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

5 DECADES OF UNEARTHING ENERGY

COAL INDIA LIMITED
(A Maharatna Company)
(A Govt. of India Undertaking)
Marketing & Sales 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

Ref no. CIL/M&S/SHAKTI 2025/W-I/ 118 Date: 27.08.2026

NOTICE

MODEL LOAs UNDER WINDOW-I OF REVISED SHAKTI, 2025 FOR CENTRAL GENCOS & STATE IPP (SECTION 62)

This refers to notice no. CIL/M&S/SHAKTI 2025/W-I/56 dated 23.02.2026, vide which Model LOAs applicable to State Gencos and to successful bidder(s) identified for fresh PPAs through TBCB against coal linkage earmarked to states, under Window-I of Revised SHAKTI, 2025 were published.

In addition to the above, Model LOAs applicable to the following categories are hereby enclosed for information of all concerned:

- Central Genco Thermal Power Projects including JVs & Subsidiary(ies).
- Existing IPPs having Power Purchase Agreement (PPA) under Section 62 of the Electricity Act, 2003, for expansion of unit, against the linkage earmarked to the respective state.

This issues with the approval of the competent authority.

Encl.: As above

Yours faithfully,

Rachit
27/08/26
HoD (FSA-Linkage)

Copy to:-

1. ED(M&L), CIL
2. ED(QM), CIL
3. GM(Systems), CIL – *For uploading on CIL's website*
4. GM/HoD (M&S) – BCCL/CCL/ECL/MCL/NCL/SECL/WCL/NEC

MODEL LETTER OF ASSURANCE (LOA)
TO BE ISSUED TO
PURCHASER (CENTRAL GENERATING COMPANY –GENCO
INCLUDING JOINT VENTURES[1]/SUBSIDIARIES)
FOR THERMAL POWER PROJECTS
UNDER PLANNING/UNDER CONSTRUCTION
AGAINST THE LINKAGE EARMARKED
UNDER WINDOW-I OF REVISED SHAKTI, 2025

[1] 'Joint Venture' shall mean a Joint Venture formed between or within CPSUs or between CPSUs and State Government/State PSUs.

To,

[*Name & Address of the Assured*]

Dear Mr./Ms.[*Name*],
Subject: Letter of Assurance (LOA)

Preamble

Ministry of Coal (hereinafter referred to as "**MOC**") vide its letter dated May 20, 2025 has issued Revised Scheme for Harnessing and Allocating Koyala (Coal) Transparently in India (SHAKTI), 2025. Paragraph 2.II.A.i. of the policy inter alia provides for granting of coal linkage to Central Genco (GENCO) Thermal Power Projects including Joint Ventures (JVs) & Subsidiary(ies).

Subsequently, Ministry of Power vide its letter dated July 17, 2025 has issued Methodology for allocation/earmarking of coal linkage under Window I of Revised SHAKTI Policy, 2025 for Power Sector. As per said Methodology, A Letter of Assurance (hereinafter referred to as "**LOA**") shall be issued by Coal Company in case of Thermal power projects under Planning/Under Construction.

In consideration of the request by [*name of the applicant and address of the plant*] (hereinafter referred to as "**the Assured**") for issuance of LOA under Window-I of Revised SHAKTI , 2025 requiring [*tonnes per annum (tpa)*] of [*Grade*] coal for its [*MW*] Power Plant [to be] located at [*name of the location*] (hereinafter referred to as "**the Plant**"), from about [*time of commencement of coal supplies, as requested by the Assured*], [*name of the CIL subsidiary*] (hereinafter referred to as "**the Assurer**") hereby provisionally assures to endeavour supply of coal subject to the following terms and conditions:

1. Scope of Assurance

1.1 Quantity, Grade and Source of coal

Subject to satisfactory fulfillment of obligations of the Assured in accordance with Clause 2 within validity of the LOA as per Clause 4 and signing of the Fuel Supply Agreement (hereinafter referred to as "**FSA**") within three (3) months thereafter, the Assurer shall endevaour to supply likely through any mode, as per the normative requirement of the Plant, [*million tonnes per annum (mtpa)*] of [*Grade(s)*] (hereinafter referred to as "**the Representative Grade**") coal to the Assured from [insert Source details] (hereinafter referred to as "**the Source**"), which shall be subject to review and assessment of the actual coal requirement of the Assured by the Assurer as well as the availability of coal from the mines of the Assurer and of imported coal. It is expressly clarified that the Source shall be a coalfield/coal company, as the case may be and the Representative Grade is arrived at considering all mines of the Source. The actual supply pursuant to the FSA may vary between the range of grades, as applicable, in respect of the mines of the Source from which the coal is actually supplied under the FSA and the terms of such supply shall be as set out in the FSA. Further, in the event of incremental coal supplies available with the Assurer (after meeting out the commitments already made) being less than the incremental coal demand, such incremental availability shall be distributed on pro-rata basis and the balance quantity of coal requirement shall be made through imports of coal.

1.2 Price of coal

The price of coal shall be the sum of notified price of the relevant grade(s) of coal notified by CIL and/or its Subsidiaries and/ or the price of coal from cost plus sources as may be offered by the Assurer as the case may be, other charges (viz. transportation charges, sizing/crushing charges, evacuation facility charges, any other applicable charges etc.) and Statutory Charges, as applicable at the time of delivery of Coal. Notwithstanding, in case the quantity of normative requirement, as stated in Clause 1.1 above, necessitates opening of a dedicated mine, then coal shall be priced at the higher of cost plus reasonable return or such notified price , along with other charges and Statutory Charges that shall be payable as listed above. The quantity of imported coal that may be supplied to the Assured, as mentioned in Clause 1.1, shall be charged at the landed cost plus service charge. Such service charge shall be notified by the Assurer from time to time. The Assured shall be liable to pay all applicable taxes and statutory levies.

1.3 Change in law

In the event of an enactment, promulgation, amendment or repeal of any statute, policy, decree, notice, rule or direction by any government instrumentality that would have an impact on the coal supply terms assured hereof; the Assurer shall be free to amend or repeal this LOA without any liabilities or damages, whatsoever, payable to the Assured.

1.4 Force-Majeure affecting the Assurer

In the event that development of the coal block identified by the Assurer for the purpose of meeting the normative requirement stated in Clause 1.1 is delayed or terminated for reasons including de-allocation of such block by the Government and inordinate delays faced in acquiring land or receiving environmental/forest clearances; Or that import of coal required for the purpose of meeting the portion of normative requirement stated in Clause 1.1 is reasonably withheld owing to such factors as global shortage or a Force-Majeure event affecting the source(s) of imported coal or logistical bottlenecks faced in transportation and unloading; which are not within the control of and not caused by the negligence or fault of the Assurer; the Assurer shall be free to amend or repeal this LOA without any liabilities or damages, whatsoever, payable to the Assured.

2. Fulfillment of Assured's obligations

2.1 Time-bound achievement of milestones

The Assured shall undertake and complete all the activities, as mentioned in Annexure 1 to this LOA, within the validity of the LOA as per Clause 4 and each activity within the time-period mentioned against it unless such completion is affected due to any Force Majeure event provided that such Force Majeure event shall not include inability or failure to obtain financing for the Plant or failure to comply with the existing rules and regulations with respect to statutory clearances applicable to the Plant or any such event resulting from the negligence, omission or default by the Assured; and the Assured notifies in writing within seven (7) days of occurrence of any such Force Majeure event along with documentary evidence of the same.

2.2 Reporting Requirement

The Assured shall submit the status of each activity/milestone including the documentary evidence within the time-period as mentioned in Annexure 1.

2.3 Verification by the Assurer

The Assurer reserves the right to verify including physically verify the status of each milestone as mentioned in Annexure 1, and in the event of any significant or reasonable discrepancy found in the status reported /documentary evidence submitted by the Assured, the Assurer shall notify the Assured forthwith upon which the Assured shall correct the discrepancy so noted by the Assurer within seven (7) days. The Assured shall be liable to submit additional Commitment Guarantee, as per Clause 3.3, in the event the Assured fails to do so.

3. Commitment Guarantee by the Assured

3.1 Amount of Commitment Guarantee

Prior to the date of issue of LOA, the Assured have provided to the Assurer, a sum of [₹ ___________________ (Indian Rupees___________)] equivalent to five percent (5%) of notified price of Representative Grade [__] Run-of-Mine (ROM) coal of the Assurer prevalent on the date of application for issue of LOA, multiplied by the quantity of coal mentioned in the Preamble, as Commitment Guarantee (hereinafter referred to as "**CG**"), in cash / bank guarantee; and in no case shall the CG be less than ₹2,50,00,000/- (Indian Rupees Two Crores and Fifty Lakhs only) per MTPA of coal quantities requested by the Assured or part thereof. Such CG shall be non-interest bearing, and in case of it being deposited in the form of bank guarantee it should comply with the format specified by the Assurer and issued by a scheduled bank acceptable to the Assurer.

Further, in case CG has not been provided by the Assured to the Assurer, within two (2) months from the date of issuance of Minutes of SLC (LT) by the MOC or within 1 month from the date of issuance of letter of earmarking by Coal India Limited (CIL), whichever is later, the amount of CG required to be deposited shall be increased by 1/20th for each month of delay or part thereof, subject to a maximum delay of 4 months.

3.2 Validity of Commitment Guarantee

The Commitment Guarantee (CG) shall be initially valid till thirty one (31) months from the date of issuance of Minutes of SLC (LT) by the MOC plus such additional period corresponding to any delay in submission of the CG, if applicable. On successful completion of all milestones within the validity of LOA, the CG shall stand converted into the Contract Performance Guarantee (hereinafter referred to as "CPG") that would be the condition precedent to signing of the FSA, in which case, validity of the CG shall be extended in accordance with the terms of the FSA. For the avoidance of any doubt, the Assured shall be liable to submit the extra guarantee that may result from the difference between the CPG under FSA and the CG under this LOA.

3.3 Additional Commitment Guarantee

If any activity/milestone is not duly performed or completed by the Assured within the time stipulated against each such activity/milestone, as specified in Annexure 1, then the Assured shall be liable to furnish to the Assurer one fourth ($1/4^{th}$) of the amount of CG for each such unperformed or incomplete milestone, as additional CG, within fifteen (15) days from the date such activity/milestone is falling due for completion. For the avoidance of any doubt, such additional CG may need to be deposited multiple times subject to partial/non-fulfillment of any activity /milestone at the end of each half-yearly interval, as mentioned in Annexure 1. The aggregate of additional CG(s), however, in no case shall exceed the amount of CG, as specified in Clause 3.1 above. Further, such additional CG(s) shall become part of the CG and all related provisions of this LOA shall be equally applicable for additional CG.

3.4 Encashment of Commitment Guarantee

In the event that the Assured fails to adhere to the terms and conditions of this LOA, including execution of the FSA within the FSA Execution Period, the Assurer/Seller shall have the right, without prejudice to any of its other rights and remedies provided herein or in Applicable Law, to encash the CG including any additional CG submitted by the Assured and also terminate the LOA.

In the event that fulfillment of any of the activities/milestones is delayed beyond the period specified against each such activity/milestone in Annexure 1 and the Assured fails to furnish the additional CG to the Assurer in accordance with Clause 3.3 hereof, or the Assured furnishes additional CG to the Assurer in accordance with Clause 3.3 hereof but fails to fulfill all the activities/milestones within the validity of LOA, as specified in Clause 4, the Assurer shall have the right to encash the CG including any additional CG submitted by the Assured and also terminate the LOA. For the avoidance of doubt, all the milestones, as specified in Annexure 1, shall need to be fully completed and any partial completion with regard to any activity/milestone at the end of validity of the LOA shall entitle the Assurer to encash the CG including any additional CG submitted by the Assured and also terminate the LOA. It is clarified for removal of doubt that this Clause shall survive the termination of this LOA.

Besides, the Assurer shall have the right to encash the CG including any additional CG submitted by the Assured in the event of failure by the Assured to sign the FSA within three (3) months of the expiry of validity of the LOA.

3.5 Return of Commitment Guarantee

In case of inability of the Assured to fulfill any activity/ milestone, as specified in Annexure 1, due to any Force Majeure event, the time period for fulfillment of such activity/milestone, shall be extended for the period of such Force Majeure event, subject to a maximum extension period of three (3) months, continuous or non-continuous in aggregate. In no case including a Force Majeure event affecting multiple activities/ milestones shall the validity of LOA be extended by more than three (3) months. Thereafter, this LOA may be cancelled/ withdrawn by the Assurer after duly notifying the Assured in writing at least seven (7) days in advance without any liabilities or damages, whatsoever, payable by the Assured to the Assurer; and the Assurer shall return the CG submitted by the Assured.

4. Validity of the LOA

The LOA shall remain valid for a period of twenty-one (21) months from the date of issue of this LOA or twenty-four (24) months from the date of issuance of Minutes of SLC (LT) by MOC, whichever is later, and shall stand annulled upon expiry of such period unless extended. Such extension may be granted once, for a further period of twenty-one (21) months, on request of the Assured, on a case to case basis. In such event, the existing CG including any additional CG submitted by the Assured, shall be encashed, and the Assured shall be required to submit a fresh CG for the extended period, with revised timelines for completion of the respective milestones from the date of extension of LOA instead of the original date of LOA.

Additionally, LOA can also be extended once for three (3) months in accordance with Clause 3.5 hereof.

5. Assignment of the LOA

The Assured shall not, without the express prior written consent of the Assurer, assign to any third person the LOA, or any right, benefit, obligation or interest therein or thereunder.

6. End-use of coal

The total quantity of coal assured pursuant to this LOA is for use at the Plant, and the Assured shall not re-sell or trade the coal assured hereof to any third party. If in the reasonable opinion of the Assurer, the Assured has entered into an arrangement for such resale or trade upon commencement of coal supplies at any time during the validity of this LOA, the Assurer shall cancel/withdraw this LOA without any liabilities or damages, whatsoever, payable to the Assured.

Annexure-1: Milestones to be achieved by the Assured

S. No.	Activity/ Milestone	Timeline	Document to be submitted by the Assured on achievement of milestone	Issuing Authority
1	Environment Clearance	within 6 months from the date of LOA	Approved Terms of Reference (TOR)	Expert Appraisal Committee (EAC) of MoEF (Central Govt.) for Category 'A' Projects or State Expert Appraisal Committee (EAC) for Category 'B' projects, as applicable
		within 12 months from the date of LOA	Final clearance	MOEF (Central Govt.) for Category 'A' projects or State Environment Impact Assessment Authority (SEIAA) - for category 'B' projects, as applicable
2	Forest Clearance, if applicable	within 12 months from the date of LOA	Recommendation for Forest clearance	State Government
		within 21 months from the date of LOA	Forest Clearance	MoEF (Central Government)
3	Financing of the project / Financial Closure	within 21 months from the date of LOA	Final Sanction letters from Bank(s) /Financial Institution(s) Or Loan Agreement	Bank(s)/ Financial Institution(s)
4	Order of Main Plant (BTG)	within 24 months from date of issuance of Minutes of SLC (LT) by MOC	Self-Declaration towards Order Placement	-

MODEL LETTER OF ASSURANCE (LOA)
TO BE ISSUED TO
PURCHASER (EXISTING INDEPENDENT POWER PRODUCER (IPP) HAVING PPA UNDER SECTION 62 OF THE ELECTRICITY ACT 2003 FOR EXPANSION OF UNIT)
FOR THERMAL POWER PROJECTS
UNDER PLANNING/UNDER CONSTRUCTION
AGAINST THE LINKAGE EARMARKED TO STATE
UNDER WINDOW-I OF REVISED SHAKTI, 2025

To,

[*Name & Address of the Assured*]

Dear Mr./Ms.[*Name*],

Subject: Letter of Assurance (LOA)

Preamble

Ministry of Coal (hereinafter referred to as "**MOC**") vide its letter dated May 20, 2025 has issued Revised Scheme for Harnessing and Allocating Koyala (Coal) Transparently in India (SHAKTI), 2025. Paragraph 2.II.A.ii. of the policy inter alia provides that coal linkages earmarked to the respective States can be utilized by the State for existing IPPs having PPA under Section 62 of the Electricity Act 2003 for setting up of an expansion unit.

Subsequently, Ministry of Power vide its letter dated July 17, 2025 has issued Methodology for allocation/earmarking of coal linkage under Window I of Revised SHAKTI Policy, 2025 for Power Sector. As per said Methodology, A Letter of Assurance (hereinafter referred to as "**LOA**") shall be issued by Coal Company in case of Thermal power projects under Planning/Under Construction.

In consideration of the request by [*name of the applicant and address of the plant*] (hereinafter referred to as "**the Assured**") for issuance of LOA against the linkage earmarked to the state of [*State name*] under Window-I of Revised SHAKTI , 2025 requiring [*tonnes per annum (tpa)*] of [*Grade*] coal for its [*MW*] Power Plant [to be] located at [*name of the location*] (hereinafter referred to as "**the Plant**"), from about [*time of commencement of coal supplies, as requested by the Assured*], [*name of the CIL subsidiary*] (hereinafter referred to as "**the Assurer**") hereby provisionally assures to endeavour supply of coal subject to the following terms and conditions:

1. Scope of Assurance

1.1 Quantity, Grade and Source of coal

Subject to satisfactory fulfillment of obligations of the Assured in accordance with Clause 2 within validity of the LOA as per Clause 4 and signing of the Fuel Supply Agreement (hereinafter referred to as "**FSA**") within three (3) months thereafter, the Assurer shall endevaour to supply likely through any mode, as per the normative requirement of the Plant, [*million tonnes per annum (mtpa)*] of [*Grade(s)*] (hereinafter referred to as "**the Representative Grade**") coal to the Assured from [insert Source details] (hereinafter referred to as "**the Source**"), which shall be subject to review and assessment of the actual coal requirement of the Assured by the Assurer as well as the availability of coal from the mines of the Assurer and of imported coal. It is expressly clarified that the Source shall be a coalfield/coal company, as the case may be and the Representative Grade is arrived at considering all mines of the Source. The actual supply pursuant to the FSA may vary between the range of grades, as applicable, in respect of the mines of the Source from which the coal is actually supplied under the FSA and the terms of such supply shall be as set out in the FSA. Further, in the event of incremental coal supplies available with the Assurer (after meeting out the commitments already made) being less than the incremental coal demand, such incremental availability shall be distributed on pro-rata basis and the balance quantity of coal requirement shall be made through imports of coal.

1.2 Price of coal

The price of coal shall be the sum of notified price of the relevant grade(s) of coal notified by CIL and/or its Subsidiaries and/ or the price of coal from cost plus sources as may be offered by the Assurer as the case may be, other charges (viz. transportation charges, sizing/crushing charges, evacuation facility charges, any other applicable charges etc.) and Statutory Charges, as applicable at the time of delivery of Coal. Notwithstanding, in case the quantity of normative requirement, as stated in Clause 1.1 above, necessitates opening of a dedicated mine, then coal shall be priced at the higher of cost plus reasonable return or such notified price , along with other charges and Statutory Charges that shall be payable as listed above. The quantity of imported coal that may be supplied to the Assured, as mentioned in Clause 1.1, shall be charged at the landed cost plus service charge. Such service charge shall be notified by the Assurer from time to time. The Assured shall be liable to pay all applicable taxes and statutory levies.

1.3 Change in law

In the event of an enactment, promulgation, amendment or repeal of any statute, policy, decree, notice, rule or direction by any government instrumentality that would have an impact on the coal supply terms assured hereof; the Assurer shall be free to amend or repeal this LOA without any liabilities or damages, whatsoever, payable to the Assured.

1.4 Force-Majeure affecting the Assurer

In the event that development of the coal block identified by the Assurer for the purpose of meeting the normative requirement stated in Clause 1.1 is delayed or terminated for reasons including de-allocation of such block by the Government and inordinate delays faced in acquiring land or receiving environmental/forest clearances; Or that import of coal required for the purpose of meeting the portion of normative requirement stated in Clause 1.1 is reasonably withheld owing to such factors as global shortage or a Force-Majeure event affecting the source(s) of imported coal or logistical bottlenecks faced in transportation and unloading; which are not within the control of and not caused by the negligence or fault of the Assurer; the Assurer shall be free to amend or repeal this LOA without any liabilities or damages, whatsoever, payable to the Assured.

2. Fulfillment of Assured's obligations

2.1 Time-bound achievement of milestones

The Assured shall undertake and complete all the activities, as mentioned in Annexure 1 to this LOA, within the validity of the LOA as per Clause 4 and each activity within the time-period mentioned against it unless such completion is affected due to any Force Majeure event provided that such Force Majeure event shall not include inability or failure to obtain financing for the Plant or failure to comply with the existing rules and regulations with respect to statutory clearances applicable to the Plant or any such event resulting from the negligence, omission or default by the Assured; and the Assured notifies in writing within seven (7) days of occurrence of any such Force Majeure event along with documentary evidence of the same.

2.2 Reporting Requirement

The Assured shall submit the status of each activity/milestone including the documentary evidence within the time-period as mentioned in Annexure 1.

2.3 Verification by the Assurer

The Assurer reserves the right to verify including physically verify the status of each milestone as mentioned in Annexure 1, and in the event of any significant or reasonable discrepancy found in the status reported /documentary evidence submitted by the Assured, the Assurer shall notify the Assured forthwith upon which the Assured shall correct the discrepancy so noted by the Assurer within seven (7) days. The Assured shall be liable to submit additional Commitment Guarantee, as per Clause 3.3, in the event the Assured fails to do so.

3. Commitment Guarantee by the Assured

3.1 Amount of Commitment Guarantee

Prior to the date of issue of LOA, the Assured have provided to the Assurer, a sum of [₹ ___________________ (Indian Rupees___________)] equivalent to five percent (5%) of notified price of Representative Grade [__] Run-of-Mine (ROM) coal of the Assurer prevalent on the date of application for issue of LOA, multiplied by the quantity of coal mentioned in the Preamble, as Commitment Guarantee (hereinafter referred to as "**CG**"), in cash / bank guarantee; and in no case shall the CG be less than ₹2,50,00,000/- (Indian Rupees Two Crores and Fifty Lakhs only) per MTPA of coal quantities requested by the Assured or part thereof. Such CG shall be non-interest bearing, and in case of it being deposited in the form of bank guarantee it should comply with the format specified by the Assurer and issued by a scheduled bank acceptable to the Assurer.

Further, in case CG has not been provided by the Assured to the Assurer, within two (2) months from the date of issuance of Minutes of SLC (LT) by the MOC or within 1 month from the date of issuance of letter of earmarking by Coal India Limited (CIL), whichever is later, the amount of CG required to be deposited shall be increased by 1/20th for each month of delay or part thereof, subject to a maximum delay of 4 months.

3.2 *Validity of Commitment Guarantee*

The Commitment Guarantee (CG) shall be initially valid till thirty one (31) months from the date of issuance of Minutes of SLC (LT) by the MOC plus such additional period corresponding to any delay in submission of the CG, if applicable. On successful completion of all milestones within the validity of LOA, the CG shall stand converted into the Contract Performance Guarantee (hereinafter referred to as "CPG") that would be the condition precedent to signing of the FSA, in which case, validity of the CG shall be extended in accordance with the terms of the FSA. For the avoidance of any doubt, the Assured shall be liable to submit the extra guarantee that may result from the difference between the CPG under FSA and the CG under this LOA.

3.3 *Additional Commitment Guarantee*

If any activity/milestone is not duly performed or completed by the Assured within the time stipulated against each such activity/milestone, as specified in Annexure 1, then the Assured shall be liable to furnish to the Assurer one fourth ($1/4^{th}$) of the amount of CG for each such unperformed or incomplete milestone, as additional CG, within fifteen (15) days from the date such activity/milestone is falling due for completion. For the avoidance of any doubt, such additional CG may need to be deposited multiple times subject to partial/non-fulfillment of any activity /milestone at the end of each half-yearly interval, as mentioned in Annexure 1. The aggregate of additional CG(s), however, in no case shall exceed the amount of CG, as specified in Clause 3.1 above. Further, such additional CG(s) shall become part of the CG and all related provisions of this LOA shall be equally applicable for additional CG.

3.4 *Encashment of Commitment Guarantee*

In the event that the Assured fails to adhere to the terms and conditions of this LOA, including execution of the FSA within the FSA Execution Period, the Assurer/Seller shall have the right, without prejudice to any of its other rights and remedies provided herein or in Applicable Law, to encash the CG including any additional CG submitted by the Assured and also terminate the LOA.

In the event that fulfillment of any of the activities/milestones is delayed beyond the period specified against each such activity/milestone in Annexure 1 and the Assured fails to furnish the additional CG to the Assurer in accordance with Clause 3.3 hereof, or the Assured furnishes additional CG to the Assurer in accordance with Clause 3.3 hereof but fails to fulfill all the activities/milestones within the validity of LOA, as specified in Clause 4, the Assurer shall have the right to encash the CG including any additional CG submitted by the Assured and also terminate the LOA. For the avoidance of doubt, all the milestones, as specified in Annexure 1, shall need to be fully completed and any partial completion with regard to any activity/milestone at the end of validity of the LOA shall entitle the Assurer to encash the CG including any additional CG submitted by the Assured and also terminate the LOA. It is clarified for removal of doubt that this Clause shall survive the termination of this LOA.

Besides, the Assurer shall have the right to encash the CG including any additional CG submitted by the Assured in the event of failure by the Assured to sign the FSA within three (3) months of the expiry of validity of the LOA.

3.5 Return of Commitment Guarantee

In case of inability of the Assured to fulfill any activity/ milestone, as specified in Annexure 1, due to any Force Majeure event, the time period for fulfillment of such activity/milestone, shall be extended for the period of such Force Majeure event, subject to a maximum extension period of three (3) months, continuous or non-continuous in aggregate. In no case including a Force Majeure event affecting multiple activities/ milestones shall the validity of LOA be extended by more than three (3) months. Thereafter, this LOA may be cancelled/ withdrawn by the Assurer after duly notifying the Assured in writing at least seven (7) days in advance without any liabilities or damages, whatsoever, payable by the Assured to the Assurer; and the Assurer shall return the CG submitted by the Assured.

4. Validity of the LOA

The LOA shall remain valid for a period of twenty-one (21) months from the date of issue of this LOA or twenty-four (24) months from the date of issuance of Minutes of SLC (LT) by MOC, whichever is later, and shall stand annulled upon expiry of such period unless extended. Such extension may be granted once, for a further period of twenty-one (21) months, on request of the Assured, on a case to case basis. In such event, the existing CG including any additional CG submitted by the Assured, shall be encashed, and the Assured shall be required to submit a fresh CG for the extended period, with revised timelines for completion of the respective milestones from the date of extension of LOA instead of the original date of LOA.

Additionally, LOA can also be extended once for three (3) months in accordance with Clause 3.5 hereof.

5. Assignment of the LOA

The Assured shall not, without the express prior written consent of the Assurer, assign to any third person the LOA, or any right, benefit, obligation or interest therein or thereunder.

6. End-use of coal

The total quantity of coal assured pursuant to this LOA is for use at the Plant, and the Assured shall not re-sell or trade the coal assured hereof to any third party. If in the reasonable opinion of the Assurer, the Assured has entered into an arrangement for such resale or trade upon commencement of coal supplies at any time during the validity of this LOA, