source(s) of coal supplies for the power plant(s) covered under this Agreement;

F. WHEREAS, there has been a change in the constitution of the company with which FSAs had been signed, due to amalgamation, merger, de-merger, takeover, court order, change in ownership or shareholding pattern and the Purchaser is the resultant company consequent and such change has occurred after complying with all the terms and conditions contained in the Office Memorandum in the Ministry of Coal, Government of India dated 7th April, 2015 [***Note: This recital is to be retained wherever there has been a change in constitution of the Purchaser, delete if not applicable***].

Now, therefore, in consideration of the agreement and covenants hereafter set forth and intending to be legally enforceable, the Seller and the Purchaser (each individually a Party hereto and collectively the Parties) hereby covenant and agree as follows:

1. DEFINITIONS & RULES OF INTERPRETATION:

1.1 DEFINITIONS:

(a) **"Agreement"** means this Coal supply agreement including all its Schedules, Annexure and attachments and subsequent amendments as may be issued in accordance with the terms and conditions hereof and it shall supersede and exclude any previous arrangement, understanding or commitment that the Seller may have had with the Purchaser.

(b) **"Aggregated Annual Contracted Quantity**" or "**AACQ**" and "**Annual Contracted Quantity**" or "**ACQ**" shall have the meanings as ascribed to them in Clause 3.1.

(c) "**Applicable Laws**" means all laws, brought into force and effect by the Government of India ("**GoI**") or the State Government including rules, regulations and notifications made thereunder, and judgments, decrees, injunctions, writs and orders of any court of record, applicable to either Seller/CIL or the Purchaser, their obligations or this Agreement from time to time.

(d) **"As Delivered Price of Coal"** shall have the meaning ascribed to it in Clause 8.

(e) **"Base Price"** shall mean, in relation to a Declared Grade as defined at 1.1(m) of Coal produced by Seller, the Pithead price notified from time to time by CIL or Seller; and in relation to Imported Coal, wherever applicable, shall mean its landed cost till the Delivery Point and service charges intimated by CIL or the Seller, as the case may be. In the event the Sellers supply Coal from sources, notified by Seller on cost plus basis, cost plus basis prices shall be applicable

(f) **"Business Day"** shall mean each Monday, Tuesday, Wednesday, Thursday, Friday and Saturday that is not declared a holiday in the State of _______________under the Negotiable Instruments Act, 1881.

(g) "**CEA**" means Central Electricity Authority.

(h) **"Coal"** or **"coal"** means non-coking as well as coking coal, produced domestically and categorized into different classes, GCV bands, grades and sizes, as per the notification/order issued for such purpose by Government of India(GoI)/CIL/Seller and shall, where the context so requires, include Imported Coal. For the avoidance of any doubt, Coal shall also include the middlings arising out of washing of coking and non-coking coal.

(i) **"CIL"** means Coal India Limited, the holding company of the Seller, having its registered office at **Coal Bhawan, Premise No-04 MAR, Plot No-AF-III, Action Area-1A, Newtown,Rajarhat,Kolkata-700156, India,** and having authorities to enter into any agreement/side agreements, supplementary to this agreement for ensuring supply of Coal from import of Coal or other alternative sources.

(j) **"Coal Distribution System"** of the Seller would include any distribution system in force including directions thereon from the Government issued from time to time.

(k) **"Colliery Loading Point"** shall mean

(i) Silo, or

(ii) Mid point for wharf wall loading at the colliery, or

(iii) Truck loading point, or

(iv) Ropeways loading point, or

(v) Transfer point to the customer's belt conveyor etc., as the case may be.

(l) **"Current Reference Year (CRY)"** shall mean the period commencing on 1st March of the immediately preceding Financial Year and ending on the last day of February of the Financial Year under reference. For example, for FY 2027-28, the CRY shall be 1st March 2027 to 29th Feb 2028.

(m) **"Declared Grade"** means the particular grade(s) under different categories as defined at 1.1(t) of Coal mined from any seam or section of a seam in the Seller's collieries as declared by CIL or the Seller from which Coal is produced and supplied under this Agreement, as declared by CIL or the Seller.

(n) **"Delivery Point"** means any of the colliery sidings or Colliery Loading Points, as the case may be, in the designated Coal mine of the Seller as per Schedule-I, and/ or the location(s)/ port(s) identified by the Seller at which the Seller delivers Imported Coal in accordance with the terms of this Agreement.

(o) "**DISCOM"** means the "Distribution Licensee" who is authorized to operate and maintain a distribution system for selling electricity to the consumers in his area of supply at tariffs regulated by the State/Central Regulatory Authority, whichever is applicable.

(p) **"Effective Date"** shall be 1st April of Year_____[2027/2028].

(q) **"Effective Date of Previous FSA(s)"** shall mean the effective date of the corresponding previously operational Fuel Supply Agreements (FSA) specified against the respective Plant/Unit in Schedule-I.

(r) **"Equilibrated Basis"** means determination/computation of various quality parameters such as but not limited to ash, volatile matter, fixed carbon, Gross Calorific Value etc. expressed at Equilibrated Moisture level determined at 60% relative humidity (RH) and 40 degree Celsius (°C).

(s) "**Equilibrated Moisture**" means moisture content, as determined after equilibrating at 60% relative humidity (RH) and 40 degree Celsius as per the relevant provisions (relating to determination of equilibrated moisture at 60% RH and 40 degree Celsius) of BIS 1350 of 1959 or amendment thereof.

(t) **"Grade"** means the grade / class in which the coking and non-coking Coal is categorised and/or to be categorised in terms and in accordance with the relevant notification issued by the Seller and/or by Govt. of India and published in the public domain and/or the Gazette of India, as applicable. The basis of grading for different categories of Coal are as under:

(i) Non Coking Coal: based on GCV bands

(ii) Coking Coal: based on Ash percentage

(iii) Semi Coking Coal: based on (Ash+Moisture) percentage

(u) "**Gross Calorific Value"** or "**GCV**" means the heat value determined in any calibrated combustion Bomb Calorimeter, in accordance with the procedure laid down in IS: 1350 (Part-II) 1970 dated April 1971 or any subsequent revision thereof and result reported on equilibrated basis at 40 Degree Celsius and 60% Relative Humidity.

(v) **"Imported Coal"** shall mean non-coking as well as coking coal, sourced internationally.

(w) **"Importing Agency"** means the holding company of the Seller i.e CIL or any other agency(ies) appointed for supply of Imported Coal on behalf of the Seller.

(x) **"Interest Rate"** shall mean the repo rate of Reserve Bank of India (RBI) as applicable on the due date of payment by the Purchaser/Seller plus 3% (three percent).

(y) "**IS**" means the standard specifications issued by the Bureau of Indian Standards (BIS)

(z) **"Kilo Calorie"** shall mean the amount of heat required to raise the temperature of one kilogram (1 Kg.) of pure water at fifteen degrees Celsius (15ºC), by one degree Celsius (1ºC)

(aa) **"Level of Delivery"** shall have the meanings ascribed to it in Clause 3.7.

(bb) **"Level of Lifting"** shall have the meanings ascribed to it in Clause 3.8.

(cc) “**Linked Capacity**” means the installed power generation capacity (in MW) of the Power Plant(s) of the Purchaser listed in Schedule-I for which FSAs were entered pursuant to NCDP, Post NCDP (LoA route) incl. SHAKTI A(i), A(iv) & B(i), as specified in the Capacity Linked (in MW) column of Schedule-I, and on the basis of which the ACQ is determined under Clause 3.1.

(dd) “**Merry Go Round**” or **MGR**” shall mean the Purchaser’s captive rail transportation system for transportation of Coal.

(ee) “**Month**” shall mean a calendar month.

(ff) “**Non-Pithead Plant**” means a thermal power plant which is not located at or immediately adjacent to the coalmine or coalfield from which its primary coal supply is sourced, and to which the applicable CEA norms for non-pithead thermal power stations shall apply for the purpose of determining the ACQ under Clause 3.1.

(gg) “**Party**” means either the Seller or the Purchaser, and “**Parties**” mean a joint reference to the Seller and the Purchaser.

(hh) **“Performance Incentive”** shall have the meaning ascribed to it in Clause 3.12.

(ii) “**Pithead**” shall mean any of the following as the context may admit:

In case of an underground Coal mine, Pithead shall mean the point of entry into the mine on the surface of Coal mine at the ground level and would be a place or point distinct from Delivery Point.

In case of an open-cast Coal mine, Pithead shall mean the exit point of Coal on surface (mouth/entry of the main access trench or an auxiliary access trench). In case of open-cast mines with more than one exit points of Coal, there will be as many ‘Pitheads’ and will apply respectively to the amount of Coal egressing from a particular exit point.

The distance of transportation on surface from the Pithead (mouth of the main access trench or an auxiliary access trench) to the Colliery Loading Point shall be measured along the route of Coal transportation.

(jj) **“Pithead Plant**” means a thermal power plant which is located at or immediately adjacent to the Coal mine or coal field from which its primary coal supply is sourced, and to which the applicable CEA norms for pithead thermal power stations shall apply for the purpose of determining the ACQ under Clause 3.1.

(kk) “**Power Trading Company (PTC**)” means a trading licensee under the Electricity Act 2003 and having Trading License approved by the State Electricity Regulatory Commission under Section 86(1)(b) of the Electricity Act 2003.

(ll) **"PPA"(Long Term)** means the Power Purchase Agreement between the Purchaser and the power procurer(s), i.e DISCOM(s) either directly or through PTC(s) who has/ have signed back to back PPA(s) with DISCOMs for a period of 7 years and above. However, the same shall not be applicable for the portion which is sold under market driven price.

(mm) **"Previous Reference Year" or "PRY"** shall mean the twelve-month period immediately preceding the Current Reference Year (CRY) of a FY. For example, For FY 2027-28, CRY is 1st March 2027 to 29th Feb 2028 and PRY is 1st March 2026 to 28th Feb 2027.

(nn) **"Purchaser's Container**" means the Railway wagons and/or trucks placed for and on behalf of the Purchaser and/or receiving hopper, bunker, transfer point owned by the Purchaser from where Coal is moved by the Purchaser directly to its Power Station by belt conveyor.

(oo) **"Quarterly Quantity"** or **"QQ"** shall have the meaning ascribed to it in Clause 3.4.

(pp) **"Representative Contracted Grade"** or **"RCG"** shall have the meaning ascribed to it in Clause 4.6(c).

(qq) **"Representative Supplied Grade"** or **"RSG"** shall have the meaning ascribed to it in Clause 4.6(d).

(rr) **"Seller's Financial Closure"** shall mean the date on which execution of all the loan agreements, notes, indentures, security agreements, letters of credit and any other documents relating to the financing of the coal block have become effective and the Seller has immediate access to such funding with respect to development and operation of the coal block identified in Schedule-I to this Agreement.

(ss) **"Signature Date"** shall mean the Date of signing of this Agreement by both Parties.

(tt) **"Surface Moisture"** means the moisture content present in Coal that is derived as the difference between Total Moisture and Equilibrated Moisture, and expressed in percentage terms.

(uu) "**Third Party**": The agency appointed by the Seller and the agency appointed by the Purchaser for collection, preparation and analysis of coal samples at loading points and relevant documentation.

(vv) "**Total Moisture**" means the total moisture content (including surface moisture) expressed as percentage present in Coal and determined on as delivered basis in pursuance to IS.

(ww) "**Trued Up Requirement"** or **"TUR"** shall mean the revised coal requirement determined during a Financial Year in accordance with Clause

3.4(a) based on the energy content of coal actually supplied during the Current Reference Year.

(xx) "**Unloading Point**" means the place/point at the Purchaser's Power Station end at which Coal from/through the Purchaser's Container is received/ unloaded.

(yy) "**Weights and Measures Standards**" mean the standards, as prescribed under the Standards of Weights and Measures Act, 1976 and amendments thereof.

(zz) "**Year**" means the financial year of the Seller, commencing on April 1st and ending on the following March 31st and "Quarter" means the respective three-monthly periods, namely April to June, July to September, and so on.

1.2 **RULES OF INTERPRETATION:**

(a) A reference to this Agreement includes all schedules and annexures to this Agreement;

(b) A reference to any legislation or legislative provision includes any statutory modification or re-enactment of, or legislative provision substituted for, and any subordinated legislation issued under, that legislation or legislative provision;

(c) Headings do not affect the interpretation of this Agreement;

(d) A reference to Rs., INR or Rupees is to the lawful currency of the Republic of India unless specified otherwise;

(e) A reference to an agreement, deed, instrument or other document includes references to that agreement, deed, instrument or other document as amended, novated, supplemented, varied or replaced from time to time;

(f) The expressions "including", "includes" and "include" have the meaning as if followed by "without limitation";

(g) Words imparting the singular only also include plural and vice-versa where the context so requires;

(h) The expression "writing" or "written" shall include communications by facsimile and letter; and

(i) If any definition in Clause 1.1 is a substantive provision conferring a right or imposing an obligation on any Party, effect shall be given to it as if it were a substantive provision in the body of this Agreement.

2. **PERIOD OF AGREEMENT:**

2.1 This Agreement shall come into force on the **Effective Date.**

2.2 This Agreement shall, unless terminated in accordance with the terms hereof, remain in force, till such period as mentioned in Schedule-I for each Power Plant. Said date is as per the validity of the previous FSAs i.e. till the end of **twenty (20) years** from the respective Effective Date(s) of such Previous FSA(s) or the Life of the corresponding Power plant whichever is earlier.

2.3 After completion of five (5) years from the Effective Date as defined under 1.1 (p), either Party may, by prior written notice to the other Party for a period not less than thirty (30) days, seek a review of this Agreement.

2.4 In the event of any change in the Grade structure of Coal, such changed Grade structure shall be binding and complied with by both the Parties. The Seller shall within fifteen (15) days of introduction of such change provide a written notice to the Purchaser calling for a joint review of such provisions of this Agreement on which such change in the Grade structure has a bearing, and upon such joint review, this Agreement shall be duly amended in writing to bring it in full conformity with such change.

2.5 In the event the Parties are unable to arrive at a mutually agreed position with respect to the subject matter of review in terms of Clause 2.3 within a period of three (3) months from expiry of each five (5) year term, the Parties shall refer the matter to the Govt. of India and until a decision from the Government of India is received, the Agreement shall continue to be in force. The decision of the Govt. of India on the subject matter shall be final and binding on both the Parties.

2.6 In the event of any material change in the Coal Distribution System of the Seller due to a Government directive/ notification, at any time after the execution of this Agreement, the Seller shall within seven (7) days of introduction of such change provide a written notice to the Purchaser calling for a joint review. If the Parties are unable to arrive at a mutually agreed position with respect to the subject matter of review, within a period of thirty (30) days from the date of notice, the Parties shall refer the matter to the Govt. of India for a decision.

2.7 On completion of twenty (20) years from the Effective Dates of previous FSAs mentioned in Schedule-I, or earlier in case of life of the Plant is less than twenty years this Agreement shall expire unless both the Parties mutually agree in writing to extend the Agreement, on the same or such terms as may be agreed upon by the Parties.

2.8 **Conditions Precedent (CP)**

2.8.1 The rights and obligations of the Parties in relation to the supply, and the payment for Coal under this Agreement are subject to the satisfaction in full of the conditions precedent provided under Clause 2.8.1(a) and 2.8.1 (b) unless the same have been waived in accordance with this Agreement.

(a) **Seller's Condition Precedent**

(i) **In respect of supply of Imported Coal:** the Seller shall have

(1) acquired a definitive right under a coal import agreement with its supplier of Imported Coal; and

(2) made all necessary arrangements for import of Coal including the necessary shipping and port arrangements for delivery of Imported Coal in accordance with the terms of this Agreement.

(ii) **In respect of supply of domestic Coal** (Applicable only for a Purchaser for whom any coal block has been identified for supply of coal): the Seller shall have

(1) obtained from the lawful authority all requisite sanctions, approvals, licences and consents including those related to land acquisition, environment and forest clearance for development and operation of the coal block identified in Schedule-I to this Agreement; and

(2) achieved Seller's Financial Closure with respect to development and operation of the block identified in Schedule-I to this Agreement.

(b) **Purchaser's Condition Precedent**

(i) The Purchaser shall have, in respect of the previous FSAs specified in Schedule-I fully settled all payments, dues and claims of whatever nature under or arising out of the previous FSAs, including:

(1) dues which have been duly determined as per the decision of the relevant forums such as AMRCD, courts and the Competition Commission of India, as on the Specified Date; and

(2) all payments and dues of whatever nature under or arising out of the previous FSAs that may arise after the Specified Date.

2.8.2 **Satisfaction of Condition Precedent**

The Purchaser shall promptly notify the Seller in writing upon satisfaction of each of the Purchaser's Conditions Precedent and shall provide such documentary evidence as the Seller may reasonably require

2.8.3 **Waiver of Condition Precedent**

The Seller may, at any time at its sole discretion, by written notice to the Purchaser, waive any of the Seller's Conditions Precedent or the Purchaser's Conditions Precedent (in whole or in part). Any such waiver shall not affect the Seller's rights or obligations under any other provision of this Agreement.

If any of the Purchaser's Conditions Precedent remain unsatisfied for a period of [●] days from the Effective Date (or such extended period as the Seller may agree in writing), the Seller shall be entitled to terminate this Agreement on thirty (30) days' prior written notice to the Purchaser, without any liability whatsoever to the Purchaser.

3. QUANTITY:

3.1 Annual Contracted Quantity/ Aggregated Annual Contracted Quantity:

(a) **Annual Contracted Quantity (ACQ)**

The Annual Contracted Quantity of Coal agreed to be supplied by the Seller and undertaken to be purchased by the Purchaser, shall be___________ tonnes per Year from the Seller's mines and/or from import, as per Schedule-I. For part of Year, the ACQ shall be prorated accordingly.

(b) **Aggregated Annual Contracted Quantity (AACQ)**

The Aggregate Annual Contracted Quantity (AACQ) shall be the sum of ACQs of the Fuel Supply Agreements (FSA) executed by the Seller and Purchaser for individual operational power plants/ units of the Purchaser along with its JVs and Subsidiary companies as listed at Schedule-I of this Agreement.

For part of the Year, the AACQ shall be prorated accordingly.

In the event, any power station owned by the Purchaser enters into new Fuel Supply Agreement (FSA) with the Seller and become operational or any unit already having FSA becomes operational, after the execution of this Agreement, the ACQ of the plant shall be incorporated into the AACQ of this Agreement by suitable amendment. Similarly, if any of the unit of the Purchaser, having FSA with the Seller, is decommissioned or in case the linkage of a unit is partly or fully transferred to other subsidiary, the AACQ should be suitably amended.

(c) It is expressly clarified that the Annual Contracted Quantity (ACQ) shall be valid for each Power Station separately, as mentioned in Schedule-I, and all the provisions of this Agreement related to ACQ/AACQ shall be applicable mutatis mutandis.

(d) **Revision of ACQ/AACQ:**

The ACQ corresponding to the Linked Capacity of the Plant (in MW) for a Financial Year shall be determined by the Seller based on the Representative Contracted Grade (RCG) determined in accordance with Clause 4.6(c) and the CEA norms dated 08.03.2024 applicable to the Plant (Pithead or Non-Pithead, as the case may be).

The ACQ/AACQ so determined shall be communicated annually by Seller and shall automatically apply for the relevant Financial Year without requiring execution of any amendment, addendum, side agreement or supplementary agreement between the Parties.

3.2 **End-use of Coal**

(a) The Purchaser shall furnish Thermal Power Plant (TPP) wise quarterly coal supply matrix to CIL before commencement of corresponding quarter within the ambit of AACQ as and when such matrix will be sought by CIL, taking into consideration the various efficiency parameters. The Purchaser may include any of the TPPs allowed as per the extant Government rule/guidelines in the coal supply matrix. However, flexi utilization is not applicable for plants having linkages under SHAKTI B(ii). CIL shall issue the finalized quarterly flexi matrix based on Seller's consent before commencement of the corresponding quarter. Sellers shall ensure delivery and the Purchaser shall ensure lifting of coal as per the agreed coal supply matrix. In the event the Purchaser fails to submit the quarterly coal supply matrix within the stipulated timeframe, the default plant-wise Quarterly Quantity (QQ) distribution, i.e., 25%, 22%, 25% and 28% of the AACQ for the 1st, 2nd, 3rd and 4th Quarters respectively, shall prevail for the corresponding Year.

(b) The coal supplied is for utilization at the generating station to which it has been supplied in terms of the coal supply matrix furnished by the Purchaser and agreed by the Seller.

(c) The Purchaser shall not divert the Coal for any purpose other than as permitted under 3.2(b) and the same shall be treated as material breach of Agreement, for which the Purchaser shall be fully responsible and such act shall warrant suspension of coal supplies by the Seller in terms of Clause 13.1(b) and entitle the Seller to exercise its rights and remedies, including, termination in terms of Clause 15.1(e).

(d) Irrespective of the point of consumption of the coal supplied under this agreement, the Purchaser shall be responsible for all commercial aspects including payment of coal value, Performance Incentive, Compensation for short lifting etc.

(e) Usage of Electricity generated:

(i) Allocated or earmarked coal linkage, as the case may be, shall be used for generation of electricity for supplying the same to the electricity grid.

(ii) Allocated or earmarked coal linkage shall not be put to captive usage.

(iii) Un-Requisitioned Surplus power generated using linkage coal may be sold in power market/exchange in terms of Electricity (Late Payment Surcharge and Related Matters) Rules, 2022 and its subsequent amendment(s).

3.3 **Sources of Supply**

(a) The Seller shall endeavor to supply Coal from own sources as mentioned in Schedule-I. In case the Seller is not in a position to supply the Scheduled Quantity (SQ) of Coal from such sources as indicated in Schedule-I, the Seller shall have the option to supply the balance quantity of Coal through import which shall not, unless otherwise agreed between the parties, exceed 5% of the ACQ. Seller may at its discretion, make such arrangement for supply of Imported Coal through CIL, and /or other enterprises. Accordingly, the Purchaser has to enter into a Side Agreement with CIL and/or Seller, as the case may be, in addition to this Agreement. The Side Agreement dealing with the terms and conditions for supply of Imported Coal would be an integral part of this Agreement.

(b) For supply of coal through import as stated in Clause 3.3(a) above, the Purchaser shall agree to have back to back arrangements, if so required, with the Importing agency (ies) to be notified by the Seller/CIL and deposit 100% of payable amount in advance. The commercial terms and conditions for such supply shall be regulated as per the Side Agreement.

(c) The Seller may also offer coal from loading points/coal stocks to be lifted by the Purchaser by his/their own transport arrangement by road/road-cum-rail or any other mode.

(d) CIL reserves the right to transfer part of the ACQ/AACQ from the Seller to another coal producing company (Subsidiary of CIL) or any company notified by the Government of India based on the proposal received from the Seller, which shall be binding on the Purchaser.

3.4 **Quarterly Quantity (QQ)**

The Annual Contracted Quantities, from indigenous sources, for the Year, as per Clause 3.1 shall be divided into Quarterly Quantities (QQ), expressed in tonnes, as follows:

Ist Quarter (Apr-Jun.)	25% of AACQ
IInd Quarter (Jul-Sep)	22% of AACQ
IIIrd Quarter (Oct-Dec)	25% of AACQ
IVth Quarter (Jan-Mar)	28% of AACQ

(a) Trued Up Requirement

(i) The Purchaser may, prior to commencement of the 2nd, 3rd and 4th Quarter of a Financial Year, request the Seller to supply the Trued Up Requirement (TUR) for the relevant quarter.

(ii) Subject to determination in Clause 3.4(a)(iv) below, TUR shall be assessed by the Purchaser based on shortfall in energy corresponding to coal supplied to all plants mentioned under Schedule-I during the following periods:

A. March to May for the 2nd Quarter

B. March to August for the 3rd Quarter; and

C. March to November for the 4th Quarter.

(iii) Only the analysis results of sampled coal quantities available as on the fifteenth (15th) day of the month preceding the commencement of the relevant Quarter shall be considered.

(iv) The grade for computation of the Trued Up Requirement shall be determined in accordance with the following order of precedence of analysis results of supplied coal during the periods specified under Clause 3.4(a)(ii):

A. Referee Analysis Results;

B. Third Party Analysis Results, if Referee Analysis Results not available; and

C. Mid-point of the Declared Grade, if both Referee Analysis Results and Third Party Analysis results not available.

(v) The methodology for determination of the Trued Up Requirement shall, mutatis mutandis, be the similar as that of applicable for determination of ACQ/AACQ under Clause 3.1(a) & 3.1(b) read with Clause 4.6(c).

(vi) The Seller shall, after due consideration of the Trued-Up Requirement, enhance the Quarterly Quantity (QQ) for the relevant quarter.

3.5 **Scheduled Quantity (SQ)**:

(a) The monthly Scheduled Quantity (SQ) shall be one third (1/3rd) of the of the applicable QQ including any adjustment on account of Trued Up Requirement determined in accordance with Clause 3.4(a).

(b) Either the Purchaser or the Seller by serving a written Notice at least thirty (30) days prior to the commencement of a month, may revise the SQ to be supplied by the Seller in that month, provided that the increase/ decrease resulting from such revision shall not be in excess of 5% of the SQ and the Purchaser shall seek any such increase in SQ for the months of July, August and September of any Year only with the prior written consent of the Seller.

(c) Seller shall have the right to make good the short supplies in a particular month in the succeeding month(s) of the same Quarter to the extent of 5%

of the SQ. Similarly, Purchaser shall have the right to make good the short lifting in a particular month in the succeeding months of the same Quarter to the extent of 5% of the SQ.

(d) Total variation in any Month pursuant to clauses 3.5(b) and 3.5(c) shall in no case exceed 10% of the SQ.

(e) Normally variation shall not be permitted in respect of QQ either by Purchaser or Seller pursuant to Clauses 3.5(b), 3.5(c) and 3.5(d) except with mutual consent of the Purchaser and the Seller. However, variation in QQ and/or SQs of the quarter concerned over and above permitted under Sub Clause 3.5(b), 3.5(c) and 3.5(d) can be made with mutual consent of the Purchaser & the Seller expressed in writing.

(f) The above schedule of supply is in respect of supply of coal from indigenous sources. Supply of Imported Coal shall be made as per its availability, which is depending upon many uncontrollable factors and hence no restrictions shall be applicable for quarterly distribution.

3.6 **Compensation for short delivery/lifting**

If for a Year, the Level of Delivery by the Seller, or the Level of Lifting by the Purchaser falls below AACQ with respect to that Year, the defaulting Party shall be liable to pay compensation to the other Party for such shortfall in Level of Delivery or Level of Lifting, as the case may be **("Failed Quantity**") in terms of the following:

Compensation = 0.35 x P x [(T-LD or LL) /100] x AACQ

Where:

T = Trigger Level i.e. 75. Only if unconditional acceptance is given by Purchaser for Imported Coal as per Schedule-V, T would be considered 80.

P = Weighted average Base Price of grades of coal supplied. Billed value for the year against AACQ may be considered as net of debit/credit notes issued during a year irrespective of the bills/period to which it may pertain. This is because receipt of third-party/referee results is a continuous process. This being a rolling exercise, net impact will be taken care of over time.

LD/LL = Level of Delivery/ Level of Lifting

Note: The Purchaser has to give unconditional acceptance of Imported Coal and pricing mechanism thereof as would be decided by CIL, by signing the Schedule-V of this agreement. Unless such acceptance is accorded, the penal provision for supply below 75% shall be applicable. The terms of import and the pricing mechanism shall be as per the provisions of the side agreement.

3.7 **Level of Delivery**:

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

$$\textbf{Level of Delivery (LD)} = \frac{(DQ_{RCG}+DDQ+FM+RF) \times 100}{AACQ}$$

Where:

LD = Level of Delivery of Coal by the Seller for the Year

DQ_{RCG} = Delivered Quantity in Tonnes corresponding to RCG, calculated as under:-

$$DQ_{RCG} = DQ \times \text{Mid Point GCV of RSG/Mid Point GCV of RCG}$$

DQ = Delivered Quantity, namely, aggregate actual quantities of Coal delivered by the Seller for the Year arrived at by summation of supplies made by the concerned Seller/Coal Company to all linked Plants/Units specified in Schedule-I and non-linked Plants/Units of the Purchaser. For this purpose, supplies made to Plants/Units not having an FSA with any Subsidiary of CIL shall also be included.

DDQ = Deemed Delivered Quantity, reckoned in the manner stated in Clause 3.11

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

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

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

RF = Quantity of Coal that could not be supplied by the Seller for the Year owing to the Railways not allotting wagons or not placing wagons for loading, in spite of specific valid indent/offer submitted by the Seller to the Railways against valid program(s) submitted by the Purchaser for the purpose. It shall be calculated as per following formula:

$$\textbf{RF} = \left(\sum_{x=1}^{n} \left(\mathbf{Min.}\left(RE_x, RI_x\right)\right) - RS_x \right) \times \textbf{W}$$

Where:

W = Representative Weight per rake, in tonnes, as Notified by Seller.

n = No. of days of FSA validity in relevant FY (365/366; proportionately lower in 1^{st} & last year).

RE_x = No. of rakes(rounded) eligible to be indented by Seller on x^{th} day under FSA i.e. as per SQ for which valid Program(s) and coal value submitted by Purchaser within timelines.

RI_x = No. of rakes indented by Seller on x^{th} day under FSA.

RS_x = No. of rakes supplied by Railways on any day against indents placed by Seller on x^{th} day.

3.8 **Level of Lifting**:

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

$$\textbf{Level of Lifting (LL)} = \frac{(LQ_{RCG}+DLQ+FM+RF)\times 100}{AACQ}$$

Where:

LL = Level of Lifting of Coal by the Purchaser for the Year.

LQ_{RCG} = Lifted Quantity in Tonnes corresponding to RCG, calculated as under:-

LQ_{RCG}= LQ x Mid Point GCV of RSG/Mid Point GCV of RCG

LQ = Lifted Quantity, namely, the aggregate actual quantity of Coal lifted by the Purchaser for the Year, arrived at by summation of lifting done by all linked Plants/Units specified in Schedule-I and non-linked Plants/Units of the Purchaser from the concerned Seller/Coal Company. For this purpose, lifting done by Plants/Units not having an FSA with any Subsidiary of CIL shall also be included.

LQ_{RCG} is same as DQ_{RCG} and LQ is same as DQ.

DLQ = Deemed Lifted Quantity shall have the same meaning as given in Clause 3.10.

FM & RF = shall have the same meanings as given under Clause 3.7.

3.9 For the purpose of computing DDQ and RF, the weight per rake will be as notified by Seller or relevant subsidiary from time to time, which shall be used for calculation of compensation from either the Purchaser or Seller.

3.10 **Deemed Lifted Quantity:**

For the purposes of this Agreement, the aggregate of the following items provided under Clause 3.10(a) and 3.10(b) shall constitute the deemed lifted quantity for the supply of coal by rail or by road/ ropeways/ MGR/ belt conveyor, as the case may be ("**Deemed Lifted Quantity**"):

(a) **For supply of Coal by rail**

(i) Quantity of coal not lifted by Purchaser owing to omission or failure on part of Seller to endorse/recommend designated rail programme(s) submitted by Purchaser as per agreed time table with respect to Scheduled Quantity.

(ii) Quantity of Coal not lifted by Purchaser owing to cancellation, withdrawal or modification of endorsement to rail programme(s) by Seller after its submission whether before or after allotment of wagon(s) by Railways.

(iii) Quantity of Coal not lifted by Purchaser owing to failure on part of Seller to place specific valid indent/offer to Railways against valid Program(s) submitted by Purchaser despite payment of coal value by Purchaser within timelines.

(iv) The quantity of Coal offered by Seller from domestic and/or Imported Coal in terms of Clause 3.3(a) and 3.3(b) not accepted by the Purchaser.

(b) **For Supply of Coal by Road/ Ropeways/ MGR/ Belt Conveyor**

(i) Quantity of coal not lifted by Purchaser owing to Seller’s failure to provide coal even after requisite number / type of transport is place by Purchaser at Delivery Point for lifting of Coal within validity period of sale order/delivery order.

(ii) The quantity of Coal offered by Seller from domestic and/or Imported Coal in terms of Clause 3.3(a) and 3.3(b) not accepted by the Purchaser.

(c) Deemed Lifted Quantity in terms of Clause 3.10(a) and 3.10(b) shall be calculated on cumulated monthly basis for a Year.

3.11 **Deemed Delivered Quantity**:

For the purpose of this Agreement, the aggregate of the following items provided under Clause 3.11(a) to 3.11(b) shall constitute the Deemed Delivered Quantity with respect to a Year.

(a) **For supply of Coal by rail**:

(i) The quantity of Coal not supplied by the Seller owing to omission or failure on the part of Purchaser to submit in advance the designated rail programme (s) to the Seller as per agreed time-table with respect to the Scheduled Quantity.

(ii) The quantity of Coal not supplied by the Seller owing to cancellation, withdrawal or modification of the rail programme(s) by the Purchaser after its submission whether before or after allotment of wagon(s) by Railways.

(iii) The quantity of Coal not supplied by the Seller owing to Purchaser's failure to pay and/or submit / maintain IRLC, as applicable, in accordance with Clause 11.1(b)(ii).

(iv) The quantity of Coal not supplied by the Seller owing to Seller exercising the right of suspension of supplies in terms of Clause 13.

(v) The quantity of Coal offered by Seller from domestic and/or Imported Coal in terms of Clause 3.3(a) and 3.3(b) is not accepted by the Purchaser.

(b) **For Supply of Coal by road/ ropeways/MGR/belt conveyor**:

(i) The quantity of Coal not supplied by the Seller owing to Purchaser's failure to pay and/or submit IRLC, as applicable, in accordance with Clause 11.1(b)(ii).

(ii) The quantity of Coal not supplied by the Seller owing to Seller exercising the right of suspension of supplies in terms of Clause 13.

(iii) The quantity of Coal not supplied by the Seller owing to Purchaser's failure to place the requisite number / type of transport at the Delivery Point for delivery of Coal within the validity period of the sale order/delivery order.

(iv) The quantity of Coal offered by Seller from domestic and/or Imported Coal in terms of Clause 3.3(a) and 3.3(b) is not accepted by the Purchaser.

(c) Deemed Delivered Quantity in terms of Clause 3.11(a) and 3.11(b) shall be calculated on cumulated monthly basis for a Year.

3.12 **Performance Incentive**:

(a) If the Seller delivers energy in Kcal to the Purchaser in excess of ninety (90%) of the Requisite Energy in a particular Year, The Purchaser shall pay the Seller an incentive ("**Performance Incentive**") to be determined as follows:

$$\mathbf{PI = P \times Q_{AE} \times M}$$

Where:

PI = Performance Incentive payable by the Purchaser to Seller.

P = Weighted average Base Price of grades of coal supplied. Billed value for the year against AACQ may be considered as net of debit/credit notes issued during a year irrespective of the bills/period to which it may pertain. This is because receipt of third-party/referee results is a continuous process. This being a rolling exercise, net impact will be taken care of over time.

M = Multiplier: 0.10 for Slab 1 when AE is from 90% to 95% of RE, 0.20 for Slab 2 when AE > 95% of RE.

> *Note: - It is clarified multiplier would remain 0.20 for AE in excess of RE as well.*

AE = Additional Energy in Kcal i.e. Supplied Energy (SE) over 90% of Requisite Energy (RE).

Q_{AE} = Quantity in Tonnes corresponding to AE in that slab which shall be calculated as under:

> *Q_{AE} = AE in that slab/Mid-Point GCV of Representative Contracted Grade (as defined under clause 4.6(c))*

SE = Supplied Energy in Kcal shall be corresponding to the Coal supplies made to both linked and non-linked plants of a subsidiary but having linkage with other subsidiary (ies). Such non-linked plants which don't have FSA(s) with any subsidiary of CIL, shall not be counted towards SE. This shall be calculated as per following formula:

> *SE = Qty. supplies (for the year) x Mid-Point GCV of Representative Supplied Grade to the Purchaser from a coal company as defined under clause 4.6(d).*

RE = Requisite Energy = RE in Kcal shall be the energy required by the Purchaser corresponding to AACQ and shall be calculated as under:

> *RE= AACQ x Mid-Point GCV of Representative Contracted Grade of a Purchaser from a coal company as defined under clause 4.6(c).*

(b) The incentive payable shall be calculated in the same manner as done slab-wise for computation of income-tax.

(c) With respect to part of Year in which term of this Agreement ends, the energy corresponding to relevant quantities in Clause 3.12(a), shall apply pro-rata.

(d) Supply of coal in excess of AACQ shall be with mutual consent.

(e) The total amount of PI/Penalty bill shall be indicated by coal companies to the Purchaser. The Purchaser shall have an option of payment of this amount from plants of their choice such as linked plants mentioned under Schedule-I and/or non-linked plants not mentioned under Schedule-I. However, the Purchaser shall pay the complete amount. Such choices, if any, shall be submitted by the Purchaser within 7 days from the date of indication of the amount by the Seller. Otherwise, invoice bills shall be raised by the Seller on Purchaser.

(f) In the event of a Penalty to the Seller on account of shortfall under Level of Delivery, the choice of apportionment of failed quantity to its mines/areas/fields/coal company shall rest with the Seller. Such choices, if any, shall be submitted by the Seller within 7 days from the date of indication of the amount by the Purchaser. Otherwise, invoice bills shall be raised by the Purchaser on Seller.

(g) For plants drawing coal under Case-IV of the Methodology For Flexibility In Utilization Of Domestic Coal For Reducing The Cost Of Power Generation, issued by the CEA, dated June 8, 2016 (the "**Flexi Policy**"), aggregation of ACQ shall be at Purchaser level and bills for Pl/Penalty shall be raised against the concerned Purchaser.

(h) For 'Case 2 Scenario 4 Plants' under the Flexi Policy payment is made by individual plants, however, coal is also diverted by the Purchasers, and as such, the aggregation of ACQ shall be at the Purchaser level and bills for Pl/Penalty shall be raised against the concerned Purchaser.

4. **QUALITY**:

4.1 The quality of Coal delivered / to be delivered shall conform to the specifications given in Schedule-II.

4.2 The Seller shall make adequate arrangements to assess the quality and monitor the same to endeavour that un-graded Coal (GCV of less than 1500 Kcal/Kg for non-coking coal or as may be notified by CIL from time to time) is not loaded into the Purchaser's Containers. If the Seller sends any quantity of such Coal, the Purchaser shall limit the payment of cost of Coal to Re.1/- (Rupee one only) per tonne or such cost of coal as may be notified by CIL, whichever is higher. Statutory charges shall, however, be paid as per the Declared Grade. In this regard, any credit in respect of the statutory charges, if and when received by the Seller, shall be adjusted through issuance of credit note(s). Railway freight shall be borne by the Purchaser.

4.3 The Seller shall endeavor to deliver Coal with size conforming to specifications set out in Schedule-II and shall make reasonable efforts to remove stones/extraneous material from Coal.

4.4 **Re-declaration of Grade by the Seller**:

If the Grade analysed pursuant to Clause 4.6 shows variation from the Declared Grade, consistently over a period of three (3) months, the Purchaser may request the Seller for re-declaration of Grade, which shall be duly considered by the Seller for applying to Coal Controller for approval of re-gradation. The Purchaser may also apply to Coal Controller directly with due intimation to the Seller for re-declaration of grade as per extant guidelines of CCO.

4.5 **Oversized Coal / stones**

In the unlikely event of supply of any oversized coal/stones beyond the specifications set out in Schedule-II, the Purchaser shall inform the seller of such incident(s) in any specific consignment(s) immediately on its detection at the Delivery Point and/or Unloading point and the Seller shall take all reasonable steps to prevent such ingress at its end. If, in the Purchaser's reasonable assessment, the incidents of oversized Coal and/or stones are causing operating or maintenance problems at the Power Station, then, upon the request of the Purchaser, the Purchaser and the Seller shall meet and prepare a mutually acceptable plan for effectiveness of the Seller's endeavors to avoid such instances.

4.6 **Assessment of Quality of Coal**

(a) Detailed modalities for collection, handling, storage preparation and analysis of samples by Third Party shall be as per the indicative procedure set out in Schedule-IV. Separate tripartite agreements are signed between the Purchaser, the Seller and the Third Party sampling agency, the terms of which may be updated from time to time based on market conditions. In the event of any variance between the provisions of Schedule-IV and the actual tripartite agreement executed between the parties, the terms of the actual tripartite agreement shall prevail over Schedule-IV.

(b) In the event, of any reason whatsoever, third Party sampling & analysis could not be conducted, joint sampling & analysis shall be carried out by the Seller in presence of the Purchaser at the loading end; and In the event that no sample is collected either by the Third Party or Seller and Purchaser jointly as mentioned at sub-clause (a) above, from dispatches by a rake or on any day, as the case may be, from a Delivery Point for any reason, the weighted average of the most recent results available in any preceding Month against respective Delivery Point/ Grade shall be adopted for such dispatches for which samples were not collected.

(c) **Representative Contracted Grade (RCG)**

(i) The Representative Contracted Grade (RCG) for a Financial Year shall be the weighted average grade of supply of coal to all plants of a Purchaser during the Previous Reference Year (PRY), which shall be calculated based on the sampling results of coal supply during PRY, as available on 15th March of the immediately preceding Financial Year.

(ii) The sampling results shall be considered with following order of precedence:

A. Referee Analysis Results;

B. Third Party Analysis Results, if Referee Analysis Results not available; and

C. Mid-point of the Declared Grade, if both Referee Analysis Results and Third Party Analysis results not available.

(iii) The RCG for a Financial Year shall be frozen and shall not be reopened or revised subsequently.

(iv) The AACQ for a Financial Year shall be determined based on the determined RCG, the Linked Capacity of the Plant, and the CEA norms dated 08.03.2024 applicable to Pithead/Non-Pithead Plants, as the case may be.

(v) In the event of no supply under this FSA during the PRY, the RCG for a Financial Year shall be determined based on the available results of sampled coal quantities supplied to all consumers during the PRY as on 15th March of the immediately preceding Financial Year.

(vi) Since coking coal's GCV is also assessed, same would be taken into account while determining RCG.

(d) **Representative Supplied Grade (RSG)**

(i) The Representative Supplied Grade (RSG) for a Financial Year shall be the weighted average grade of supply of coal to all plants of a Purchaser during the Current Reference Year (CRY), which shall be calculated based on the sampling results of coal supply during CRY, as available on 15th March of the said Financial Year.

(ii) The sampling results shall be considered with following order of precedence:

A. Referee Analysis Results;

B. Third Party Analysis Results, if Referee Analysis Results not available; and

C. Mid-point of the Declared Grade, if both Referee Analysis Results and Third Party Analysis results not available.

(iii) The RSG for a FY shall be frozen and shall not be reopened or revised subsequently.

(iv) The RSG so determined shall be deemed to represent the quality of coal supplied during the relevant Financial Year for the purpose of performance assessment.

(v) Since coking coal's GCV is also assessed, same would be taken into account while determining RSG.

(vi) This RSG of a FY will become RCG for the next FY.

5. WEIGHMENT OF COAL

5.1 For dispatch of Coal by Rail, all the wagons loaded for the Purchaser shall be weighed at the loading end at the electronic weighbridge of Seller. The "net weight" of coal in each wagon, as well as the total quantity of coal contained in the rake, recorded in the Railway Receipt (RR) issued by Railways, shall be treated as final and binding for determination of the quantity delivered for billing and payment. The Purchaser shall have the right to witness the weighment of wagons at the weighbridge, if desired. Since RR is available with Purchaser, no additional document for weighment is required to be given from the Sellers' side. However, if requested by Purchaser, Seller may share weighment sheet, load adjustment memo (in case a rake is pushed back for load-adjustment due to overloading as per Railway's order) and load-adjustment sheet (or any annexure) accompanying the load adjustment memo containing load-adjusted weights of the wagons after completion of load-adjustment.

5.2 In the absence of weighment of coal at the dispatch end, the weighment recorded at the associated weighbridge, alternate weighbridge, en-route weighbridge, or any other weighbridge as notified under the extant Railway policy or circular shall be accepted. The Railway Receipt (RR) generated on the basis of such weighment, and the "actual weight" of the rake as reflected therein, shall be treated as final and binding for billing of the coal consignment by the Seller.

5.3 In the event of non-generation of the Railway Receipt (RR) for any reason whatsoever, Permissible Carrying Capacity (PCC) of the wagons of the rake shall be treated as final and binding for determination of the quantity delivered for billing and payment.

5.4 The Seller and the Purchaser shall permit access to and make facilities available at its weighbridge, for representatives of either Party to witness and note the weight for the consignment. In case the representative of any Party fails to be present, at the time of such weighment, the weight recorded by the representative of the other Party in accordance with Clause 5.1 and 5.2, shall be final and binding.

5.5 The weighbridges, both at the Seller's end and Purchaser's end, shall be calibrated as per the Weights and Measures Standards and applicable railway guidelines from time to time. Both the Seller and the Purchaser shall have the right to witness the calibration of the weighbridge at each other's end.

5.6 Operation and Maintenance of Weighment System

The Parties shall at their respective costs:

(a) Operate and maintain their weighbridges in good working order and in accordance with the Weights and Measures Standards and other applicable laws; and

(b) Cause the weighbridge to be inspected, tested and certified by the statutory agencies in accordance with and at the intervals required by the Weights and Measures Standards and the Parties shall, at their cost, extend / make available all requisite facilities required for the purpose of testing and/or calibrating the weighbridge.

5.7 For dispatch of Coal by road, the weight recorded at the electronic weighbridge of the Seller at the loading end shall be final for the purpose of billing and payment. The Purchaser shall have the right to witness the weighment at the colliery, if desired. The weighbridge shall be calibrated as per the Weights and Measures Standards. The Purchaser shall have right to witness such calibration.

5.8 For dispatch of Coal by belt conveyor, a weightometer shall be installed at the colliery/ washery end of the Seller and weight recorded by the weightometer shall be the weight of Coal supplied. The weightometer shall be kept under joint seal and will be repaired / recalibrated in the presence of the representatives of both the Parties, wherever necessary. In the absence of record of weight in belt conveyor on a day, the weighted average quantity of Coal over a continuous period of immediately preceding seven (7) days shall form the basis for determining the quantity of Coal from that source at that Delivery Point, till such time weighment at the weightometer is resumed.

5.9 For dispatch of Coal by MGR system, weight recorded at the loading end through electronic weighment system shall form the basis for determining the quantities of Coal delivered. In the absence of record of weight in MGR system on a day, the weighted average quantity of Coal over a continuous period of immediately preceding seven (7) days shall form the basis for determining the quantity of Coal from that source at that Delivery Point, till such time weighment at the weightometer is resumed.

6. METHOD OF ORDER BOOKING AND DELIVERY OF COAL:

The Purchaser shall submit monthly programme(s) mode-wise for off-take of Coal derived from QQ and mutually agreed trued up requirement, within Seller's notified timelines. Notwithstanding, Clause 6.1 and Clause 6.2 shall be applicable in case of Coal offtake by rail and road respectively.

6.1 **Order Booking by Rail**:

(a) The Purchaser shall submit a programme to the Seller, through Freight Operations Information System (FOIS) or such other designated portal/system as may be made applicable from time to time by Railways, within such period, as per the applicable Railway rules and the Seller's notified procedures. Thereafter, the Seller shall process for issuance of the consent of the programme. The sanction of the consented rail programme shall be obtained accordingly. The validity period of the monthly programme for movement by rail for seeking allotment shall be as per prevailing Railways rules. Once the rake is allotted, it shall remain valid for supply as per the prevailing Railways' rules.

(b) Subject to fulfillment of payment obligations pursuant to Clause 11.1(b) by the Purchaser, the Seller shall thereupon submit specific indent/offer based on the valid rail programme(s) to the Railways as per the extant Railway rules for the allotment and placement of wagons during the concerned month in conveniently spaced intervals.

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

(d) In case of formation of rakes with wagons loaded from different Delivery Points, the Seller shall make best efforts to complete documentation formalities as per Railway rules so as to enable the Purchaser to avail a trainload freight rate.

(e) In the event rail movement is declared / considered not feasible by Railways, review will be made jointly in the matter of mode of transport.

6.2 **Order Booking by Road**:

(a) The Seller shall notify the monthly Coal allocation for order booking by the Purchaser.

(b) Based on the monthly colliery wise allocation done by the Seller in terms of Clause 6.2(a), the Purchaser shall place orders with the Seller for the Scheduled Quantity.

(c) Subject to fulfillment of payment obligations pursuant to Clause 11.1(b) by the Purchaser, the Seller shall arrange to issue sale order(s)/delivery order(s) separately for each colliery and issue necessary loading programme / schedule from time to time. The Purchaser shall arrange to place the required number / type of trucks to lift the Coal as per such loading programme / schedule. The Seller shall ensure that the sale order / delivery order in favour of the Purchaser reaches the concerned colliery/weigh bridge in a time bound manner.

(d) The Seller shall ensure delivery and the Purchaser shall ensure lifting of Coal against sale order / delivery order of any month within the validity period, as mentioned in the sale order.

(e) In the event of any quantity remaining undelivered / unlifted, the Purchaser shall be entitled to receive, once the validity period of the sale order/ delivery order expires, the refund of the proportionate value of such quantity.

7. **TRANSFER OF TITLE TO GOODS**:

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

8. **PRICE OF COAL**:

The **“As Delivered Price of Coal”** for the Coal supplies pursuant to this Agreement shall be the sum of Base Price, Other Charges and Statutory Charges, as applicable at the time of delivery of Coal.

8.1 **Base Price**

The Purchaser shall pay the Base Price of Coal in accordance with the provisions of this Agreement. It is expressly clarified that the Base Price in relation to the Indigenous coal and Imported Coal shall be notified/declared by the Seller/ CIL, as the case may be from time to time.

8.2 **Other Charges:**

(a) Transportation charges:

Where Coal is transported by the Seller from Pithead to the Delivery Point, the Purchaser shall pay transportation charges, as notified by CIL / Seller from time to time.

(b) Sizing/Crushing charges:

Where Coal is crushed by mechanical means for limiting the top-size to 250mm, or any other lower size, the Purchaser shall pay sizing/crushing charges, as applicable and notified by CIL / Seller from time to time.

(c) Evacuation Facility Charges:

The Purchaser shall pay Evacuation Facility Charges notified by CIL / Seller from time to time.

(d) Any other applicable charges:

Any other charges as notified by CIL/ Seller from time to time including additional charges and service charges arising out of supply of Imported Coal, as may be applicable, shall be payable by the Purchaser. The Service Charges shall be 2% of Landed Price of Imported Coal (CIF Prices) plus applicable taxes and levies for supply of Imported Coal, till any further revision in the rate.

8.3 **Statutory Charges**:

The statutory charges shall comprise royalties, cesses, duties, taxes, levies etc., if any, payable under any relevant statute but not included in the Base Price and/or other charges pursuant to Clause 8.2, shall be payable by the Purchaser. These levies/charges shall become effective from the date as notified by the Government/ statutory authority.

8.4 In all cases, the entire freight charges, irrespective of the mode of transportation of the Coal supplied, shall be borne by the Purchaser.

8.5 Supplies under this FSA to a Plant which does not have a FSA with any subsidiary of CIL, shall be charged a premium of 40% over and above the applicable Base Price/Notified Price or such price notified by CIL from time to time, in accordance with the prevailing guidelines of CIL. The applicable premium % may also be revised by CIL from time to time.

9. **COMPENSATION:**

9.1 **Excess Surface Moisture**

(a) In the event that monthly weighted average Surface Moisture in Coal exceeds ____(% to be inserted by subsidiaries as per limit specified in existing FSAs) during the months from October to May and ____(% to be inserted by subsidiaries as per limit specified in existing FSAs) during the months from June to September, the Coal quantities delivered to the Purchaser during such month shall be adjusted for the resultant excess Surface Moisture, which shall be calculated in percentage by which the Surface Moisture exceeds the foregoing limits.

(b) The Seller shall give regular credit note on account of excess Surface Moisture, as per Clause 9.1(a) above, calculated at the rate of Base Price of Analyzed Grade of coal and other charges, pursuant to Clause 8.2 but excluding statutory charges pursuant to Clause 8.3, if any, and railway freight for the quantity of excess Surface Moisture.

(c) Notwithstanding Clause 9.1(a), the Surface Moisture limits specified therein may be revised based on mutual consent.

(d) Sampling/ analysis and determination of Surface Moisture for compensation shall be done as per the procedure given in Schedule-IV. Provided that Schedule-IV is indicative in nature. Separate tripartite agreements are signed between the Purchaser, the Seller and the Third Party sampling agency, the terms of which may be updated from time to time based on market conditions. In the event of any variance between the provisions of Schedule-IV and the actual tripartite agreement executed between the parties, the terms of the actual tripartite agreement shall prevail over Schedule-IV.

10. **OVERLOADING AND UNDER LOADING**:

The Parties acknowledge that overloading and underloading of wagons may occur due to operational factors beyond the reasonable control of either Party. Accordingly, any penal freight for overloading and idle freight for underloading of wagons charged by the Railways for any consignment shall be shared equally between Purchaser & Seller in 50:50 ratio and shall be adjusted in the bills. However, if overloading is detected from any particular colliery, consistently during three (3) continuous months, on due intimation from the Purchaser to this effect, the Seller undertakes to take remedial measures.

11. MODALITIES FOR BILLING, CLAIMS & PAYMENT

11.1 Bills on Declared Grade basis

(a) The Seller shall raise source-wise bills for the Coal supplied to the Purchaser on Declared Grade basis. The Seller shall raise such bills on rake-to-rake basis for delivery of Coal by rail and on daily basis for delivery of Coal by road and other modes of transport. Such bills shall be raised within seven (7) days of delivery.

(b) The Purchaser shall pay in accordance with either of the following payment mechanisms:

(i) The Purchaser shall make advance payment for a month in three (3) installments for availing Coal supplies from the Seller – first (1st) installment on the first (1st) day of the month, second (2nd) installment on the eleventh (11th) day of the month and the third (3rd) installment on the twenty first (21st) day of the month. Each of these payment installments shall cover the As Delivered Price of Coal for the Coal quantities that is one-ninth (1/9th) of the QQ concerned, as per Clause 3.4. Further, each of these installments shall take into account the weighted average of Base Prices of Grades mentioned in Schedule-II based on actual supplies of immediately available previous month. However, the third (3rd) installment shall also include the adjustment amount with regard to the actual quantity of Coal delivered pursuant to Clause 5 and the quality of Coal analysed pursuant to Clause 11.2 vis-à-vis the advance payment made for the previous month. For the avoidance of any doubt, such adjustment amount shall also include the quantity adjustment calculated pursuant to Clause 9.1.

(ii) The Purchaser shall maintain with the Seller an Irrevocable Revolving Letter of Credit (IRLC) issued by a bank acceptable to the Seller and in the format acceptable to the Seller and fully conforming to the conditions stipulated in Schedule-III for an amount equivalent to As Delivered Price of Coal for the Coal quantities that is one-ninth ($1/9^{th}$) of the QQ concerned, as per Clause 3.4. The As Delivered Price of Coal in this context shall take into account the highest of Base Prices of Grade mentioned in Schedule-II. The IRLC shall be maintained throughout the term of this Agreement. The amount of IRLC shall be suitably changed whenever there is a change in any component of the As Delivered Price of Coal. In addition to the IRLC, the Purchaser shall pay advance amount equivalent to seven (7) days Coal value by way of Demand Draft/ Banker's cheque/ Electronic Fund Transfer (EFT).

(iii) The Purchaser shall also be allowed to make payment through Usance LC or other payment mechanisms such as online/e-payment system followed by Railways for freight charges as per such modalities/guidelines issued by CIL from time to time.

(c) All the payments shall be made through Demand Draft/Banker's cheque/Electronic Fund Transfer payable at _________. In the event of non-payment within the aforesaid stipulated period, the Purchaser shall be liable to pay interest in accordance with Clause 12.

(d) Advance payment made by the Purchaser shall be non-interest bearing, and it shall change in accordance with change in the As Delivered Price of Coal.

11.2 **Adjustment for analyzed quality/ Grade**

(a) The bills with regard to adjustment for quality, as determined under Clause 4.6, shall be supported by relevant documents in respect of the analysis carried out of the following parameters:

A. Total Moisture (%)

B. Equilibrated Moisture (%)

C. Ash (%)

D. GCV (Kcal/Kg)

(i) In the event for any reason whatsoever third Party sampling & analysis by the agency of Seller and Purchaser could not be conducted, joint sampling & analysis shall be carried out by the Seller in presence of the Purchaser at the loading end.

(ii) In the event no sample is collected either by the Third Parties or Seller and the Purchaser jointly as mentioned at (i) above from dispatches by a rake or on any day, as the case may be, from a source for any reason, the weighted average of the most recent results available in any preceding month against respective Source and Grade shall be adopted for such dispatches for which samples were not collected.

(b) The Seller shall give regular credit note on account of Grade slippage to the extent of difference in the Base Price of Declared Grade and analysed Grade of Coal. In case of analysed Grade being higher than the Declared Grade, bonus bill/ claim shall be raised by the Seller. The credit note on Grade slippage shall be issued by the Seller within seven (7) days of acceptance of results under joint signature.

(c) The amount arising out of final settlement of any bill pursuant to Clause 11.2(a) that is disputed by the Purchaser shall be paid for, as part of the third (3rd) installment pursuant to Clause 11.1(b)(i) that is due for payment in the same month or in the immediately succeeding month to the month in which such settlement takes place.

11.3 **Bills of Miscellaneous Claims**

(a) The Seller shall, within seven (7) days of the receipt of claim pursuant to Clause 9.1 raised by the Purchaser, issue credit note, which shall be adjusted as part of the third (3^{rd}) installment pursuant to Clause 11.1(b)(i).

(b) The bills towards interest charges pursuant to Clause 12 shall be raised by the parties on monthly basis by the tenth (10th) day of the following month and the payment shall be made by fifteenth (15th) day of the same month.

(c) Compensation for short delivery/lifting, as calculated in accordance with Clause 3.6, shall be payable by the defaulting Party to the other Party within a period of ninety (90) days from the date of receipt of claim failing which it will attract interest in terms of Clause 12.

(d) After expiry of the Year, the Seller shall submit an invoice to the Purchaser with respect to the Performance Incentive payable in terms of Clause 3.12(a) and the Purchaser shall pay the amount so due within thirty (30) days of the receipt of the invoice failing which it will attract interest in terms of Clause 12.

11.4 **Diverted rakes/ missing wagons**

In case of diversion of rakes en-route or missing wagons, bills shall be paid to the Seller by the original consignee.

11.5 **Annual Reconciliation / Adjustments**

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

Notwithstanding the above, the periodicity of reconciliation may be modified by the Seller, in accordance with the guidelines or instructions issued by CIL from time to time, and such revised periodicity shall be binding on both Parties.

11.6 In the event of due date of any payment obligation under this Agreement falling on Sunday or a gazetted holiday or Nationwide strike affecting banking services, the next first working day shall be the effective due date for the purpose.

11.7 Purchaser hereby confirms and acknowledges that any dues or claims arising under or in connection with the previous FSAs specified in Schedule-I after the Specified Date shall be duly paid and discharged by the Purchaser within thirty (30) days of receipt of the relevant invoice, notwithstanding the execution or subsistence of this Agreement, failing which, interest shall be payable in terms of Clause 12 of this Agreement.

11.8 Purchaser hereby irrevocably and unconditionally waives any right to raise any claims and demands of whatever nature under or in connection with the previous FSAs.

11.9 Further, the Seller may, at its discretion, adjust any unpaid dues, from payments accruing under this FSA or through such other means as may be available under applicable law.

12. INTEREST ON DELAYED PAYMENT

In the event of delay in payment/adjustment of any amount payable/recoverable pursuant to the provisions of this Agreement, the Seller/the Purchaser shall be entitled to charge interest on such sum remaining outstanding for the period after the due date till such time the payment is made. The interest charged by the Seller/ Purchaser pursuant to this Clause shall be at the Interest Rate, as per Clause 1.1(x).

13. SUSPENSION OF COAL SUPPLIES

13.1 In the event:

(a) any payment due under this Agreement is not made by the Purchaser by the due date; and/or

(b) the Purchaser commits any prima facie breach, default or violation of Clause 3.2 (*End-use of Coal*);

the Seller shall be entitled to regulate and/or suspend further delivery of Coal with immediate effect till such day the payment as due along with the interest amount is received by the Seller. The quantity of Coal not delivered by the Seller pursuant to such regulation and/or suspension of delivery of Coal shall be the Regulated Quantity Not Supplied (RQNS) and Deemed Delivered Quantity (DDQ) of Coal shall accrue to the Seller for the quantity equal to RQNS.

13.2 In the event the Seller suspends the Coal supplies pursuant to Clause 13.1, during such period that the Coal supplies remain suspended, while the Seller shall be relieved of his obligations under this Agreement, the obligations of the Purchaser under this Agreement shall be deemed to remain in full force.

13.3 The Seller shall resume the Coal supplies within seven (7) Business Days of payment in full of all outstanding amounts together with accrued interest. The Seller shall have the right to continue the suspension for as long as the outstanding payment has not been fully made or the IRLC required under the Agreement is not fully replenished.

14. SETTLEMENT OF DISPUTES:

14.1 All differences or disputes between the Parties shall be settled/resolved amicably. If amicable settlement is not possible, then the unresolved disputes or differences shall be settled through the process below.

14.2 In the event of any dispute or difference relating to the interpretation and application of the provisions of commercial contract(s) between Central Public Sector Enterprises (CPSEs)/Port Authorities inter-se and also between CPSEs and Government Departments/Organizations (excluding disputes relating to Railways, Income Tax, Customs & Excise Departments), such dispute or difference shall be taken up by either party for its resolution through AMRCD as mentioned in DPE OM No. DPE 02/0001/2023-AMRCD-FTS- 13578 dated 8th December, 2025 and the decision of AMRCD on the said dispute will be binding on both the parties.

14.3 Clause 14.2 shall stand modified to the extent of any amendment, modification, or supersession of the extant AMRCD mechanism as issued by the Government of India including Department of Public Enterprises, Ministry of Finance from time to time.

14.4 Notwithstanding the pendency of any dispute under this Clause 14, the Purchaser shall continue to pay all undisputed amounts as and when due under this Agreement and shall not withhold payment of undisputed amounts on account of any dispute. Failure to pay undisputed amounts shall entitle the Seller to suspend supplies in accordance with Clause 13.

15. TERMINATION OF CONTRACT/AGREEMENT

15.1 This Agreement may be terminated in the following events and in the manner specified hereunder:

(a) In the event that either Party is rendered wholly or partially unable to perform its obligations under this Agreement ("**Affected Party**") because of a Force Majeure Act, as described in Clause 16 below, and such inability to perform lasts for not less than a total of nine (9) months in continuous form or of twelve (12) months in discontinuous form in a period of two (2) Years, and in the considered assessment of the other Party ("**Non-Affected Party**") there is no reasonable likelihood of the Force Majeure Act coming to an end in the near future, such Party shall have the right to terminate this Agreement, by giving at least ninety (90) days prior written notice to the Affected Party of the intention to so terminate this Agreement. In such event, the termination shall take effect on expiry of the notice period or ninety (90) days whichever is later, and the Parties shall be absolved of all rights/obligations under this Agreement, save those that had already accrued as on the effective date of termination.

(b) In the event that the Purchaser is prohibited /disabled under law from using Coal for power generation at the Power Plant(s) covered under this Agreement, for reasons beyond its control, owing to changes in applicable environmental and/or statutory norms, howsoever brought into force; the Purchaser shall have the right to terminate this Agreement, subject to a prior written notice to the Seller of thirty (30) days.

(c) In the event that the Level of Delivery (LD) falls below thirty percent (30%) or the Level of Lifting (LL) falls below thirty percent (30%), the Purchaser or the Seller as the case may be, shall have the right to terminate this Agreement, within sixty (60) days of the end of the relevant Year after providing the other Party with prior written notice of thirty (30) days.

(d) In the event that either Party suffers insolvency, appointment of liquidator (provisional or final), appointment of receiver of any of material assets, levy of any order of attachment of the material assets, or any order or injunction restraining the Party from dealing with or disposing of its assets and such order having been passed is not vacated within sixty (60) days, the other Party shall be entitled to terminate this Agreement.

(e) In the event that any Party commits a material breach of term or condition of this Agreement ("**Defaulting Party**") not otherwise specified under this clause 16.1, the other Party ("**Non-Defaulting Party**"), shall have the right to terminate this Agreement after providing the Defaulting Party thirty (30) days prior notice and the material breach has not been cured or rectified to the satisfaction of the Non-Defaulting Party within the said period of thirty (30) days.

(f) In case, the Purchaser faces termination due to lifting of coal falling below 30% as per Clause 15.1(c), the Purchaser may request the Seller for non-termination of the FSA. The Purchaser shall, however, have to pay the applicable compensation/penalty for the quantum of short lifting below the minimum assured level of lifting (Trigger). Accordingly, the Seller shall raise a compensation/penalty claim.

15.2 **Accrued rights to survive termination**

Termination of this Agreement shall be without prejudice to the accrued rights and obligations of either Party as at immediately prior to the termination.

16. **FORCE MAJEURE**:

16.1 "Force Majeure Act" means any act, circumstance or event or a combination of acts, circumstances and events which wholly or partially prevents or delays the performance of obligations arising under this Agreement by any Party ("**Affected Party**") and if such act, circumstance or event is not reasonably within the control of and not caused by the fault or negligence of the affected Party, and provided that such act, circumstance or event is in one or more of the following categories:

(a) Flood, inundation of mine/plant, drought, lightening, cyclone, storm, earthquake adverse geo-mining conditions, eruption of gases, subsidence and such natural occurrences.

(b) Explosion, Mine/plant fire and other fire, contamination of atmosphere by radioactive or hazardous substances.

(c) Civil disturbance such as riot, terrorism etc.

(d) Industry wise /nation-wide strikes.

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

(f) Epidemic;

(g) The enactment, promulgation, amendment, suspension or repeal of any Applicable Laws after the date hereof;

(h) Any delay or direction or order on the part of the Government of India or relevant State Government or denial or refusal to grant or renew, or any revocation, or modification of any required permit or mining lease or governmental approvals including those related to land acquisition or environment/ forest clearance provided that such delay, modification, denial, refusal or revocation was not due to a cause attributable to the Affected Party;

(i) Global shortage of Imported Coal or delays caused by supplier or no response to enquiries for supply of coal or logistics constraints in transportation of Imported Coal;

(j) Any law and order problems affecting coal production and transportation of coal.

(k) Failure of supply of Power from Power Supplier(s).

(l) The events under Force Majeure for supply of coal through import shall be in accordance with the provisions under the side agreement for supply of Imported Coal as per clause 3.3(a) and 3.3(b).

16.2 **Burden of Proof**:

In the event the Parties are unable to agree in good faith that a Force Majeure Act has occurred; the Parties shall resolve the dispute in accordance with the provisions of this Agreement. The burden of proof as to whether a Force Majeure Act has occurred shall be upon the Party claiming the occurrence or existence of such Force Majeure Act.

16.3 **Effect of Force Majeure**:

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

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

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

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

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

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

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

(g) The Force Majeure Act, shall not relieve either Party from its obligation to comply with Applicable Laws. The Affected Party shall exercise all reasonable efforts to mitigate or limit damages to the other Party.

17. **SCHEDULES / ANNEXURES**:

The Schedules detailed below shall form part of this Agreement.

Schedule - I – Aggregated Annual Contracted Quantity (AACQ)

Schedule - II - Quality of Coal

Schedule - III - IRLC stipulations

Schedule- IV – Detailed modalities for Third Party sampling and Analysis

Schedule-V - Option letter for acceptance / surrender of coal supplies to be made through import of coal.

18. **MISCELLANEOUS:**

18.1 **Notice**: Any notice to be given under this Agreement shall be in writing and shall be deemed to have been duly and properly served upon the Parties hereto if delivered against acknowledgement or by registered mail with acknowledgement due, addressed to the signatories or the authorised representatives of the signatories nominated in accordance with the provisions of this Agreement at the following addresses:

1) Seller's address	**2) Purchaser's address Signature**
Designation:........	**Designation:**.......
Address:.............	**Address:**
Telephone:	**Telephone:**
Fax:	**Fax:**
Email:	**Email:**

18.2 **Amendment**: This Agreement cannot be amended or modified except by prior written agreement between the Parties. provided, however, that this Agreement shall stand amended or modified pursuant to any modification issued in writing or notified by the Seller in accordance with the provisions of this Agreement due to any applicable policy, guideline or circular of the Ministry of Coal or CIL from time to time, and such amendments shall be binding on the Purchaser from the date of such notification without requiring a separate written agreement between the Parties.

18.3 **Severability and Renegotiation**: In the event any part or provision of this Agreement becomes, for any reason, unenforceable or is declared invalid by a competent court of law or tribunal, the rest of this Agreement shall remain in full force and effect as if the unenforceable or invalid portions had not been part of this Agreement, and in such eventuality the Parties agree to negotiate with a view to amend or modify this Agreement for achieving the original intent of the Parties.

18.4 **Governing Law**: This Agreement, and the rights and obligations hereunder shall be interpreted, construed and governed by the laws of India. The courts of _______shall have exclusive jurisdiction in all matters under this Agreement.

18.5 **Entirety**: This Agreement together with any documents referred to in it, supersedes any and all oral and written agreements, drafts, undertakings, representations, warranties and understandings heretofore made relating to the subject matter hereof and constitutes the entire Agreement and understanding of the Parties relating to the subject matter hereof. It is expressly agreed that this Agreement shall supersede all previous discussions and meetings held and correspondence exchanged between the Seller & the Purchaser in respect of this Agreement and any decisions arrived at therein in the past and before coming into force of this Agreement shall have no relevance with reference to this Agreement and no reference of such discussions or meetings or past correspondence shall be entertained either by the Seller or the Purchaser for interpreting this Agreement or its implementation.

18.6 **Counterpart**: This Agreement may be executed in any number of counterparts and each counterpart shall have the same force and effect as the original instrument.

18.7 **Change in Control**: In the event there is any change in constitution of the Purchaser company due to amalgamation, merger, de-merger, takeover, court order or change in ownership/shareholding pattern, the Purchaser shall give a written notice to the Seller within thirty (30) days of such change taking effect, along with the supporting documents/information seeking continuation of this Agreement with respect to the said change. The Seller shall verify the said documents/information submitted by the Purchaser/resultant company in respect of compliance with the Office Memorandum of the Ministry of Coal, Government of India dated April 7th, 2015 and/or any other directive/guideline as may be issued by the Ministry of Coal in this regard and arrive at a decision. Subject to the Seller's satisfaction in this regard, an amendment agreement/novation agreement shall be entered into between the Seller, the Purchaser and the resultant company, as applicable, failing which the Seller shall have the right to suspend supply of Coal in accordance with Clause 13 of this Agreement, and the provisions of Clause 15.1 shall accordingly also apply.

18.8 **Assignment**: Except as provided in Clause 18.7 above, the Purchaser shall not, without the express prior written consent of the Seller, assign to any third party this Agreement or any part thereof, or any right, benefit, obligation or interest therein or thereunder. Any purported assignment in breach of this Clause 18.8 shall be void and of no legal effect and shall entitle the Seller to (i) suspend Coal supplies forthwith in accordance with Clause 13; and (ii) terminate this Agreement in accordance with Clause 15.1 without prejudice to any other rights or remedies available to the Seller.

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

18.10 **Previous FSAs**:

(a) Upon the Effective Date, all previous FSAs executed under Pre-NCDP, NCDP, SHAKTI A(i), SHAKTI A(iv) and SHAKTI B(i), as specified in Schedule-I, shall stand superseded to the extent covered by this Agreement. If required, previous FSA(s) may be duly referred for clauses, which are not a part of this agreement. The supersession of the previous FSA(s) pursuant to this clause shall not extinguish any right of the Seller to recover any amounts due and payable under such previous FSA(s), and such rights shall survive and be enforceable notwithstanding the execution of this Agreement.

(b) Further, coal linkages granted to State/Central Government owned Power Plants under Para 2.II.A(ii) of the Revised SHAKTI, 2025 shall also be included in Schedule-I for Flexi Utilization of coal. However, for such plants, which are meeting their coal requirement from an allotted coal block and having linkage under Para 2.II.A (ii) of Revised SHAKTI 2025, any transfer beyond the allocated quantity would be at 40% premium over notified price or such premium/price notified by CIL from time to time.

19. IMPLEMENTATION OF THE AGREEMENT

19.1 The respective [_______designation of authorized representative] of the Purchaser or his nominated representative shall be authorised to act for and on behalf of the Purchaser.

19.2 GM(Sales) or any representative duly authorized by the Seller shall act for and on behalf of the Seller.

19.3 Any other nomination of authorised representative shall be informed in writing, by the Seller and the Purchaser, as the case be, within one month of signing of this Agreement or by giving 30 (thirty) days' notice.

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

20. SAVINGS

Notwithstanding anything contained herein, this FSA shall not be applicable to purchaser(s) having/seeking tapering linkage(s) and/or Purchaser(s) having PPA(s) of whatever duration permitting sale/supply of electricity at non-regulated rate or market driven price.

Signed in presence of the witness /witnesses under mentioned on _____ day of **…………..202…..**

For	**For**
Signature	**Signature**
Name :	Name:
(block letters)	**(block letters)**
Designation:	Designation:
Address:	Address:
Telephone:	Telephone:
Fax:	Fax:
Email:	Email:
1. WITNESS	**1. WITNESS**
a) Signature	a) Signature
b) Name:	b) Name:
(block letters)	**(block letters)**
c) Address & Occupation	c) Address & Occupation
2. WITNESS	**2. WITNESS**
a) Signature	a) Signature
b) Name:	b) Name:
(block letters)	**(block letters)**
c) Address & Occupation	c) Address & Occupation

Schedule-I

Annual Contracted Quantity
(Refer Clause 3.1)

Annual Contracted Quantity

Sl. No.	Name & location of the Power Plant owned by Purchaser	Unit wise Installed Capacity of the Power Station (in MW)	Capacity Linked (in MW)	Balance life** of plant/unit in Years (w.e.f. date of Installation)	Name of Rake Fit Station	Original LOA Quantity# (Tonnes)	Effective Date of previous FSAs##	Validity	Annual Contracted Quantity (Tonnes*)	Mode of Transport	Source Coal field of the Seller*
1											
2											
3											
Aggregated Annual Contracted Quantity for FY ____											

* Details of Imported Coal shall be furnished by the Seller to the Purchaser from time to time as and when Coal is offered.

** Balance life of the Plant/Unit shall be as determined by appropriate authority of Govt. of India/as declared by way of "Self-declaration" by the authorized signatory of the Purchaser as per prescribed format of CIL.

LOA Quantity means the quantity mentioned in the Letter of Assurance (LOA) issued by the Seller to the Purchaser.

"Effective Date of Previous FSA" shall mean the effective date specified in the corresponding previously operational FSA.

Note: *For each Financial Year, the Annual Contracted Quantity (ACQ) corresponding to the linked capacity of the Plant (in MW) shall be determined by the Seller, based on the CEA norms dated 08.03.2024 applicable to the Plant (Pithead or Non-Pithead, as applicable), and the Representative Contracted Grade determined in accordance with Clause 4.6(c). The Aggregated Annual Contracted Quantity (AACQ) at the Seller/Subsidiary level shall be calculated as the sum of the ACQs of all operational Power Plants/Units of the Purchaser and its Joint Ventures (JVs)/Subsidiaries having coal linkages with the concerned Seller/Subsidiary.*

<u>Schedule-II</u>

Quality of Coal
(Refer Clause 4.1)

Top-size of Coal (mm)	Representative Contracted Grade (*)	Range of Grades*

*The Representative Contracted Grade for a FY is arrived at in terms of Clause 4.6(c). The actual supply pursuant to the FSA may vary between the range of grades, as applicable, in respect of the mines of the Sources mentioned in Schedule-I from which the coal is actually supplied under the FSA.

Schedule-III

IRLC Stipulations
(Refer Clause 11.1(b)(ii))

In the event the Purchaser opts to submit IRLC, as per the payment provisions laid down in Clause 11.1(b)(ii), the IRLC shall conform to the following conditions:

1. The underlying amount of IRLC shall be equivalent to As Delivered Price of Coal for the Coal quantities that is one-ninth ($1/9^{th}$) of the QQ concerned, as per Clause 3.4. Further, the As Delivered Price of Coal in this context shall take into account the highest of the Base Prices of the Grades mentioned in Schedule-II.

2. The underlying amount of IRLC shall be suitably changed whenever there is a change in any component of the As Delivered Price of Coal.

3. The term of the IRLC shall be for a minimum period of one year, and the same shall be renewed one month prior to its expiry so as to remain valid throughout the term of the Agreement.

4. 100% payment shall be released in favour of the Seller against the bills/ invoices duly signed and submitted by the Seller.

5. IRLC shall be automatic without any reinstatement clause, accordingly the amount of each drawl shall be automatically reinstated.

6. IRLC shall be issued by a bank acceptable to the Seller

7. All IRLC charges including those related to opening, establishment, negotiation, re-instatement, amendment or any other incidental charges shall be borne by the Purchaser

8. All documents drawn under this IRLC shall be in English language only.

9. All amounts under this IRLC shall be payable at [______________to be mentioned by the Seller].

10. There shall be no restriction for the number of drawls in a month.

SCHEDULE–IV

Procedure For Third Party Sampling And Analysis

1. Appointment Of The Third Party Agency

The Purchaser may select a Third Party Agency ("**TPA**") to conduct the sampling and analysis of coal from the list of third parties empanelled by CIL from time to time.

The cost of sampling and analysis by TPA shall be shared on 50:50 basis by the Seller and the Purchaser.

All tools and tackles, plastic bags, sealing compounds and other items required for collection, preparation, storage and analysis of the sample shall be arranged by the TPA.

2. Detailed Modalities For Third Party Sampling

Modalities for collection, handling, storage, preparation and analysis of TPA samples:

2.1 General

(a) In order to commence third party sampling, a tripartite agreement will be signed between the Seller, the Purchaser and the TPA. The format of tripartite agreement will be provided by the Seller.

(b) Samples shall be collected by TPA lot-wise as per modalities defined in Tripartite Agreement.

(c) Samples shall be collected, packed and transported by the TPA in such a manner so as to make these tamper proof to the satisfaction of Seller and Purchaser for which detailed procedure may be worked out at Delivery Point jointly by representatives of the Seller, the Purchaser and the TPA.

(d) Name of the colliery/Siding/Purchaser, date of collection and other identification details (e.g. Rake no. in case of rail supply etc.) shall be properly recorded and a code number shall be assigned for each sample for identification and reconciliation of results.

(e) Collection and preparation of samples will be witnessed by the representative of Seller and Purchaser. In case the representative of either party is not present or do not participate, the work will be done by TPA and absence or failure of participation shall not be considered as a ground for disputing the result.

(f) Proper analysis records like print out of the results from automatic Bomb Calorimeter etc. shall be maintained at the Laboratories where the samples are analyzed by the TPA. TPA shall ensure that samples are analysed in NABL accredited labs.

(g) Laboratory samples prepared shall be in the size of 12.5 mm for the Total Moisture and for ash, Equilibrated Moisture and GCV analysis, 212 μ (micron) IS sieve. Due care shall be taken to ensure that before analysis, in test laboratory, further sieving or pulverizing is not required.

(h) Samples collected at the loading end shall be analyzed as per latest BIS Standards (IS: 1350 Part I – 1984 or subsequent amendments if any for determination of ash and moisture content and IS: 1350 (part-2):2022 for determination of GCV).

(i) The TPA shall communicate the analysis result of the sample as per the stipulated period indicated in the tripartite agreement. The Seller/the Purchaser may raise a dispute, if any, regarding the findings of the TPA within seven (7) days of the submission of the analysis result by the TPA.

(j) Monthly statements containing the details of each and every analysis result finalized during a month based on TPA/referee analysis, as the case may be, shall be prepared indicating *inter alia* the quantity of Coal covered by the respective analysis results. The finalized results shall be applied for billing/commercial purpose. Copy of the monthly statement/report shall be submitted to Seller and Purchaser by the TPA.

(k) The final pulverized sample will be divided into four parts viz. Set – I, Set – II, Set –III and Set – IV as follows:

   (i) Set – I shall be taken by the TPA to its NABL Accredited Laboratory for analysis of ash, moisture and GCV as per latest BIS Standards (IS: 1350 Part 1-1984) or subsequent amendments if any or BIS Standards IS: 1350 (part-2):2022, as applicable.

   (ii) Set – II and Set – III of the sample shall be handed over by the TPA to the Seller and the Purchaser respectively for their own analysis; and

   (iii) Set – IV of the sample called Referee Sample shall be sealed jointly by the TPA and representatives of Seller and Purchaser and shall be kept in the custody of TPA at the Delivery Point under lock and key arrangements. The referee sample shall be retained in sealed condition (duly signed by the representatives of Seller and Purchaser and the TPA) for minimum of thirty (30) days from the date of sample collection, after which it may be destroyed with proper records by TPA. The referee sample shall be packed and transported by the TPA to designated Govt. NABL referee lab, in tamper proof manner to the satisfaction of Seller and Purchaser.

(l) Total Moisture determination will be done at nearest laboratory of the Seller and remaining tests/analysis (moisture, ash, GCV on Equilibrated Basis) will be done by the TPA as per BIS Standards (IS: 1350 Part 1-1984) and subsequent amendments if any or BIS Standards IS: 1350 (part-2):2022, as applicable.

(m) In the event of any dispute (which shall be raised not later than seven (7) days from the date of receipt of result from the TPA), Set – IV shall be sent for referee analysis by the TPA to designated Govt. NABL referee labs..

TPA shall follow a fool proof coding and decoding system for referee analysis and also ensure distribution of referee samples amongst designated referee labs in a judicious manner considering the workload, equitable distribution, infrastructure etc. at various labs. The cost incurred for analysis of referee sample including the cost of transportation to the referee laboratory, shall be borne totally by the Party raising the dispute. The findings of such designated referee laboratory (ies) shall be binding on the Purchaser and the Seller for commercial purposes.

2.2 **Collection Of Samples From Wagons (Rail and MGR)**

(a) For the purpose of sampling each lot as per modalities defined in Tripartite Agreement of Coal supplied from one Delivery Point shall be considered as a lot.

(b) Each day's supply (24 Hrs during a day i.e. 0:00 hrs to 24:00 hrs of the day) shall be considered as one lot for the purpose of sampling in case of coal supplies by MGR.

(c) Each lot shall be divided into sub-lots in a manner that the quantity of Coal/number of wagons in such sub-lots is more or less equal. The number of sub-lots shall be determined as under:

No. of wagons in the rake	Number of sub lots
Up to 30 wagons	4
>30 wagons up to 50 wagons	5
>50 wagons and above	6

(d) From each of the sub-lots, one (1) wagon each shall be selected as per random table of IS: 436 (Part I/Section I) 1964 for collection of increments.

(e) In each wagon selected for sampling, the sample will be drawn from the spot in a manner so that if in one (1) wagon the sample is collected at one end, in the next wagon the spot will be in the middle of the wagon and in the third wagon at the other end and this sampling procedure will be repeated for subsequent wagons.

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

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

(h) Any stone/shale of size more than that indicated in Schedule-IV shall be removed/discarded, however all stones/shale of size in terms of Schedule-IV shall form part of the sample collected.

(i) Samples collected from all the selected wagons in a lot shall be mixed separately to form gross sample accordingly.

(j) Item (d) to (g) above shall be applicable for Coal supplied in box wagons as well as BOBR wagons where there is no live overhead traction line.

(k) In case of having live overhead traction line, TPA shall ensure that the power supply in the overhead traction is switched off to facilitate collection of joint samples from BOX/BOBR wagons pursuant to point 2.2(d) to point 2.2(g) above.

2.3 **Collection Of Samples Of Coal Despatches By Road**

(a) Sample shall be collected lot-wise as per modalities defined in Tripartite Agreement on daily basis round the clock, depending upon the timings of trucks/vehicles allowed for exist by the Seller at respective dispatch point(s).

(b) The first truck for TPA sampling on a day shall be selected randomly from the first eight trucks placed for loading by the Purchaser. Every eighth (8th) truck there after shall be subjected to TPA sampling.

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

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

(e) All the samples collected from every eighth truck shall be mixed together to form a gross sample.

(f) Any stone/shale of size more than that indicated in Schedule-II shall be removed/discarded, however all stone/shale of size as mentioned in Schedule-II shall form the part of the sample collected.

2.4 **Collection of samples from conveyor belt/ropeways/ pipelines**

(a) Samples will be taken lot-wise as per modalities defined in Tripartite Agreement.

(b) The sample shall be collected in increments of full cross section and thickness of the stream in one operation in a regular interval of time as mutually decided by both Seller and Purchaser and lot shall consist of samples so collected during a day i.e. 0:00 Hrs to 24:00 Hrs of the day.

(c) Before collecting the increments, the speed of the conveyer belt/ropeways/pipelines and quantum of material passing a certain point in a given time shall be ascertained so that an appropriate spacing of time between increments may be arranged over the whole of the lot.

(d) In case of supply through conveyor belt, if it is practicable to stop the belt periodically, increment may be collected from the whole cross section of the stream by sweeping the whole of the Coal lying between the sides of a suitable frame placed across the belt. The frame should be inserted in the Coal until it is in contact with the belt across its full width. If it is not possible, then sample is to be collected from falling stream of the belt at a suitable transfer point where coal is being released from one point to other.

(e) Minimum 150 kgs of samples to be collected for daily gross sample.

(f) Any stone/shale of size more than that indicated in Schedule-II shall be removed/discarded, however all stone/shale of size as mentioned in Schedule-II shall form the part of the sample collected.

2.5 **Collection Of Samples From Stockpile**

(a) For the purpose of sampling, a lot shall comprise of sub-lots as set out in point 2.5(b) below.

(b) The quantity of Coal in the stock pile shall be divided into a suitable manner of sub-lots as specified in the following table:

Approximate quantity of the stock pile (MT)	No. of Sub-lots
Up to 500	2
501 to 1000	3
1001 to 2000	4
2001 to 3000	5
Over 3000	6

(c) The surface of each sub-lot shall be leveled and one point for approximately every 250 MT of material in the sub-lots shall be chosen at random for taking gross sample as per the following procedure:

(i) In case height of the stockpile is not more than 1.5 metre, the material shall be collected at every selected point by taking the whole section of Coal from top to bottom over the area of a circle of 30 cm diameter.

(ii) In case the height of the stock pile is more than 1.5 metre, the sample shall be collected at every selected point by taking the material over an area of a circle of 30 cm diameter and up to a depth of 1.5 metre.

(d) Any stone/shale of size more than that indicated in Schedule-II shall be removed/discarded, however all stone/shale of size as mentioned in Schedule-II shall form the part of the sample collected.

2.6 **Preparation Of Collected Samples:**

(a) The gross sample collected at the loading end by the TPA will be divided into two portions. One portion (one fourth of the gross sample) called Part – 1 will be used for analysis of Total Moisture and the other portion (three fourth of the gross sample) called Part – 2 for determination of ash, moisture and GCV on Equilibrated Basis.

(b) The Part-2 Sample shall be reduced into laboratory sample either manually or mechanically or a combination of these two methods. The final laboratory samples will be divided into four parts viz. Set – I, Set – II, Set – III and Set – IV as per point 2.1k). Further preparation of sample is to be done as per BIS norms IS:436 (Part-I)- 1964.

3. **Analysis Of Sample(s)**

Analysis of sample(s) is to be done as per latest version of IS 1350 (Part-I)-1984 and subsequent amendments if any for determination of Total Moisture, Equilibrated Moisture, Ash and Volatile Matter and GCV as per latest version of IS: 1350 (part-2):2022.

SCHEDULE-V

Option letter for confirming acceptance /surrender of coal supply to be made through import in terms of Clause 2.8(a)(i)

To
M/s…………………………..
………………………………...

Dear Sir,

Sub : Acceptance / Surrender of Coal through import.

This has reference to the Letter of Assurance issued to you vide letter No…….. for supply of Coal subject to fulfillment of the conditions as stipulated in the said letter.

Clause 3.3 of the FSA provides that the Seller shall have the option to supply the balance quantity of coal through import not exceeding, unless otherwise agreed between the parties, 5% of the ACQ after meeting the quantity available from domestic production.

The percentage of Imported Coal proposed to be supplied in a year to meet the minimum contractual obligation shall be determined and declared by the Seller on year to year basis.

Accordingly, the Imported Coal likely to be supplied during……….. (year) is ………..% of the ACQ.

In order to enable the Seller to make firm arrangement for sourcing coal through import, the Purchaser is required to opt for either of the following two options.

Option-A: Confirmation for acceptance of coal through import:

(a) The Purchaser agrees unconditionally to accept supply of coal through import at a price, specification and source as may be decided and offered by the Seller/CIL from time to time.

(b) The Purchaser would indicate acceptance for either the full quantity or a part of the offered quantity to be supplied through import to be expressed in terms of percentage of ACQ. In case of Purchaser giving consent for supply a part of the offered quantity, the part quantity not accepted shall be considered as Deemed Delivered quantity as per Clause 3.11(a)(v) and 3.11(b)(iv).

(c) The Purchaser giving this option shall have to enter into a Side Agreement separately for covering the commercial terms and payment modalities for the supply through import. The Side Agreement shall form an integral part of this Agreement and legally enforceable.

Option-B: Confirmation for Surrender of coal through import

(a) The Purchaser unconditionally surrenders the component of ACQ offered by the Seller through import.

(b) The Quantity of Imported Coal surrendered by the Purchaser shall stand as Deemed Delivered Quantity as per clause 3.11(a)(v) and 3.11(b)(iv).

(c) The penal provision for supply below 75% shall be applicable from the year 2016-17 and onwards.

The Purchaser may request for a change of the option exercised by him earlier, but such request has to be made by him at least three months in advance.

Either of the above two options is required to be exercised before or at the time of signing of the FSA by endorsing the format appended below.

You are therefore requested to confirm acceptance of either of the above options by endorsing the copy of the letter in the following manner.

Yours faithfully
(CGM/GM-Sales)

We, herby confirm that we have read and understood the above including the terms of FSA dated…………and accordingly exercise our unconditional acceptance for the Option A/B (strike out whichever is not acceptable) and request you to take necessary further action.

(In case of exercising option A)

The supply intended to be taken in terms of the percentage of ACQ through import:…………...

Signature
Name of the Authorised Signatory
(Purchaser)
SEAL

Date:

ANNEX-II

COAL SUPPLY AGREEMENT

BETWEEN

[Name of the subsidiary Company]

AND

[Name of the Independent Power Plant]

This Agreement is made on this _____ day of **……'20__**between **[Coal Company]**, a company registered under the Companies Act, 1956 and having its registered office at **[Address of coal company]** hereinafter called the "Seller" (which expression shall unless excluded by or repugnant to the subject or context, include its legal representatives, successors and permitted assigns) of the one part,

AND

[M/S___________], a company registered under the Companies Act, 1956/ and having its registered office at**___________]** hereinafter called the "Purchaser" (which term shall unless excluded or repugnant to the subject or context include its legal representatives, successors and permitted assigns) of the other part

- WHEREAS, the Purchaser and the Seller have previously executed the Coal Supply Agreement (CSA)/ Fuel Supply Agreement (FSA), together with amendments, addendums and supplementary agreements thereto, the details whereof are set out in Schedule-I to this Agreement;

- WHEREAS, the Parties have mutually agreed that, upon this Agreement becoming effective, the said FSA and related addendums specified in Schedule-I shall stand superseded and governed by the terms and conditions of this Agreement;

- WHEREAS, all outstanding payments, dues and claims under or arising out of the previous FSA specified in Schedule-I, including dues, which have been duly determined as per decision of the relevant forums such as courts and the Competition Commission of India etc. have been fully settled by the Purchaser as on [●] ("**Specified Date**"). Further, no dispute/litigation is pending for decision, as on Specified Date. .The Purchaser undertakes to clear all additional dues, if any, that may arise pursuant to the previous FSA after the Specified Date . The Purchaser shall pay such amounts so due within thirty (30) days of receipt of the invoice / notice from the Seller, failing which, interest shall be payable in terms of Clause 12 of this Agreement. Further, the Seller reserves the right to recover the unpaid dues, if any from payments made under this FSA or any other means available;

- WHEREAS, for Post-NCDP plants, the Purchaser has entered into long term Power Purchase Agreements (PPA) either directly with Power Distribution Companies (DISCOMs) or through Power Trading Company (ies) (PTC) who has/have signed back to back PPA(s) (long-term) with DISCOMs.
  Or
  WHEREAS, for pre-NCDP plants, the Purchaser has submitted the details of capacity linked with the Seller under previous FSA, duly certified by Central Electricity Authority (CEA).
  [Strike out whichever is not applicable]

- WHEREAS, the Purchaser has not any direct/indirect interest in any manner as associate or group company with any entity who has been allotted coal block in India for end use as stipulated in clause 3.2 with further reinforcement by Schedule-I in accordance with guidelines/policies of the Government of India.

- WHEREAS the Purchaser has requested the Seller for supply of Coal to_________of the Purchaser (as per details contained in Schedule-I to this Agreement) and the Seller has agreed to make such supplies on the terms and conditions set out hereafter;

- WHEREAS, the Purchaser gives a self-declaration that no coal block(s) has/have been allotted for the Power Plant(s) covered under this Agreement and even if coal block(s) has/have been allotted, such coal block(s) has/have not been allotted as source(s) of coal supplies for the power plant(s) covered under this Agreement;

- WHEREAS, there has been a change in the constitution of the company with which FSA had been signed, due to amalgamation, merger, de-merger, takeover, court order, change in ownership or shareholding pattern and the Purchaser is the resultant company consequent and such change has occurred after complying with all the terms and conditions contained in the Office Memorandum in the Ministry of Coal, Government of India dated 7th April, 2015. [Note : This recital is to be retained wherever there has been a change in constitution of the Purchaser, delete if not applicable]

Now, therefore, in consideration of the agreement and covenants hereafter set forth and intending to be legally enforceable, the Seller and the Purchaser (each individually a Party hereto and collectively the Parties) hereby covenant and agree as follows:

1. DEFINITIONS & RULES OF INTERPRETATION:

1.1 DEFINITIONS:

a. **"Agreement"** means this Coal supply agreement including all its Schedules, Annexure and attachments and subsequent amendments as may be issued in accordance with the terms and conditions hereof and it shall supersede and exclude any previous arrangement, understanding or commitment that the Seller may have had with the Purchaser.

b. ACQ "Annual Contracted Quantity" or "ACQ" shall have the meaning as ascribed to it in Clause 3.1.

c. "**Applicable Laws**" means all laws, brought into force and effect by the Government of India ("GoI") or the State Government including rules, regulations and notifications made thereunder, and judgments, decrees, injunctions, writs and orders of any court of record, applicable to either Seller/CIL or the Purchaser, their obligations or this Agreement from time to time.

d. **"As Delivered Price of Coal"** shall have the meaning ascribed to it in Clause 8.

e. **"Base Price"** shall mean, in relation to a Declared Grade [as defined at 1.1(m)] of Coal produced by Seller, the Pithead price notified from time to time by CIL or Seller; and in relation to Imported Coal, wherever applicable, shall mean its landed cost till the Delivery Point and service charges intimated by CIL or the Seller, as the case may be.
In the event the Sellers supply Coal from sources, notified by Seller on cost plus basis, cost plus basis prices shall be applicable

f. **"Business Day"** shall mean each Monday, Tuesday, Wednesday, Thursday, Friday and Saturday that is not declared a holiday in the State of ______________under the Negotiable Instruments Act, 1881.

g. **"CEA" means Central Electricity Authority**

h. **“Coal” or “coal”**means non-coking as well as coking coal, produced domestically and categorized into different classes, GCV bands, grades and sizes, as per the notification/order issued for such purpose by Government of India(GoI)/CIL/Seller and shall, where the context so requires, include Imported Coal. For the avoidance of any doubt, Coal shall also include the middlings arising out of washing of coking and non-coking coal.

i. **“CIL”** means Coal India Limited, the holding company of the Seller, having its registered office at **Coal Bhawan, Premise No-04 MAR, Plot No-AF-III,Action Area-1A, Newtown,Rajarhat,Kolkata-700156, India,**and having authorities to enter into any agreement/side agreements, supplementary to this agreement for ensuring supply of coal from import of coal or other alternative sources.

j. **“Coal Distribution System”** of the Seller would include any distribution system in force including directions thereon from the Government issued from time to time.

k. **“Colliery Loading Point”** shall mean
   (i) Silo, or
   (ii) Mid point for wharf wall loading at the colliery, or
   (iii) Truck loading point, or
   (iv) Ropeways loading point, or
   (v) Transfer point to the customer’s belt conveyor etc, as the case may be.

l. **“Current Reference Year (CRY)”** shall mean the period commencing on 1st March of the immediately preceding Financial Year and ending on the last day of February of the Financial Year under reference. For example, for FY 2027-28, the CRY shall be 1st March 2027 to 29th Feb 2028.

m. **“Declared Grade”** means the particular grade(s) under different categories [as defined at 1.1(s)] of Coal mined from any seam or section of a seam in the Seller’s collieries as declared by CIL or the Seller from which Coal is produced and supplied under this Agreement, as declared by CIL or the Seller.

n. **“Delivery Point”** means any of the colliery sidings or Colliery Loading Points, as the case may be, in the designated Coal mine of the Seller as per Schedule I, and/ or the location(s)/ port(s) identified by the Seller at which the Seller delivers Imported Coal in accordance with the terms of this Agreement.

o. “**DISCOM”** means the “Distribution Licensee” who is authorized to operate and maintain a distribution system for selling electricity to the consumers in his area of supply at tariffs regulated by the State/Central Regulatory Authority, whichever is applicable.

p. **“Effective Date”** shall be 1st April of Year_____[2027/2028].

q. **“Effective Date of Previous FSA”**shall mean the effective date of the corresponding previously operational Fuel Supply Agreements (FSA) specified against the respective Plant/Unit in Schedule-I.

r. **“Equilibrated Basis**” means determination/computation of various quality parameters such as but not limited to ash, volatile matter, fixed carbon, Gross Calorific Value etc. expressed at Equilibrated Moisture level determined at 60% relative humidity (RH) and 40 degree Celsius (°C).

s. “**Equilibrated Moisture**” means moisture content, as determined after equilibrating at 60% relative humidity (RH) and 40 degree Celsius as per the relevant provisions (relating to determination of equilibrated moisture at 60% RH and 40 degree Celsius) of BIS 1350 of 1959 or amendment thereof.

t. **“Grade**” means the grade / class in which the coking and non-coking Coal is categorised and/or to be categorised in terms and in accordance with the relevant notification issued by the Seller and/or by Govt. of India and published in the public domain and/or the Gazette of India, as applicable. The basis of grading for different categories of Coal are as under:
   i. Non Coking Coal : based on GCV bands
   ii. Coking Coal : based on Ash percentage
   iii. Semi Coking Coal : based on (Ash+Moisture) percentage

u. “Gross Calorific Value” or “GCV” means the heat value determined in any calibrated combustion Bomb Calorimeter, in accordance with the procedure laid down in IS: 1350 (Part-II) 1970 dated April 1971 or any subsequent revision thereof and result reported on equilibrated basis at 40 Degree Celsius and 60% Relative Humidity

v. **“Imported Coal”** shall mean non-coking as well as coking coal, sourced internationally.

w. **Importing Agency:** It may be the holding company of the Seller i.e CIL or any other agency(ies) appointed for supply of imported coal on behalf of the Seller.

x. “Interest Rate” shall mean the repo rate of Reserve Bank of India (RBI) as applicable on the due date of payment by the Purchaser/Seller plus 3% (three percent).

y. “**IS**” means the standard specifications issued by the Bureau of Indian Standards (BIS)

z. **“Kilo Calorie**” shall mean the amount of heat required to raise the temperature of one kilogram (1 Kg.) of pure water at fifteen degrees Celsius (15ºC), by one degree Celsius (1ºC)

aa. **“Level of Delivery”** shall have the meanings ascribed to it in Clause 3.7.

bb. **“Level of Lifting”** shall have the meanings ascribed to it in Clause 3.8.

cc. “Linked Capacity” means the installed power generation capacity (in MW) of the Power Plant of the Purchaser listed in Schedule-I for which FSA was entered pursuant to NCDP, Post NCDP (LoA route) incl. SHAKTI A(i), as specified in the Capacity Linked (in MW) column of Schedule-I, and on the basis of which the ACQ is determined under Clause 3.1.

dd. “**Merry Go Round**” or **MGR**” shall mean the Purchaser’s captive rail transportation system for transportation of Coal

ee. “**Month**” shall mean a calendar month.

ff. “**Non-Pithead Plant**” means a thermal power plant which is not located at or immediately adjacent to the coalmine or coalfield from which its primary coal supply is sourced, and to which the applicable CEA norms for non-pithead thermal power stations shall apply for the purpose of determining the ACQ under Clause 3.1.

gg. “**Party**” means either the Seller or the Purchaser, and “**Parties**” mean a joint reference to the Seller and the Purchaser

hh. **“Performance Incentive”** shall have the meaning ascribed to it in Clause 3.12.

ii. “**Pithead**” shall mean any of the following as the context may admit:
In case of an underground Coalmine, Pithead shall mean the point of entry into the mine on the surface of coal mine at the ground level and would be a place or point distinct from Delivery Point

In case of an open-cast Coalmine, Pithead shall mean the exit point of Coal on surface (mouth/entry of the main access trench or an auxiliary access trench). In case of open-cast mines with more than one exit points of Coal, there will be as many ‘Pitheads’ and will apply respectively to the amount of Coal egressing from a particular exit point.

The distance of transportation on surface from the Pithead (mouth of the main access trench or an auxiliary access trench) to the Colliery Loading Point shall be measured along the route of Coal transportation.

jj. “**Pithead Plant**” means a thermal power plant which is located at or immediately adjacent to the Coal mine or coal field from which its primary coal supply is sourced, and to which the applicable CEA norms for pithead thermal power stations shall apply for the purpose of determining the ACQ under Clause 3.1.

kk. “**Power Trading Company (PTC)**” means a trading licensee under the Electricity Act 2003 and having Trading License approved by the State Electricity Regulatory Commission under Section 86(1)(b) of the Electricity Act 2003.

ll. **“PPA”(Long Term)** means the Power Purchase Agreement between the Power Generating Source and the power procurer(s), i.e DISCOM(s) either directly or through PTC(s) who has/ have signed back to back PPA(s) with DISCOMs for a period of 7 years and above. However, the same shall not be applicable for the portion which is sold under market driven price.

mm. **"Previous Reference Year" or "PRY"** shall mean the twelve-month period immediately preceding the Current Reference Year (CRY) of a FY. For example, For FY 2027-28, CRY is 1st March 2027 to 29th Feb 2028 and PRY is 1st March 2026 to 28th Feb 2027.

nn. **“Purchaser’s Container**” means the Railway wagons and/or trucks placed for and on behalf of the Purchaser and/or receiving hopper, bunker, transfer point owned by the Purchaser from where Coal is moved by the Purchaser directly to its Power Station by belt conveyor.

oo. **“Quarterly Quantity”** or **“QQ”** shall have the meaning ascribed to it in Clause 3.4.

pp. **“Representative Contracted Grade”or “RCG”** shall have the meaning ascribed to it in Clause 4.6.(c).3.

qq. **“Representative Supplied Grade” or “RSG”** shall have the meaning ascribed to it in Clause 4.6(d)

rr. **“Seller’s Financial Closure”** shall mean the date on which execution of all the loan agreements, notes, indentures, security agreements, letters of credit and any other documents relating to the financing of the coal block have become effective and the Seller has immediate access to such funding with respect to development and operation of the coal block identified in Schedule I to this Agreement.

ss. **“Signature Date”** shall mean the Date of signing of this Agreement by both Parties.

tt. “**Surface Moisture**” means the moisture content present in Coal that is derived as the difference between Total Moisture and Equilibrated Moisture, and expressed in percentage terms.

uu. “**Third Party**”: The agency appointed by the Seller and the agency appointed by the Purchaser for collection, preparation and analysis of coal samples at loading points and relevant documentation.

vv. “**Total Moisture**” means the total moisture content (including surface moisture) expressed as percentage present in Coal and determined on as delivered basis in pursuance to IS.

ww. **“Trued Up Requirement” or “TUR”** shall mean the revised coal requirement determined during a Financial Year in accordance with Clause 3.4(a) based on the energy content of coal actually supplied during the Current Reference Year.

xx. “**Unloading Point**” means the place/point at the Purchaser’s Power Station end at which Coal from/through the Purchaser's Container is received/ unloaded.

yy. “**Weights and Measures Standards**” mean the standards, as prescribed under the Standards of Weights and Measures Act, 1976 and amendments thereof.

zz. “**Year**” means the financial year of the Seller, commencing on April 1st and ending on the following March 31st and “Quarter” means the respective three-monthly periods, namely April to June, July to September, and so on.

1.2 **RULES OF INTERPRETATION:**

a) A reference to this Agreement includes all schedules and annexures to this Agreement;

b) A reference to any legislation or legislative provision includes any statutory modification or re-enactment of, or legislative provision substituted for, and any subordinated legislation issued under, that legislation or legislative provision;

c) Headings do not affect the interpretation of this Agreement;

d) A reference to Rs., INR or Rupees is to the lawful currency of the Republic of India unless specified otherwise;

e) A reference to an agreement, deed, instrument or other document includes references to that agreement, deed, instrument or other document as amended, novated, supplemented, varied or replaced from time to time; and

f) The expressions “including”, “includes” and “include” have the meaning as if followed by “without limitation”.

g) Words imparting the singular only also include plural and vice-versa where the context so requires;

h) The expression "writing" or "written" shall include communications by facsimile and letter; and

i) If any definition in Clause 1.1 is a substantive provision conferring a right or imposing an obligation on any Party, effect shall be given to it as if it were a substantive provision in the body of this Agreement.

2. **PERIOD OF AGREEMENT:**

2.1 This Agreement shall come into force on the **Effective Date.**

2.2 This Agreement shall, unless terminated in accordance with the terms hereof, remain in force, till such period as mentioned in Schedule-I for the Power Plant. Said date is as per the validity of the Previous FSA i.e. till the end of **twenty (20) years** from the Effective Date of such Previous FSA or the Life of the Power plant whichever is earlier.

2.3 After completion of five (5) years from the Effective Date as defined under 1.1 (p), either Party may, by prior written notice to the other Party for a period not less than thirty (30) days, seek a review of this Agreement.

2.4 In the event of any change in the Grade structure of Coal, such changed Grade structure shall be binding and complied with by both the Parties. The Seller shall within fifteen (15) days of introduction of such change provide a written notice to the Purchaser calling for a joint review of such provisions of this Agreement on which such change in the Grade structure has a bearing, and upon such joint review, this Agreement shall be duly amended in writing to bring it in full conformity with such change.

2.5 In the event, the Parties are unable to arrive at a mutually agreed position with respect to the subject matter of review in terms of Clause 2.3 within a period of three (3) months from expiry of each five (5) year term, the Parties shall refer the matter to the Govt. of India and until a decision from the Government of India is received, the Agreement shall continue to be in force. The decision of the Govt. of India on the subject matter shall be final and binding on both the Parties.

2.6 In the event of any material change in the Coal Distribution System of the Seller due to a Government directive/ notification, at any time after the execution of this Agreement, the Seller shall within seven (7) days of introduction of such change provide a written notice to the Purchaser calling for a joint review. If the Parties are unable to arrive at a mutually agreed position with respect to the subject matter of review, within a period of thirty (30) days from the date of notice the Parties shall refer the matter to the Govt. of India for a decision.

2.7 On completion of twenty (20) years from the Effective Dates of previous FSA mentioned in Schedule-I, or earlier in case of life of the Plant is less than twenty years this Agreement shall expire unless both the Parties mutually agree in writing to extend the Agreement, on the same or such terms as may be agreed upon by the Parties.

2.8 Condition Precedent (CP)

2.8.1 The rights and obligations of the Parties in relation to the supply, and the payment for Coal under this Agreement are subject to the satisfaction in full of the conditions precedent provided under Clause 2.8.1(a) and 2.8.1(b) unless the same have been waived in accordance with this Agreement.

(a) **Seller's Condition Precedent**

i. **In respect of supply of Imported Coal:** the Seller shall have

1. acquired a definitive right under a coal import agreement with its supplier of Imported Coal; and

2. made all necessary arrangements for import of Coal including the necessary shipping and port arrangements for delivery of Imported Coal in accordance with the terms of this Agreement.

ii. **In respect of supply of domestic Coal** (Applicable only for a Purchaser for whom any coal block has been identified for supply of coal): the Seller shall have

1. obtained from the lawful authority all requisite sanctions, approvals, licences and consents including those related to land acquisition, environment and forest clearance for development and operation of the coal block identified in Schedule-I to this Agreement; and

2. achieved Seller's Financial Closure with respect to development and operation of the block identified in Schedule-I to this Agreement.

(b) **Purchaser's Condition Precedent**

i. The Purchaser shall have, in respect of the previous FSAs specified in Schedule-I fully settled all payments, dues and claims of whatever nature under or arising out of the previous FSAs, including:

1. dues which have been duly determined as per the decision of the relevant forums such as courts and the Competition Commission of India, as on the Specified Date; and

2. all payments and dues of whatever nature under or arising out of the previous FSAs that may arise after the Specified Date.

2.8.2 **Satisfaction of Condition Precedent**

The Purchaser shall promptly notify the Seller in writing upon satisfaction of each of the Purchaser's Conditions Precedent and shall provide such documentary evidence as the Seller may reasonably require

2.8.3 **Waiver of Condition Precedent**

The Seller may, at any time at its sole discretion, by written notice to the Purchaser, waive any of the Seller's Conditions Precedent or the Purchaser's Conditions Precedent (in whole or in part). Any such waiver shall not affect the Seller's rights or obligations under any other provision of this Agreement.

If any of the Purchaser's Conditions Precedent remain unsatisfied for a period of [●] days from the Effective Date (or such extended period as the Seller may agree in writing), the Seller shall be entitled to terminate this Agreement on thirty (30) days' prior written notice to the Purchaser, without any liability whatsoever to the Purchaser.

3. QUANTITY:

3.1 Annual Contracted Quantity:

(a) Annual Contracted Quantity (ACQ)
The Annual Contracted Quantity of Coal agreed to be supplied by the Seller and undertaken to be purchased by the Purchaser, shall be___________ tonnes per Year from the Seller's mines and/or from import, as per Schedule I. For part of Year, the ACQ shall be prorated accordingly.

The ACQ shall be for the Linked Capacity of the plant under the previous FSA i.e. capacity arrived at by considering the percentage of generation covered under long term Power Purchase Agreement(s) executed by the Purchaser with the DISCOMs either directly or through PTC(s) who has/ have signed back to back long term PPA(s) with DISCOMs plus such % covered on account of transmission loss and auxiliary consumption.; allowed under previous FSA. To clarify, TPS already having 100% PPA shall have no scope for any increase in linked capacity on basis of transmission and auxiliary consumption. Whenever, there is any change in the percentage of PPA(s), corresponding change in linked capacity shall be effected through a side agreement. Such changes shall be allowed to be made only once in a quarter of the year. The change in linked capacity for change in PPA during a quarter shall be made effective only from the beginning of the next quarter. The change in linked capacity due to permissible quantity on account of auxiliary consumption and transmission losses may be effected accordingly. However, for pre-NCDP plants, the linked capacity under previous FSAs will be duly certified by CEA.

(b) **Revision of ACQ:**

The ACQ corresponding to the Linked Capacity of the Plant (in MW) for a Financial Year shall be determined by the Seller based on the Representative Contracted Grade (RCG) determined in accordance with Clause 4.6(c) and the CEA norms dated 08.03.2024 applicable to the Plant (Pithead or Non-Pithead, as the case may be).

The ACQ so determined shall be communicated annually by Seller and shall automatically apply for the relevant Financial Year without requiring execution of any amendment, addendum, side agreement or supplementary agreement between the Parties.

3.2 End-use of Coal

The total quantity of Coal supplied pursuant to this Agreement is meant for use as listed in [(*) Name & location of the plant] as listed in Schedule I. The Purchaser shall not divert the Coal for any purpose except as permitted under this Agreement and the same shall be treated as material breach of Agreement, for which the Purchaser shall be fully responsible and such act shall warrant suspension of coal supplies by the Seller in terms of clause 14.1(b) and entitle Seller to exercise its rights and remedies including termination in terms of Clause 15.2 (b).

However, interplant transfer of coal may be considered provided:

a) Transfer of coal shall be allowed only between the power plants wholly owned by the Purchaser, its holding company, its wholly owned subsidiary or its fellow subsidiary companies wholly owned by the Purchaser's common holding company. No transfer of coal shall be allowed for a Joint Venture (JV) company of the Purchaser. The supply of coal, shall for all commercial purpose under FSA remain unchanged and on account of original Power Plant.

b) Both the Power Plants should have executed FSA with coal companies of CIL in pre NCDP or Post-NCDP including SHAKTI A(i), and not having any supplies linked to coal blocks. In case of IPPs both the plants must have valid long term PPAs with DISCOMs. Such transfer shall, however, not be applicable for coal quantity supplies pursuant to the FSA signed under category B(ii) of SHAKTI Policy.

c) Transfer of coal will not be allowed to those plants who are allotted coal blocks under this arrangement.

d) In case of change in the ownership and no environmental clearance of the plant this facility shall stand withdrawn, and

e) Penalty/Incentive under this arrangement would be considered in terms of (a) above.

f) The Power Plants opting for interplant transfer shall be required to pass on the benefit of the reduced landed cost of coal to its DISCOM(s)/ buyers) which are buying power from it. In this regard, the Power Plants shall sign a supplementary power purchase agreement with the DISCOM(s)/ buyer(s) which shall be approved by Appropriate Electricity Regulatory Commission.

Note: *In addition to the above conditions, the transferee plant would also require to provide an affidavit to CIL affirming that additional coal supply beyond the ACQ shall only be used for generating power for distribution under long term PPAs with DISCOMs.*

g) Usage of Electricity generated:

(i) Allocated or earmarked coal linkage, as the case may be, shall be used for generation of electricity for supplying the same to the electricity grid.

(ii) Allocated or earmarked coal linkage shall not be put to captive usage.

(iii) Un-Requisitioned Surplus power generated using linkage coal may be sold in power market/exchange in terms of Electricity (Late Payment Surcharge and Related Matters) Rules, 2022 and its subsequent amendment(s).

3.3 Sources of Supply

(a) The Seller shall endeavor to supply Coal from own sources as mentioned in Schedule I. In case the Seller is not in a position to supply the Scheduled Quantity (SQ) of Coal from such sources as indicated in Schedule I, the Seller shall have the option to supply the balance quantity of Coal through import which shall not, unless otherwise agreed between the parties, exceed5% of the ACQ. Seller may at its discretion, make such arrangement for supply of imported coal through CIL, and /or other enterprises. Accordingly, the Purchaser has to enter into a Side Agreement with CIL and/or Seller, as the case may be, in addition to this Agreement. The Side Agreement dealing with the terms and conditions for supply of Imported Coal would be an integral part of this Agreement.

(b) For supply of coal through import as stated in Clause 3.3(a) above, the Purchaser shall agree to have back to back arrangements, if so required, with the Importing agency (ies) to be notified by the Seller/CIL and deposit 100% of payable amount in advance. The commercial terms and conditions for such supply shall be regulated as per the Side Agreement.

(c) The Seller may also offer coal from loading points/coal stocks to be lifted by the Purchaser by his/their own transport arrangement by road/road-cum-rail or any other mode.

(d) CIL reserves the right to transfer part of the ACQ from the Seller to another coal producing company (Subsidiary of CIL) or any company notified by Government of India based on the proposal received from the Seller, which shall be binding on the Purchaser.

3.4 Quarterly Quantity (QQ)

The Annual Contracted Quantities, from indigenous sources, for the Year, as per Clause 3.1 shall be divided into Quarterly Quantities (QQ), expressed in tonnes, as follows:

Ist Quarter (Apr-Jun.)	25% of ACQ
IInd Quarter (Jul-Sep)	22% of ACQ
IIIrd Quarter (Oct-Dec)	25% of ACQ
IVth Quarter (Jan-Mar)	28% of ACQ

(a) **Trued Up Requirement**

i. The Purchaser may, prior to commencement of the 2nd, 3rd and 4th Quarter of a Financial Year, request the Seller to supply the Trued Up Requirement (TUR) for the relevant quarter.

ii. Subject to determination in clause 3.4 (a)(iv) below, TUR shall be assessed by the Purchaser based on shortfall in energy corresponding to coal supplied to all plants mentioned under Schedule-I during the following periods:

(A) March to May for the 2nd Quarter;
(B) March to August for the 3rd Quarter; and
(C) March to November for the 4th Quarter.

iii. Only the analysis results of sampled coal quantities available as on the fifteenth (15th) day of the month preceding the commencement of the relevant Quarter shall be considered.

iv. The grade for computation of the Trued Up Requirement shall be determined in accordance with the following order of precedence of analysis results of supplied coal during the periods specified under Clause no.3.4(a)(ii):

(A) Referee Analysis Results;
(B) Third Party Analysis Results, if Referee Analysis Results not available ; and
(C) Mid-point of the Declared Grade, if both Referee Analysis Results and Third Party Analysis results not available.

v. The methodology for determination of the Trued Up Requirement shall, mutatis mutandis, be the similar as that of applicable for determination of ACQ under Clause 3.1 read with Clause 4.6(c).

vi. The Seller shall, after due consideration of the Trued-Up Requirement, enhance the Quarterly Quantity (QQ) for the relevant quarter.

3.5 Scheduled Quantity (SQ):

(a) The monthly Scheduled Quantity (SQ) shall be one third ($1/3^{rd}$) of the of the applicable QQ including any adjustment on account of Trued Up Requirement determined in accordance with Clause 3.4(a).

(b) Either the Purchaser or the Seller by serving a written Notice at least thirty (30) days prior to the commencement of a month, may revise the SQ to be supplied by the Seller in that month, provided that the increase/ decrease resulting from such revision shall not be in excess of 5% of the SQ and the Purchaser shall seek any such increase in SQ for the months of July, August and September of any Year only with the prior written consent of the Seller.

(c) Seller shall have the right to make good the short supplies in a particular month in the succeeding month(s) of the same Quarter to the extent of 5% of the SQ. Similarly, Purchaser shall have the right to make good the short lifting in a particular month in the succeeding months of the same Quarter to the extent of 5% of the SQ.

(d) Total variation in any Month pursuant to clauses 3.5(b) and 3.5(c) shall in no case exceed 10% of the SQ.

(e) Normally variation shall not be permitted in respect of QQ either by Purchaser or Seller pursuant to Clauses 3.5(b), 3.5(c) and 3.5(d) except with mutual consent of the Purchaser and the Seller. However, variation in QQ and/or SQs of the quarter concerned over and above permitted under sub clause 3.5(b), 3.5(c) and 3.5(d) can be made with mutual consent of the Purchaser & the Seller expressed in writing.

(f) The above schedule of supply is in respect of supply of coal from indigenous sources. Supply of imported coal shall be made as per its availability, which is depending upon many uncontrollable factors and hence no restrictions shall be applicable for quarterly distribution.

3.6 **Compensation for short delivery/lifting**

(a) If for a Year, the Level of Delivery by the Seller, or the Level of Lifting by the Purchaser falls below ACQ with respect to that Year, the defaulting Party shall be liable to pay compensation to the other Party for such shortfall in Level of Delivery or Level of Lifting, as the case may be **(“Failed Quantity**”) in terms of the following:

Compensation = 0.35 x P x [(T-LD or LL) /100] x ACQ

Where:

T – Trigger Level i.e. 75. Only if unconditional acceptance is given by Purchaser for Imported Coal as per Schedule -V, T would be considered 80.

P-Weighted average Base Price of grades of coal supplied. Billed value for the year against ACQ may be considered as net of debit/credit notes issued during a year irrespective of the bills/period to which it may pertain. This is because receipt of third-party/referee results is a continuous process. This being a rolling exercise, net impact will be taken care of over time.

LD/LL- Level of Delivery/ Level of Lifting

Note: The Purchaser has to give unconditional acceptance of imported coal and pricing mechanism thereof as would be decided by CIL, by signing the Schedule V of this agreement. Unless such acceptance is accorded, the penal provision for supply below 75% shall be applicable. The terms of import and the pricing mechanism shall be as per the provisions of the side agreement.

3.7 **Level of Delivery**:

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

$$\textbf{Level of Delivery (LD)} = \frac{(DQ_{RCG}+DDQ+FM+RF) \times 100}{ACQ}$$

Where:

LD = Level of Delivery of Coal by the Seller for the Year

DQ_{RCG} = Delivered Quantity in Tonnes corresponding to RCG, calculated as under:-

DQ_{RCG}= DQ x Mid Point GCV of RSG/Mid Point GCV of RCG

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

DDQ = Deemed Delivered Quantity, reckoned in the manner stated in Clause 3.11

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

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

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

RF = Quantity of Coal that could not be supplied by the Seller for the Year owing to the Railways not allotting wagons or not placing wagons for loading, in spite of specific valid indent/offer submitted by the Seller to the Railways against valid program(s) submitted by the Purchaser for the purpose. It shall be calculated as per following formula:

$$\mathbf{RF= (\ \sum_{x=1}^{n}\big(\ Min.\ (RE_x, RI_x)\big) - RS_x) \ x\ W}$$

Where:

W- Representative Weight per rake, in tonnes, as Notified by Seller.

n - No. of days of FSA validity in relevant FY (365/366; proportionately lower in 1^{st} & last year).

RE_x – No. of rakes(rounded) eligible to be indented by Seller on x^{th} day under FSA i.e. as per SQ for which valid Program(s) and coal value submitted by Purchaser within timelines.

RI_x - No. of rakes indented by Seller on x^{th} day under FSA.

RS_x – No. of rakes supplied by Railways on any day against indents placed by Seller on x^{th} day.

3.8 **Level of Lifting**:

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

$$\textbf{Level of Lifting (LL)} = \frac{(LQ_{RCG}+DLQ+FM+RF)\times 100}{ACQ}$$

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

LQ_{RCG} = Lifted Quantity in Tonnes corresponding to RCG, calculated as under:-

LQ_{RCG}= LQ x Mid Point GCV of RSG/Mid Point GCV of RCG

LQ= Lifted Quantity, namely, the actual quantity of Coal lifted by the Purchaser for the Year.

LQ_{RCG} is same as DQ_{RCG} and LQ is same as DQ.

DLQ- Deemed Lifted Quantity shall have the same meaning as given in Clause 3.10.

FM & RF- shall have the same meanings as given under Clause 3.7

3.9 For the purpose of computing DDQ and RF, the weight per rake will be as notified by Seller or the relevant subsidiary from time to time, which shall be used for calculation of compensation from either the Purchaser or Seller.

3.10 Deemed Lifted Quantity:

For the purposes of this Agreement, the aggregate of the following items provided under Clause 3.10(a) and 3.10(b) shall constitute the deemed lifted quantity for the supply of coal by rail or by road/ ropeways/ MGR/ belt conveyor, as the case may be ("Deemed Lifted Quantity"):

(a) For supply of Coal by rail

i. Quantity of coal not lifted by Purchaser owing to omission or failure on part of Seller to endorse/recommend designated rail programme(s) submitted by Purchaser as per agreed time table with respect to Scheduled Quantity.

ii. Quantity of Coal not lifted by Purchaser owing to cancellation, withdrawal or modification of endorsement to rail programme(s) by Seller after its submission whether before or after allotment of wagon(s) by Railways.

iii. Quantity of Coal not lifted by Purchaser owing to failure on part of Seller to place specific valid indent/offer to Railways against valid Program(s) submitted by Purchaser despite payment of coal value by Purchaser within timelines.

iv. The quantity of Coal offered by Seller from domestic and/or imported coal in terms of Clause 3.3(a) and 3.3(b) not accepted by the Purchaser.

(b) For Supply of Coal by Road/ Ropeways/ MGR/ Belt Conveyor

i. Quantity of coal not lifted by Purchaser owing to Seller's failure to provide coal even after requisite number / type of transport is place by Purchaser at Delivery Point for lifting of Coal within validity period of sale order/delivery order.

ii. The quantity of Coal offered by Seller from domestic and/or imported coal in terms of Clause 3.3(a) and 3.3(b) not accepted by the Purchaser.

(c) Deemed Lifted Quantity in terms of Clause 3.10(a) and 3.10(b) shall be calculated on cumulated monthly basis for a Year.

3.11 **Deemed Delivered Quantity**:

For the purpose of this Agreement, the aggregate of the following items provided under Clause 3.11(a) and 3.11(b) shall constitute the Deemed Delivered Quantity with respect to a Year.

(a) **For supply of Coal by rail**:

(i) The quantity of Coal not supplied by the Seller owing to omission or failure on the part of Purchaser to submit in advance the designated rail programme (s) to the Seller as per agreed time-table with respect to the Scheduled Quantity.

(ii) The quantity of Coal not supplied by the Seller owing to cancellation, withdrawal or modification of the rail programme(s) by the Purchaser after its submission whether before or after allotment of wagon(s) by Railways.

(iii) The quantity of Coal not supplied by the Seller owing to Purchaser's failure to pay and/or submit / maintain IRLC, as applicable, in accordance with Clause 11.1.(b)(ii).

(iv) The quantity of Coal not supplied by the Seller owing to Seller exercising the right of suspension of supplies in terms of Clause 13

(v) The quantity of Coal offered by Seller from domestic and/or imported coal in terms of Clause 3.3(a) and 3.3.(b) not accepted by the Purchaser.

(b) **For Supply of Coal by road/ ropeways/MGR/belt conveyor**:

(i) The quantity of Coal not supplied by the Seller owing to Purchaser's failure to pay and/or submit IRLC, as applicable, in accordance with Clause 11.1(b)(ii).

(ii) The quantity of Coal not supplied by the Seller owing to Seller exercising the right of suspension of supplies in terms of Clause 13

(iii) The quantity of Coal not supplied by the Seller owing to Purchaser's failure to place the requisite number / type of transport at the Delivery Point for delivery of Coal within the validity period of the sale order/delivery order.

(iv) The quantity of Coal offered by Seller from domestic and/or imported coal in terms of Clause 3.3(a) and 3.3(b) not accepted by the Purchaser.

(c) Deemed Delivered Quantity in terms of Clause 3.11(a) and 3.11(b) shall be calculated on cumulated monthly basis for a Year.

3.12 **Performance Incentive**:

(a) If the Seller delivers energy in Kcal to the Purchaser in excess of ninety (90%) of the Requisite Energy in a particular Year, The Purchaser shall pay the Seller an incentive ("Performance Incentive") to be determined as follows:

$$PI = P \times Q_{AE} \times M$$

Where:

PI = Performance Incentive payable by the Purchaser to Seller.

P = Weighted average Base Price of grades of coal supplied. Billed value for the year against ACQ may be considered as net of debit/credit notes issued during a year irrespective of the bills/period to which it may pertain. This is because receipt of third-party/referee results is a continuous process. This being a rolling exercise, net impact will be taken care of over time.

M = Multiplier: 0.10 for Slab 1 when AE is from 90% to 95% of RE, 0.20 for Slab 2 when AE > 95% of RE.
Note: - It is clarified multiplier would remain 0.20 for AE in excess of RE as well.

AE =Additional Energy in Kcal i.e. Supplied Energy(SE) over 90% of Requisite Energy(RE).

Q_{AE} =Quantity in Tonnes corresponding to AE in that slab which shall be calculated as under:

Q_{AE} = AE in that slab/Mid-Point GCV of Representative Contracted Grade (as defined under clause 4.6(c))

SE = Supplied Energy in Kcal shall be corresponding to the Coal supplies made to the Power Plant. This shall be calculated as per following formula:

SE= Qty. supplies (for the year) x Mid-Point GCV of Representative Supplied Grade to the Purchaser from a coal company as defined under clause 4.6(d).

RE = Requisite Energy = RE in Kcal shall be the energy required by the Purchaser corresponding to ACQ and shall be calculated as under:

RE= ACQ x Mid-Point GCV of Representative Contracted Grade of a Purchaser from a coal company as defined under clause 4.6(c).

(b) The incentive payable shall be calculated in the same manner as done slab-wise for computation of income-tax.

(c) With respect to part of Year in which term of this Agreement ends, the energy corresponding to relevant quantities in Clause 3.12(a), shall apply pro-rata.

(d) Supply of coal in excess of ACQ shall be with mutual consent.

(e) For plants drawing coal under Case-IV of the Methodology for Flexibility in Utlilization of Domestic Coal for Reducing the Cost of Power Generation issued by the CEA dated June 8, 2016 (the "**Flexy Policy**") , aggregation of ACQ shall be at concerned GENCO level and bills for Pl/Penalty shall be raised against the concerned GENCO.[Delete if not applicable]

(f) For 'Case 2 Scenario 4' Plants under the Flexi Policy, payment is made by individual plants, however, coal is also diverted by the concerned GENCOs and as such, the aggregation of ACQ shall be at the concerned GENCO level and bills for Pl/Penalty shall be raised against the concerned GENCO. [Delete if not applicable].

4. **QUALITY**:

4.1 The quality of Coal delivered / to be delivered shall conform to the specifications given in Schedule-II.

4.2 The Seller shall make adequate arrangements to assess the quality and monitor the same to endeavour that un-graded Coal (GCV of less than 1500 Kcal/Kg for non-coking coal or as may be notified by CIL from time to time) is not loaded into the Purchaser's Containers. If the Seller sends any quantity of such Coal, the Purchaser shall limit the payment of cost of Coal to Re.1/- (Rupee one only) per tonne or such cost of coal as may be notified by CIL, whichever is higher. Statutory charges shall, however, be paid as per the Declared Grade. In this regard, any credit in respect of the statutory charges, if and when received by the Seller, shall be adjusted through issuance of credit note(s). Railway freight shall be borne by the Purchaser.

4.3 The Seller shall endeavor to deliver Coal with size conforming to specifications set out in Schedule-II and shall make reasonable efforts to remove stones/extraneous material from Coal.

4.4 **Re-declaration of Grade by the Seller**:

If the Grade analysed pursuant to Clause 4.6 shows variation from the Declared Grade, consistently over a period of three (3) months, the Purchaser may request the Seller for re-declaration of Grade, which shall be duly considered by the Seller for applying to Coal Controller for approval of re-gradation. The Purchaser may also apply to Coal Controller directly with due intimation to the Seller for re-declaration of grade as per extant guidelines of CCO.

4.5 **Oversized Coal / stones**

In the unlikely event of supply of any oversized coal/stones beyond the specifications set out in Schedule-II, the Purchaser shall inform the seller of such incident(s) in any specific consignment(s) immediately on its detection at the Delivery Point and/or Unloading point and the Seller shall take all reasonable steps to prevent such ingress at its end. If, in the Purchaser's reasonable assessment, the incidents of oversized Coal and/or stones are causing operating or maintenance problems at the Power Station, then, upon the request of the Purchaser, the Purchaser and the Seller shall meet and prepare a mutually acceptable plan for effectiveness of the Seller's endeavors to avoid such instances.

4.6 **Assessment of Quality of Coal**

(a) Detailed modalities for collection, handling, storage preparation and analysis of samples by Third Party shall be as per the indicative procedure set out in Schedule-IV. Separate tripartite agreements are signed between the Purchaser, the Seller and the Third Party sampling agency, the terms of which may be updated from time to time based on market conditions. In the event of any variance between the provisions of Schedule-IV and the actual tripartite agreement executed between the parties, the terms of the actual tripartite agreement shall prevail over Schedule-IV.

(b) In the event, of any reason whatsoever, third Party sampling & analysis could not be conducted, joint sampling & analysis shall be carried out by the Seller in presence of the Purchaser at the loading end; and In the event that no sample is collected either by the Third Party or Seller and Purchaser jointly as mentioned at sub-clause (a) above, from dispatches by a rake or on any day, as the case may be, from a Delivery Point for any reason, the weighted average of the most recent results available in any preceding Month against respective Delivery Point/ Grade shall be adopted for such dispatches for which samples were not collected.

(c) **Representative Contracted Grade (RCG)**

(i) The Representative Contracted Grade (RCG) for a Financial Year shall be the weighted average grade of supply of coal to the Power Plant of the Purchaser during the Previous Reference Year (PRY), which shall be calculated based on the sampling results of coal supply during PRY, as available on 15th March of the immediately preceding Financial Year.

(ii) The sampling results shall be considered with following order of precedence:

A. Referee Analysis Results;

B. Third Party Analysis Results, if Referee Analysis Results not available; and

C. Mid-point of the Declared Grade, if both Referee Analysis Results and Third Party Analysis results not available.

(iii) The RCG for a Financial Year shall be frozen and shall not be reopened or revised subsequently.

(iv) The AACQ for a Financial Year shall be determined based on the determined RCG, the Linked Capacity of the Plant, and the CEA norms dated 08.03.2024 applicable to Pithead/Non-Pithead Plants, as the case may be.

(v) In the event of no supply under this FSA during the PRY, the RCG for a Financial Year shall be determined based on the available results of sampled coal quantities supplied to all consumers during the PRY as on 15th March of the immediately preceding Financial Year.

(vi) Since coking coal's GCV is also assessed, same would be taken into account while determining RCG.

(d) **Representative Supplied Grade (RSG)**

(i) The Representative Supplied Grade (RSG) for a Financial Year shall be the weighted average grade of supply of coal to the Power Plant of the Purchaser during the Current Reference Year (CRY), which shall be calculated based on the sampling results of coal supply during CRY, as available on 15th March of the said Financial Year.

(ii) The sampling results shall be considered with following order of precedence:

A. Referee Analysis Results;

B. Third Party Analysis Results, if Referee Analysis Results not available; and

C. Mid-point of the Declared Grade, if both Referee Analysis Results and Third Party Analysis results not available.

(iii) The RSG for a FY shall be frozen and shall not be reopened or revised subsequently.

(iv) The RSG so determined shall be deemed to represent the quality of coal supplied during the relevant Financial Year for the purpose of performance assessment.

(v) Since coking coal's GCV is also assessed, same would be taken into account while determining RSG.

(vi) This RSG of a FY will become RCG for the next FY.

5. WEIGHMENT OF COAL

5.1 For dispatch of Coal by Rail, all the wagons loaded for the Purchaser shall be weighed at the loading end at the electronic weighbridge of Seller. The "net weight" of coal in each wagon, as well as the total quantity of coal contained in the rake, recorded in the Railway Receipt (RR) issued by Railways, shall be treated as final and binding for determination of the quantity delivered for billing and payment. The Purchaser shall have the right to witness the weighment of wagons at the weighbridge, if desired. Since RR is available with

Purchaser, no additional document for weighment is required to be given from the Sellers' side. However, if requested by Purchaser, Seller may share weighment sheet, load adjustment memo (in case a rake is pushed back for load-adjustment due to overloading as per Railway's order) and load-adjustment sheet (or any annexure) accompanying the load adjustment memo containing load-adjusted weights of the wagons after completion of load-adjustment.

5.2 In the absence of weighment of coal at the dispatch end, the weighment recorded at the associated weighbridge, alternate weighbridge, en-route weighbridge, or any other weighbridge as notified under the extant Railway policy or circular shall be accepted. The Railway Receipt (RR) generated on the basis of such weighment, and the "actual weight" of the rake as reflected therein, shall be treated as final and binding for billing of the coal consignment by the Seller.

5.3 In the event of non-generation of the Railway Receipt (RR) for any reason whatsoever, Permissible Carrying Capacity (PCC) of the wagons of the rake shall be treated as final and binding for determination of the quantity delivered for billing and payment.

5.4 The Seller and the Purchaser shall permit access to and make facilities available at its weighbridge, for representatives of either Party to witness and note the weight for the consignment. In case the representative of any Party fails to be present, at the time of such weighment, the weight recorded by the representative of the other Party in accordance with Clause 5.1 and 5.2, shall be final and binding.

5.5 The weighbridges, both at the Seller's end and Purchaser's end, shall be calibrated as per the Weights and Measures Standards and applicable railway guidelines from time to time. Both the Seller and the Purchaser shall have the right to witness the calibration of the weighbridge at each other's end.

5.6 **Operation and Maintenance of Weighment System**

The Parties shall at their respective costs:

(a) Operate and maintain their weighbridges in good working order and in accordance with the Weights and Measures Standards and other applicable laws; and

(b) Cause the weighbridge to be inspected, tested and certified by the statutory agencies in accordance with and at the intervals required by the Weights and Measures Standards and the Parties shall, at their cost, extend / make available all requisite facilities required for the purpose of testing and/or calibrating the weighbridge.

5.7 For dispatch of Coal by road, the weight recorded at the electronic weighbridge of the Seller at the loading end shall be final for the purpose of billing and payment. The Purchaser shall have the right to witness the weighment at the colliery, if desired. The weighbridge shall be calibrated as per the Weights and Measures Standards. The Purchaser shall have right to witness such calibration.

5.8 For dispatch of Coal by belt conveyor, a weightometer shall be installed at the colliery/ washery end of the Seller and weight recorded by the weightometer shall be the weight of Coal supplied. The weightometer shall be kept under joint seal and will be repaired / recalibrated in the presence of the representatives of both the Parties, wherever necessary.

In the absence of record of weight in belt conveyor on a day, the weighted average quantity of Coal over a continuous period of immediately preceding seven (7) days shall form the basis for determining the quantity of Coal from that source at that Delivery Point, till such time weighment at the weightometer is resumed.

5.9 For dispatch of Coal by MGR system, weight recorded at the loading end through electronic weighment system shall form the basis for determining the quantities of Coal delivered. In the absence of record of weight in MGR system on a day, the weighted average quantity of Coal over a continuous period of immediately preceding seven (7) days shall form the basis for determining the quantity of Coal from that source at that Delivery Point, till such time weighment at the weightometer is resumed.

6. **METHOD OF ORDER BOOKING AND DELIVERY OF COAL**:

The Purchaser shall submit monthly programme(s) mode-wise for off-take of Coal derived from QQ and mutually agreed trued up requirement, within Seller's notified timelines. Notwithstanding, Clause 6.1 and Clause 6.2 shall be applicable in case of Coal offtake by rail and road respectively.

6.1 **Order Booking by Rail**:

(a) The Purchaser shall submit a programme to the Seller, through Freight Operations Information System (FOIS) or such other designated portal/system as may be made applicable from time to time by Railways, within such period, as per the applicable Railway rules and the Seller's notified procedures. Thereafter, the Seller shall process for issuance of the consent of the programme. The sanction of the consented rail programme shall be obtained accordingly. The validity period of the monthly programme for movement by rail for seeking allotment shall be as per prevailing Railways rules. Once the rake is allotted, it shall remain valid for supply as per the prevailing Railways' rules.

(b) Subject to fulfillment of payment obligations pursuant to Clause 11.1(b) by the Purchaser, the Seller shall thereupon submit specific indent/offer based on the valid rail programme(s) to the Railways as per the extant Railway rules for the allotment and placement of wagons during the concerned month in conveniently spaced intervals.

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

(d) In case of formation of rakes with wagons loaded from different Delivery Points, the Seller shall make best efforts to complete documentation formalities as per Railway rules so as to enable the Purchaser to avail a trainload freight rate.

(e) In the event rail movement is declared / considered not feasible by Railways, review will be made jointly in the matter of mode of transport

6.2 **Order Booking by Road**:

(a) The Seller shall notify the monthly Coal allocation for order booking by the Purchaser.

(b) Based on the monthly colliery wise allocation done by the Seller in terms of Clause 6.2(a), the Purchaser shall place orders with the Seller for the Scheduled Quantity.

(c) Subject to fulfillment of payment obligations pursuant to Clause 11.1(b) by the Purchaser, the Seller shall arrange to issue sale order(s)/delivery order(s) separately for each colliery and issue necessary loading programme / schedule from time to time. The Purchaser shall arrange to place the required number / type of trucks to lift the Coal as per such loading programme / schedule. The Seller shall ensure that the sale order / delivery order in favour of the Purchaser reaches the concerned colliery/weigh bridge in a time bound manner.

(d) The Seller shall ensure delivery and the Purchaser shall ensure lifting of Coal against sale order / delivery order of any month within the validity period, as mentioned in the sale order.

(e) In the event of any quantity remaining undelivered / unlifted, the Purchaser shall be entitled to receive, once the validity period of the sale order/ delivery order expires, the refund of the proportionate value of such quantity.

7. TRANSFER OF TITLE TO GOODS:

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

8. PRICE OF COAL:

The **"As Delivered Price of Coal"** for the Coal supplies pursuant to this Agreement shall be the sum of Base Price, Other Charges and Statutory Charges, as applicable at the time of delivery of Coal.

8.1 Base Price

The Purchaser shall pay the Base Price of Coal in accordance with the provisions of this Agreement. It is expressly clarified that the Base Price in relation to the Indigenous coal and Imported coal shall be notified/declared by the Seller/ CIL, as the case may be from time to time.

8.2 Other Charges:

(a) Transportation charges:

Where Coal is transported by the Seller from Pithead to the Delivery Point, the Purchaser shall pay transportation charges, as notified by CIL / Seller from time to time.

(b) Sizing/Crushing charges:

Where Coal is crushed by mechanical means for limiting the top-size to 250mm, or any other lower size, the Purchaser shall pay sizing/crushing charges, as applicable and notified by CIL / Seller from time to time.

(c) Evacuation Facility Charges:

The Purchaser shall pay Evacuation Facility Charges notified by CIL / Seller from time to time.

(d) Any other applicable charges:

Any other charges as notified by CIL/ Seller from time to time including additional charges and service charges arising out of supply of Imported Coal, as may be applicable, shall be payable by the Purchaser. The Service Charges shall be 2% of Landed Price of Imported Coal (CIF Prices) plus applicable taxes and levies for supply of Imported Coal, till any further revision in the rate.

8.3 **Statutory Charges**:

The statutory charges shall comprise royalties, cesses, duties, taxes, levies etc., if any, payable under any relevant statute but not included in the Base Price and/or other charges pursuant to Clause 8.2, shall be payable by the Purchaser. These levies/charges shall become effective from the date as notified by the Government/ statutory authority.

8.4 In all cases, the entire freight charges, irrespective of the mode of transportation of the Coal supplied, shall be borne by the Purchaser.

9. COMPENSATION:

9.1 Excess Surface Moisture

(a) In the event that monthly weighted average Surface Moisture in Coal exceeds ____(% to be inserted by subsidiaries as per limit specified in existing FSA) during the months from October to May and ____(% to be inserted by subsidiaries as per limit specified in existing FSA) during the months from June to September, the Coal quantities delivered to the Purchaser during such month shall be adjusted for the resultant excess Surface Moisture, which shall be calculated in percentage by which the Surface Moisture exceeds the foregoing limits.

(b) The Seller shall give regular credit note on account of excess Surface Moisture, as per Clause 9.1(a) above, calculated at the rate of Base Price of Analyzed Grade of coal and other charges, pursuant to Clause 8.2 but excluding statutory charges pursuant to Clause 8.3, if any, and railway freight for the quantity of excess Surface Moisture.

(c) Notwithstanding Clause 9.1(a), the Surface Moisture limits specified therein may be revised based on mutual consent.

(d) Sampling/ analysis and determination of Surface Moisture for compensation shall be done as per the procedure given in Schedule IV. . Provided that Schedule-IV is indicative in nature. Separate tripartite agreements are signed between the Purchaser, the Seller and the Third Party sampling agency, the terms of which may be updated from time to time based on market conditions. In the event of any variance between the provisions of Schedule-IV and the actual tripartite agreement executed between the parties, the terms of the actual tripartite agreement shall prevail over Schedule-IV.

10. OVERLOADING AND UNDER LOADING:

The Parties acknowledge that overloading and underloading of wagons may occur due to operational factors beyond the reasonable control of either Party. Accordingly, any Penal freight for overloading and idle freight for underloading of wagons charged by the Railways for any consignment shall be shared equally between Purchaser & Seller in 50:50 ratio and shall be adjusted in the bills. However, if overloading is detected from any particular colliery, consistently during three (3) continuous months, on due intimation from the Purchaser to this effect, the Seller undertakes to take remedial measures.

11. MODALITIES FOR BILLING, CLAIMS & PAYMENT

11.1 Bills on Declared Grade basis

(a) The Seller shall raise source-wise bills for the Coal supplied to the Purchaser on Declared Grade basis. The Seller shall raise such bills on rake-to-rake basis for delivery of Coal by rail and on daily basis for delivery of Coal by road and other modes of transport. Such bills shall be raised within seven (7) days of delivery.

(b) The Purchaser shall pay in accordance with either of the following payment mechanisms:

(i) The Purchaser shall make advance payment for a month in three (3) installments for availing Coal supplies from the Seller – first (1st) installment on the first (1st) day of the month, second (2nd) installment on the eleventh (11th) day of the month and the third (3rd) installment on the twenty first (21st) day of the month. Each of these payment installments shall cover the As Delivered Price of Coal for the Coal quantities that is one-ninth (1/9th) of the QQ concerned, as per Clause 3.4. Further, each of these installments shall take into account the weighted average of Base Prices of Grades mentioned in Schedule II based on actual supplies of immediately available previous month. However, the third (3rd) installment shall also include the adjustment amount with regard to the actual quantity of Coal delivered pursuant to Clause 5 and the quality of Coal analysed pursuant to Clause 11.2 vis-à-vis the advance payment made for the previous month. For the avoidance of any doubt, such adjustment amount shall also include the quantity adjustment calculated pursuant to Clause 9.1.

(ii) The Purchaser shall maintain with the Seller an Irrevocable Revolving Letter of Credit (IRLC) issued by a bank acceptable to the Seller and in the format acceptable to the Seller and fully conforming to the conditions stipulated in Schedule-IIII for an amount equivalent to As Delivered Price of Coal for the Coal quantities that is one-ninth (1/9th) of the QQ concerned, as per Clause 3.4. The As Delivered Price of Coal in this context shall take into account the highest of Base Prices of Grades mentioned in Schedule II. The IRLC shall be maintained throughout the term of this Agreement. The amount of IRLC shall be suitably changed whenever there is a change in any component of the As Delivered Price of Coal. In addition to the IRLC, the Purchaser shall pay advance amount equivalent to seven (7) days Coal value by way of Demand Draft/ Banker’s cheque/ Electronic Fund Transfer (EFT).

(iii) The Purchaser shall also be allowed to make payment through Usance LC or other payment mechanisms such as online/e-payment system followed by Railways for freight charges as per such modalities/guidelines issued by CIL from time to time.

(c) All the payments shall be made through Demand Draft/Banker's cheque/Electronic Fund Transfer payable at _________. In the event of non-payment within the aforesaid stipulated period, the Purchaser shall be liable to pay interest in accordance with Clause 12.

(d) Advance payment made by the Purchaser shall be non-interest bearing, and it shall change in accordance with change in the As Delivered Price of Coal.

11.2 Adjustment for analyzed quality/ Grade

(a) The bills with regard to adjustment for quality, as determined under Clause 4.6, shall be supported by relevant documents in respect of the analysis carried out of the following parameters:

A. Total Moisture (%)
B. Equilibrated Moisture (%)
C. Ash (%)
D. GCV (Kcal/Kg)

(i) In the event for any reason whatsoever third Party sampling & analysis by the agency of Seller and Purchaser could not be conducted, joint sampling & analysis shall be carried out by the Seller in presence of the Purchaser at the loading end

(ii) In the event no sample is collected either by the Third Parties or Seller and the Purchaser jointly as mentioned at (i) above from dispatches by a rake or on any day, as the case may be, from a source for any reason, the weighted average of the most recent results available in any preceding month against respective Source and Grade shall be adopted for such dispatches for which samples were not collected.

(b) The Seller shall give regular credit note on account of Grade slippage to the extent of difference in the Base Price of Declared Grade and analysed Grade of Coal. In case of analysed Grade being higher than the Declared Grade, bonus bill/ claim shall be raised by the Seller. The credit note on Grade slippage shall be issued by the Seller within seven (7) days of acceptance of results under joint signature.

(c) The amount arising out of final settlement of any bill pursuant to Clause 11.2.(a) that is disputed by the Purchaser shall be paid for, as part of the third (3^{rd}) installment pursuant to Clause 11.1(b)(i) that is due for payment in the same month or in the immediately succeeding month to the month in which such settlement takes place.

11.3 **Bills of Miscellaneous Claims**

(a) The Seller shall, within seven (7) days of the receipt of claim pursuant to Clause 9.1 raised by the Purchaser, issue credit note, which shall be adjusted as part of the third (3^{rd}) installment pursuant to Clause 11.1(b)(i).

(b) The bills towards interest charges pursuant to Clause 12 shall be raised by the parties on monthly basis by the tenth (10^{th}) day of the following month and the payment shall be made by fifteenth (15^{th}) day of the same month.

(c) Compensation for short delivery/lifting, as calculated in accordance with Clause 3.6, shall be payable by the defaulting Party to the other Party within a period of ninety (90) days from the date of receipt of claim failing which it will attract interest in terms of Clause 12.

(d) After expiry of the Year, the Seller shall submit an invoice to the Purchaser with respect to the Performance Incentive payable in terms of Clause 3.12.(a) and the Purchaser shall pay the amount so due within thirty (30) days of the receipt of the invoice failing which it will attract interest in terms of Clause 12.

11.4 **Diverted rakes/ missing wagons**

In case of diversion of rakes en-route or missing wagons, bills shall be paid to the Seller by the original consignee.

11.5 **Annual Reconciliation / Adjustments**

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

Notwithstanding the above, the periodicity of reconciliation may be modified by the Seller, in accordance with the guidelines or instructions issued by CIL from time to time, and such revised periodicity shall be binding on both Parties.

11.6 In the event of due date of any payment obligation under this Agreement falling on Sunday or a gazetted holiday or Nationwide strike affecting banking services, the next first working day shall be the effective due date for the purpose.

11.7 Purchaser hereby confirms and acknowledges that any dues or claims arising under or in connection with the previous FSA specified in Schedule-I after the Specified Date shall be duly paid and discharged by the Purchaser within thirty (30) days of receipt of the relevant invoice, notwithstanding the execution or subsistence of this Agreement, failing which, interest shall be payable in terms of Clause 12 of this Agreement.

11.8 Purchaser hereby irrevocably and unconditionally waives any right to raise any claims and demands of whatever nature under or in connection with the previous FSA.

11.9 Further, the Seller may, at its discretion, adjust any unpaid dues, from payments accruing under this FSA or through such other means as may be available under applicable law.

12. INTEREST ON DELAYED PAYMENT

In the event of delay in payment/adjustment of any amount payable/recoverable pursuant to the provisions of this Agreement, the Seller/the Purchaser shall be entitled to charge interest on such sum remaining outstanding for the period after the due date till such time the payment is made. The interest charged by the Seller/ Purchaser pursuant to this Clause shall be at the Interest Rate, as per Clause 1.1(x).

13 SUSPENSION OF COAL SUPPLIES

13.1 Notwithstanding other provisions of this Agreement, in the event the Purchaser:

(a) Fails to pay any amount including any interest, due to the Seller under this Agreement within a period of five (5) days of the same falling due.

(b) In the event of any default by the Purchaser in terms of reselling or diverting the Coal

(c) In the event of expiry of validity of PPA *[applicable for post NCDP plants]*

(d) fails to submit a Certificate (annual) from the State / Central Regulatory Authority as the case may be to the effect that the DISCOM(s) have received consistent supply of power from the power producer in case of a direct PPA(s) or from the PTC(s) to whom the power producer has supplied the power to be supplied to the DISCOM(s) under the PPA. *[applicable for post NCDP plants]*

the Seller shall have the right to resort to any one or more of the following:

(i) Adjust the outstanding amount from any amount of the Purchaser lying with Seller including payments made for coal supplies; and/or

(ii) Suspend supplies of Coal to the Purchaser.

13.2 During the period of suspension of supplies in terms of Clause 13.1 the Seller shall be relieved of his obligations to supply Coal. However, the obligations of the Purchaser under this Agreement shall be deemed to remain in full force.

13.3 In the event of suspension of Coal supplies pursuant to the Clause 13.1(a), the Seller shall have the right to continue the suspension for as long as the outstanding payment has not been adjusted/paid. The Seller shall resume the Coal supplies within seven (7) Business Days of payment in full of all outstanding amounts together with accrued interest. The Seller shall have the right to continue the suspension for as long as the outstanding payment has not been fully made or the IRLC required under the Agreement is not fully replenished.

13.4 In the event of suspension of Coal supplies pursuant to the Clause 13.1(b), the Seller shall have the right to continue the suspension of Coal for as long as appropriate arrangements to the satisfaction of the Seller have not been made by the Purchaser to stop the diversion or the re-selling of the Coal.

13.5 In the event of suspension of Coal supplies pursuant to the Clause 13.1(c) the Seller shall have the right to continue the suspension of Coal for as long as (not exceeding six months) the Purchaser does not submit the renewed/revalidated PPA(s) (executed either directly with the DISCOM or through a PTC) to the satisfaction of the Seller. The quantity of coal not delivered by the Seller during the period of suspension shall be considered as Deemed Delivered Quantity (DDQ) *[applicable for post NCDP plants]*.

14. SETTLEMENT OF DISPUTES:

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

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

14.3 The Representative of the Party which considers that a dispute has arisen shall give to the Representative of the other Party, a written notice setting out the material particulars of the dispute ("**Dispute Notice**"). Within thirty days, or such longer period as may be mutually agreed, of the Dispute Notice having been delivered to the other Party, the Representatives of both Parties shall meet in person, to attempt in good faith and using their best endeavours at all times, to resolve the Dispute. Once the Dispute is resolved, the terms of the settlement shall be reduced in writing and signed by the Representatives of the Parties.

14.4 Notwithstanding the pendency of any dispute under this Clause 14, the Purchaser shall continue to pay all undisputed amounts as and when due under this Agreement and shall not withhold payment of undisputed amounts on account of any dispute. Failure to pay undisputed amounts shall entitle the Seller to suspend supplies in accordance with Clause 13.

15. TERMINATION OF CONTRACT/AGREEMENT:

15.1 Force Majeure Act/ Change in Law

Notwithstanding the provisions of Clause 2, this Agreement may be terminated in the following events and in the manner specified hereunder:

(a) In the event that either Party is rendered wholly or partially unable to perform its obligations under this Agreement ("**Affected Party**") because of a Force Majeure Act, as described in Clause 16 below, and such inability to perform lasts for not less than a total of nine (9) months in continuous form or of twelve (12) months in discontinuous form in a period of two (2) Years, and in the considered assessment of the other Party ("**Non-Affected Party**") there is no reasonable likelihood of the Force Majeure Act coming to an end in the near future, such Party shall have the right to terminate this Agreement, by giving at least ninety (90) days prior written notice to the Affected Party of the intention to so terminate this Agreement. In such event, the termination shall take effect on expiry of the notice period or ninety (90) days whichever is later, and the Parties shall be absolved of all rights/obligations under this Agreement, save those that had already accrued as on the effective date of termination.

(b) In the event that the Purchaser is prohibited /disabled under law from using Coal for power generation at the Power Plant covered under this Agreement, for reasons beyond its control, owing to changes in applicable environmental and/or statutory norms, howsoever brought into force; the Purchaser shall have the right to terminate this Agreement, subject to a prior written notice to the Seller of thirty (30) days.

(c) In the event of any material change in the Coal distribution system of Seller due to a Government directive/ notification, at any time after the execution of this Agreement, the Seller may terminate this Agreement without any obligation/liability after providing the Purchaser with prior written notice to the Purchaser of not less than thirty (30) days.

15.2 Termination in Event of Default

Notwithstanding the provisions of Clause 2, this Agreement may be terminated in the following events and in the manner specified below:

(a) In the event that the Level of Delivery (LD) falls below thirty percent (30%) or the Level of Lifting (LL) falls below thirty percent (30%), the Purchaser or the Seller as the case may be, shall have the right to terminate this Agreement, after providing the other Party with prior written notice of not less than thirty (30) days However, such notice is to be issued within sixty (60) days of the end of the relevant Year.

(b) In the event that the matter pertaining to the diversion or breach of end use of coal leads to suspension of the deliveries pursuant to Clause 13.1(b) and the matter cannot be resolved to the satisfaction of the Seller, the Seller shall have the right to terminate the agreement forthwith without any liabilities or damages, whatsoever, payable to the Purchaser.

(c) The Seller, in the event of continuation of suspension for a continuous period of 6 months pursuant to Clause 13, shall have the right to terminate this Agreement by providing a notice period of thirty (30) days.

(d) In the event that either Party suffers insolvency, appointment of liquidator (provisional or final), appointment of receiver of any of material assets, levy of any order of attachment of the material assets, or any order or injunction restraining the Party from dealing with or disposing of its assets and such order having been passed is not vacated within sixty (60) days, the other Party shall be entitled to terminate this Agreement.

(e) In the event the Purchaser fails to submit the renewed/revalidated PPA pursuant to suspension of coal supplies as per Clause 13.1(c) and 13.5 within a period of Six (6) months from the date of expiry of the validity of the PPA, the Seller shall have the right to terminate this agreement by issuing a prior notice of thirty (30) days. *[applicable for post NCDP plants]*

(f) In the event that any Party commits a breach of term or condition of this Agreement ("Defaulting Party") not otherwise specified under this agreement, the other Party ("Non-Defaulting Party"), shall have the right to terminate this Agreement after providing the Defaulting Party thirty (30) days prior notice and the breach has not been cured or rectified to the satisfaction of the Non-Defaulting Party within the said period of thirty (30) days.

(g) In case, the purchaser face termination due to lifting of coal falling below 30% as per clause 15.2.(a), the Purchaser may request the Seller for non-termination of the FSA. The purchaser shall, however, have to pay the applicable compensation/penalty for the quantum of short lifting below the minimum assured level of lifting (Trigger). Accordingly, the seller shall raise compensation/penalty claim.

15.3 Accrued rights to survive termination

Termination of this Agreement shall be without prejudice to the accrued rights and obligations of either Party as at immediately prior to the termination.

16. **FORCE MAJEURE**:

16.1 "Force Majeure Act" means any act, circumstance or event or a combination of acts, circumstances and events which wholly or partially prevents or delays the performance of obligations arising under this Agreement by any Party ("**Affected Party**") and if such act, circumstance or event is not reasonably within the control of and not caused by the fault or negligence of the affected Party, and provided that such act, circumstance or event is in one or more of the following categories:

a) Flood, inundation of mine/plant, drought, lightening, cyclone, storm, earthquake adverse geo-mining conditions, eruption of gases, subsidence and such natural occurrences.

b) Explosion, Mine/plant fire and other fire, contamination of atmosphere by radioactive or hazardous substances.

c) Civil disturbance such as riot, terrorism etc.

d) Industry wise /nation-wide strikes.

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

f) Epidemic;

g) The enactment, promulgation, amendment, suspension or repeal of any Applicable Laws after the date hereof;

h) Any delay or direction or order on the part of the Government of India or relevant State Government or denial or refusal to grant or renew, or any revocation, or modification of any required permit or mining lease or governmental approvals including those related to land acquisition or environment/ forest clearance provided that such delay, modification, denial, refusal or revocation was not due to a cause attributable to the Affected Party;

i) Global shortage of Imported Coal or delays caused by supplier or no response to enquiries for supply of coal or logistics constraints in transportation of Imported Coal;

j) Any law and order problems affecting coal production and transportation of coal.

k) Failure of supply of Power from Power Supplier(s)

l) The events under Force Majeure for supply of coal through import shall be in accordance with the provisions under the side agreement for supply of imported coal as per clause 3.3.(a)and 3.3.(b)

16.2 **Burden of Proof**:

In the event the Parties are unable to agree in good faith that a Force Majeure Act has occurred; the Parties shall resolve the dispute in accordance with the provisions of this Agreement. The burden of proof as to whether a Force Majeure Act has occurred shall be upon the Party claiming the occurrence or existence of such Force Majeure Act.

16.3 **Effect of Force Majeure**:

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

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

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

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

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

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

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

g) The Force Majeure Act, shall not relieve either Party from its obligation to comply with Applicable Laws. The Affected Party shall exercise all reasonable efforts to mitigate or limit damages to the other Party.

17. **SCHEDULES / ANNEXURES**:

The Schedules detailed below shall form part of this Agreement.

Schedule - I –Annual Contracted Quantity (ACQ)
Schedule - II - Quality of Coal
Schedule - III - IRLC stipulations
Schedule- IV – Detailed modalities for Third Party sampling and Analysis
Schedule-V - Option letter for acceptance / surrender of coal supplies to be made through import of coal.

18. MISCELLANEOUS:

18.1 **Notice**: Any notice to be given under this Agreement shall be in writing and shall be deemed to have been duly and properly served upon the Parties hereto if delivered against acknowledgement or by registered mail with acknowledgement due, addressed to the signatories or the authorised representatives of the signatories nominated in accordance with the provisions of this Agreement at the following addresses:

1) Seller's address	2) Purchaser's address Signature
Designation: _._._._._._._..	**Designation:**…….
Address: _._._._._._._._._._._.	**Address:** …………………
…………………………………..	……………………………………..
…………………………………….	……………………………………..
Telephone: ………………………..	**Telephone:** ………………………..
Fax: ……………………….	**Fax:** ……………………….
Email: …………………..	**Email:** …………………..

18.2 **Amendment**: This Agreement cannot be amended or modified except by prior written agreement between the Parties provided, however, that this Agreement shall stand amended or modified pursuant to any modification issued in writing or notified by the Seller in accordance with the provisions of this Agreement due to any applicable policy, guideline or circular of the Ministry of Coal or CIL from time to time, and such amendments shall be binding on the Purchaser from the date of such notification without requiring a separate written agreement between the Parties.

18.3 **Severability and Renegotiation**: In the event any part or provision of this Agreement becomes, for any reason, unenforceable or is declared invalid by a competent court of law or tribunal, the rest of this Agreement shall remain in full force and effect as if the unenforceable or invalid portions had not been part of this Agreement, and in such eventuality the Parties agree to negotiate with a view to amend or modify this Agreement for achieving the original intent of the Parties.

18.4 **Governing Law**: This Agreement, and the rights and obligations hereunder shall be interpreted, construed and governed by the laws of India. The courts of ________shall have exclusive jurisdiction in all matters under this Agreement.

18.5 **Entirety**: This Agreement together with any documents referred to in it, supersedes any and all oral and written agreements, drafts, undertakings, representations, warranties and understandings heretofore made relating to the subject matter hereof and constitutes the entire Agreement and understanding of the Parties relating to the subject matter hereof. It is expressly agreed that this Agreement shall supersede all previous discussions and meetings held and correspondence exchanged between the Seller & the Purchaser in respect of this Agreement and any decisions arrived at therein in the past and before coming into force of this Agreement shall have no relevance with reference to this Agreement and no reference of such discussions or meetings or past correspondence shall be entertained either by the Seller or the Purchaser for interpreting this Agreement or its implementation.

18.6 **Counterpart**: This Agreement may be executed in any number of counterparts and each counterpart shall have the same force and effect as the original instrument.

18.7 **Change in Control**: In the event there is any change in constitution of the Purchaser company due to amalgamation, merger, de-merger, takeover, court order or change in ownership/shareholding pattern, the Purchaser shall give a written notice to the Seller within thirty (30) days of such change taking effect, along with the supporting documents/information seeking continuation of this Agreement with respect to the said change. The Seller shall verify the said documents/information submitted by the Purchaser/resultant company in respect of compliance with the Office Memorandum of the

Ministry of Coal, Government of India dated April 7th, 2015 and/or any other directive/guideline as may be issued by the Ministry of Coal in this regard and arrive at a decision. Subject to the Seller's satisfaction in this regard, an amendment agreement/novation agreement shall be entered into between the Seller, the Purchaser and the resultant company, as applicable, failing which the Seller shall have the right to suspend supply of Coal in accordance with Clause 13 of this Agreement, and the provisions of Clause 15 shall accordingly also apply.

18.8 **Assignment**: Except as provided in Clause 18.7 above, the Purchaser shall not, without the express prior written consent of the Seller, assign to any third party this Agreement or any part thereof, or any right, benefit, obligation or interest therein or there under. Any purported assignment in breach of this Clause 18.8 shall be void and of no legal effect and shall entitle the Seller to (i) suspend Coal supplies forthwith in accordance with Clause 13; and (ii) terminate this Agreement in accordance with Clause 15 without prejudice to any other rights or remedies available to the Seller.

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

18.10 **Previous FSAs**: Upon the Effective Date of this Agreement, previous FSA executed under Pre-NCDP/NCDP/SHAKTI A(i)[Delete whichever is not applicable], shall stand superseded to the extent covered by this Agreement. If required, previous FSA may be duly referred for clauses, which are not a part of this agreement. The supersession of the previous FSA pursuant to this clause shall not extinguish any right of the Seller to recover any amounts due and payable under such previous FSA, and such rights shall survive and be enforceable notwithstanding the execution of this Agreement.

19. IMPLEMENTATION OF THE AGREEMENT

19.1 The respective [_______designation of authorized representative] of the Purchaser or his nominated representative shall be authorised to act for and on behalf of the Purchaser.

19.2 GM(Sales) or any representative duly authorized by the Seller shall act for and on behalf of the Seller.

19.3 Any other nomination of authorised representative shall be informed in writing, by the Seller and the Purchaser, as the case be, within one month of signing of this Agreement or by giving 30 (thirty) days' notice.

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

20. **SAVINGS**

Notwithstanding anything contained herein, this FSA shall not be applicable to purchaser(s) having/seeking tapering linkage(s) and/or Purchaser(s) having PPA(s) of whatever duration permitting sale/supply of electricity at non-regulated rate or market driven price.

Signed in presence of the witness /witnesses under mentioned on _____ day of **…………..’___**.

For

Signature
Name :
(block letters)
Designation:
Address:

Telephone:
Fax:
Email:

1. WITNESS

a) Signature
b) Name:
(block letters)
c) Address & Occupation

2. WITNESS

a) Signature
b) Name:
(block letters)
c) Address & Occupation

For

Signature
Name:
(block letters)
Designation:
Address:

Telephone:
Fax:
Email:

1. WITNESS

a) Signature
b) Name:
(block letters)
c) Address & Occupation

2. WITNESS

a) Signature
b) Name:
(block letters)
c) Address & Occupation

Schedule-I

Annual Contracted Quantity
(Refer Clause 3.1)

Annual Contracted Quantity

Name & location of the Power Plant owned by Purchaser	Unit wise Installed Capacity of the Power Station (in MW)	Capacity Linked (in MW)	Balance life** of plant/unit in Years (w.e.f. date of Installation)	Name of Rake Fit Station	Original LOA Quantity# (Tonnes)	Effective Date of previous FSA##	Validity	Annual Contracted Quantity (Tonnes*)	Mode of Transport	Source Coal field of the Seller*

* Details of Imported Coal shall be furnished by the Seller to the Purchaser from time to time as and when Coal is offered.

** Balance life of the Plant/Unit shall be as determined by appropriate authority of Govt. of India/as declared by way of "Self-declaration" by the authorized signatory of the Purchaser as per prescribed format of CIL.

LOA Quantity means the quantity mentioned in the Letter of Assurance (LOA) issued by the Seller to the Purchaser.

"Effective Date of Previous FSA" shall mean the effective date specified in the corresponding previously operational FSA.

Note: *For each Financial Year, the Annual Contracted Quantity (ACQ) corresponding to the linked capacity of the Plant (in MW) shall be determined by the Seller, based on the CEA norms dated 08.03.2024 applicable to the Plant (Pithead or Non-Pithead, as applicable) and the Representative Contracted Grade determined in accordance with Clause 4.6(c).*

<u>Schedule-II</u>

Quality of Coal
(Refer Clause 4.1)

Top-size of Coal (mm)	Representative Contracted Grade (*)	Range of Grades*

*The Representative Contracted Grade for a FY is arrived at in terms of Clause 4.6(c) The actual supply pursuant to the FSA may vary between the range of grades, as applicable, in respect of the mines of the Sources mentioned in Schedule-I from which the coal is actually supplied under the FSA.

Schedule-III

IRLC Stipulations
(Refer Clause 11.1(b)(ii))

In the event the Purchaser opts to submit IRLC, as per the payment provisions laid down in Clause 11.1(b) (ii), the IRLC shall conform to the following conditions:

1. The underlying amount of IRLC shall be equivalent to As Delivered Price of Coal for the Coal quantities that is one-ninth ($1/9^{th}$) of the QQ concerned, as per Clause 3.4. Further, the As Delivered Price of Coal in this context shall take into account the highest of the Base Prices of the Grades mentioned in Schedule II.

2. The underlying amount of IRLC shall be suitably changed whenever there is a change in any component of the As Delivered Price of Coal.

3. The term of the IRLC shall be for a minimum period of one year, and the same shall be renewed one month prior to its expiry so as to remain valid throughout the term of the Agreement.

4. 100% payment shall be released in favour of the Seller against the bills/ invoices duly signed and submitted by the Seller.

5. IRLC shall be automatic without any reinstatement clause, accordingly the amount of each drawl shall be automatically reinstated.

6. IRLC shall be issued by a bank acceptable to the Seller

7. All IRLC charges including those related to opening, establishment, negotiation, re-instatement, amendment or any other incidental charges shall be borne by the Purchaser

8. All documents drawn under this IRLC shall be in English language only.

9. All amounts under this IRLC shall be payable at [______________to be mentioned by the Seller].

10. There shall be no restriction for the number of drawls in a month.

SCHEDULE –IV

Procedure For Third Party Sampling And Analysis

1. APPOINTMENT OF THE THIRD PARTY AGENCY

The Purchaser may select a Third Party Agency ("**TPA**") to conduct the sampling and analysis of coal from the list of third parties empanelled by CIL from time to time.

The cost of sampling and analysis by TPA shall be shared on 50:50 basis by the Seller and the Purchaser.

All tools and tackles, plastic bags, sealing compounds and other items required for collection, preparation, storage and analysis of the sample shall be arranged by the TPA.

2. DETAILED MODALITIES FOR THIRD PARTY SAMPLING

Modalities for collection, handling, storage, preparation and analysis of TPA samples:

2.1 General

a) In order to commence third party sampling, a tripartite agreement will be signed between the Seller, the Purchaser and the TPA. The format of tripartite agreement will be provided by the Seller.

b) Samples shall be collected by TPA lot-wise as per modalities defined in Tripartite Agreement.

c) Samples shall be collected, packed and transported by the TPA in such a manner so as to make these tamper proof to the satisfaction of Seller and Purchaser for which detailed procedure may be worked out at Delivery Point jointly by representatives of the Seller, the Purchaser and the TPA.

d) Name of the colliery/Siding/Purchaser, date of collection and other identification details (e.g. Rake no. in case of rail supply etc.) shall be properly recorded and a code number shall be assigned for each sample for identification and reconciliation of results.

e) Collection and preparation of samples will be witnessed by the representative of Seller and Purchaser. In case the representative of either party is not present or do not participate, the work will be done by TPA and absence or failure of participation shall not be considered as a ground for disputing the result.

f) Proper analysis records like print out of the results from automatic Bomb Calorimeter etc. shall be maintained at the Laboratories where the samples are analyzed by the TPA. TPA shall ensure that samples are analysed in NABL accredited labs.

g) Laboratory samples prepared shall be in the size of 12.5 mm for the Total Moisture and for ash, Equilibrated Moisture and GCV analysis, 212 µ (micron) IS sieve. Due care shall be taken to ensure that before analysis, in test laboratory, further sieving or pulverizing is not required.

h) Samples collected at the loading end shall be analyzed as per latest BIS Standards (IS: 1350 Part I – 1984 or subsequent amendments if any for determination of ash and moisture content and IS: 1350 (part-2):2022 for determination of GCV).

i) The TPA shall communicate the analysis result of the sample as per the stipulated period indicated in the tripartite agreement. The Seller/the Purchaser may raise a dispute, if any, regarding the findings of the TPA within seven (7) days of the submission of the analysis result by the TPA.

j) Monthly statements containing the details of each and every analysis result finalized during a month based on TPA/referee analysis, as the case may be, shall be prepared indicating *inter alia* the quantity of Coal covered by the respective analysis results. The finalized results shall be applied for billing/commercial purpose. Copy of the monthly statement/report shall be submitted to Seller and Purchaser by the TPA.

k) The final pulverized sample will be divided into four parts viz. Set – I, Set – II, Set –III and Set – IV as follows:

   (i) Set – I shall be taken by the TPA to its NABL Accredited Laboratory for analysis of ash, moisture and GCV as per latest BIS Standards (IS: 1350 Part 1-1984) or subsequent amendments if any or BIS Standards IS: 1350 (part-2):2022, as applicable;

   (ii) Set – II and Set – III of the sample shall be handed over by the TPA to the Seller and the Purchaser respectively for their own analysis; and

   (iii) Set – IV of the sample called Referee Sample shall be sealed jointly by the TPA and representatives of Seller and Purchaser and shall be kept in the custody of TPA at the Delivery Point under lock and key arrangements. The referee sample shall be retained in sealed condition (duly signed by the representatives of Seller and Purchaser and the TPA) for minimum of thirty (30) days from the date of sample collection, after which it may be destroyed with proper records by TPA. The referee sample shall be packed and transported by the TPA to designated Govt. NABL referee lab, in tamper proof manner to the satisfaction of Seller and Purchaser.

l) Total Moisture determination will be done at nearest laboratory of the Seller and remaining tests/analysis (moisture, ash, GCV on Equilibrated Basis) will be done by the TPA as per BIS Standards (IS: 1350 Part 1-1984) and subsequent amendments if any or BIS Standards IS: 1350 (part-2):2022, as applicable.

m) In the event of any dispute (which shall be raised not later than seven (7) days from the date of receipt of result from the TPA), Set – IV shall be sent for referee analysis by the TPA to designated Govt. NABL referee labs.. TPA shall follow a fool proof coding and decoding system for referee analysis and also ensure distribution of referee samples amongst designated referee labs in a judicious manner considering the workload, equitable distribution, infrastructure etc. at various labs. The cost incurred for analysis of referee sample including the cost of transportation to the referee laboratory, shall be borne totally by the Party raising the dispute. The findings of such designated referee laboratory (ies) shall be binding on the Purchaser and the Seller for commercial purposes.

2.2 COLLECTION OF SAMPLES FROM WAGONS (Rail and MGR)

a) For the purpose of sampling each lot as per modalities defined in Tripartite Agreement of Coal supplied from one Delivery Point shall be considered as a lot.

b) Each day's supply (24 Hrs during a day i.e. 0:00 hrs to 24:00 hrs of the day) shall be considered as one lot for the purpose of sampling in case of coal supplies by MGR.

c) Each lot shall be divided into sub-lots in a manner that the quantity of Coal/number of wagons in such sub-lots is more or less equal. The number of sub-lots shall be determined as under:

No. of wagons in the rake	Number of sub lots
Up to 30 wagons	4
>30 wagons up to 50 wagons	5
>50 wagons and above	6

d) From each of the sub-lots, one (1) wagon each shall be selected as per random table of IS: 436 (Part I/Section I) 1964 for collection of increments.

e) In each wagon selected for sampling, the sample will be drawn from the spot in a manner so that if in one (1) wagon the sample is collected at one end, in the next wagon the spot will be in the middle of the wagon and in the third wagon at the other end and this sampling procedure will be repeated for subsequent wagons.

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

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

h) Any stone/shale of size more than that indicated in Schedule III shall be removed/discarded, however all stones/shale of size in terms of SCHEDULE III shall form part of the sample collected.

i) Samples collected from all the selected wagons in a lot shall be mixed separately to form gross sample accordingly.

j) Item (d) to (g) above shall be applicable for Coal supplied in box wagons as well as BOBR wagons where there is no live overhead traction line.

k) In case of having live overhead traction line, TPA shall ensure that the power supply in the overhead traction is switched off to facilitate collection of joint samples from BOX/BOBR wagons pursuant to point 2.2d) to point 2.2g) above.

2.3 COLLECTION OF SAMPLES OF COAL DESPATCHES BY ROAD

a) Sample shall be collected lot-wise as per modalities defined in Tripartite Agreement on daily basis round the clock, depending upon the timings of trucks/vehicles allowed for exist by the Seller at respective dispatch point(s).

b) The first truck for TPA sampling on a day shall be selected randomly from the first eight trucks placed for loading by the Purchaser. Every eighth (8^{th}) truck there after shall be subjected to TPA sampling.

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

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

e) All the samples collected from every eighth truck shall be mixed together to form a gross sample.

f) Any stone/shale of size more than that indicated in SCHEDULE II shall be removed/discarded, however all stone/shale of size as mentioned in SCHEDULE II shall form the part of the sample collected.

2.4 COLLECTION OF SAMPLES FROM CONVEYOR BELT/ROPEWAYS/ PIPELINES

a) Samples will be taken lot-wise as per modalities defined in Tripartite Agreement.

b) The sample shall be collected in increments of full cross section and thickness of the stream in one operation in a regular interval of time as mutually decided by both Seller and Purchaser and lot shall consist of samples so collected during a day i.e. 0:00 Hrs to 24:00 Hrs of the day.

c) Before collecting the increments, the speed of the conveyer belt/ropeways/pipelines and quantum of material passing a certain point in a given time shall be ascertained so that an appropriate spacing of time between increments may be arranged over the whole of the lot.

d) In case of supply through conveyor belt, if it is practicable to stop the belt periodically, increment may be collected from the whole cross section of the stream by sweeping the whole of the Coal lying between the sides of a suitable frame placed across the belt. The frame should be inserted in the Coal until it is in contact with the belt across its full width. If it is not possible, then sample is to be collected from falling stream of the belt at a suitable transfer point where coal is being released from one point to other.

e) Minimum 150 kgs of samples to be collected for daily gross sample.

f) Any stone/shale of size more than that indicated in SCHEDULE II shall be removed/discarded, however all stone/shale of size as mentioned in SCHEDULE II shall form the part of the sample collected.

2.5 COLLECTION OF SAMPLES FROM STOCKPILE

a) For the purpose of sampling, a lot shall comprise of sub-lots as set out in point 2.5b) below.

b) The quantity of Coal in the stock pile shall be divided into a suitable manner of sub-lots as specified in the following table:

Approximate quantity of the stock pile (MT)	No. of Sub-lots
Up to 500	2
501 to 1000	3
1001 to 2000	4
2001 to 3000	5
Over 3000	6

c) The surface of each sub-lot shall be leveled and one point for approximately every 250 MT of material in the sub-lots shall be chosen at random for taking gross sample as per the following procedure:

i. In case height of the stockpile is not more than 1.5 metre, the material shall be collected at every selected point by taking the whole section of Coal from top to bottom over the area of a circle of 30 cm diameter.

ii. In case the height of the stock pile is more than 1.5 metre, the sample shall be collected at every selected point by taking the material over an area of a circle of 30 cm diameter and up to a depth of 1.5 metre.

d) Any stone/shale of size more than that indicated in SCHEDULE II shall be removed/discarded, however all stone/shale of size as mentioned in SCHEDULE II shall form the part of the sample collected.

2.6 PREPARATION OF COLLECTED SAMPLES:

a) The gross sample collected at the loading end by the TPA will be divided into two portions. One portion (one fourth of the gross sample) called Part – 1 will be used for analysis of Total Moisture and the other portion (three fourth of the gross sample) called Part – 2 for determination of ash, moisture and GCV on Equilibrated Basis.

b) The Part-2 Sample shall be reduced into laboratory sample either manually or mechanically or a combination of these two methods. The final laboratory samples will be divided into four parts viz. Set – I, Set – II, Set – III and Set – IV as per point 2.1k). Further preparation of sample is to be done as per BIS norms IS:436 (Part-I)- 1964.

3. **Analysis of sample(s)**

Analysis of sample(s) is to be done as per latest version of IS 1350 (Part-I)-1984 and subsequent amendments if any for determination of Total Moisture, Equilibrated Moisture, Ash and Volatile Matter and GCV as per latest version of IS: 1350 (part-2):2022.

SCHEDULE-V

Option letter for confirming acceptance /surrender of coal supply to be made through import in terms of Clause 2.8(a)(i)

To
M/s…………………………..
………………………………...

Dear Sir,

Sub : Acceptance / Surrender of Coal through import.

This has reference to the Letter of Assurance issued to you vide letter No…….. for supply of Coal subject to fulfillment of the conditions as stipulated in the said letter.

Clause 3.3 of the FSA provides that the Seller shall have the option to supply the balance quantity of coal through import not exceeding, unless otherwise agreed between the parties, 5% of the ACQ after meeting the quantity available from domestic production.

The percentage of Imported Coal proposed to be supplied in a year to meet the minimum contractual obligation shall be determined and declared by the Seller on year to year basis.

Accordingly, the Imported Coal likely to be supplied during………… (year) is ………..% of the ACQ.

In order to enable the Seller to make firm arrangement for sourcing coal through import, the Purchaser is required to opt for either of the following two options.

Option-A: Confirmation for acceptance of coal through import:

i) The Purchaser agrees unconditionally to accept supply of coal through import at a price, specification and source as may be decided and offered by the Seller/CIL from time to time.
ii) The Purchaser would indicate acceptance for either the full quantity or a part of the offered quantity to be supplied through import to be expressed in terms of percentage of ACQ. In case of Purchaser giving consent for supply a part of the offered quantity, the part quantity not accepted shall be considered as Deemed Delivered quantity as per clause 3.11.(a)(v) and 3.11.(b)(iv).
iii) The Purchaser giving this option shall have to enter into a Side Agreement separately for covering the commercial terms and payment modalities for the supply through import. The Side Agreement shall form an integral part of this Agreement and legally enforceable.

Option-B: Confirmation for Surrender of coal through import

i) The Purchaser unconditionally surrenders the component of ACQ offered by the Seller through import.
ii) The Quantity of imported coal surrendered by the Purchaser shall stand as Deemed Delivered Quantity as per clause 3.11.(a)(v) and 3.11.(b)(iv).

iii) The penal provision for supply below 75% shall be applicable from the year 2016-17 and onwards.

The Purchaser may request for a change of the option exercised by him earlier, but such request has to be made by him at least three months in advance.

Either of the above two options is required to be exercised before or at the time of signing of the FSA by endorsing the format appended below.

You are therefore requested to confirm acceptance of either of the above options by endorsing the copy of the letter in the following manner.

Yours faithfully
(CGM/GM-Sales)

We, herby confirm that we have read and understood the above including the terms of FSA dated………….and accordingly exercise our unconditional acceptance for the Option A/B (strike out whichever is not acceptable) and request you to take necessary further action.

(In case of exercising option A)

The supply intended to be taken in terms of the percentage of ACQ through import:…………...

Signature
Name of the Authorised Signatory
(Purchaser)
SEAL

Date: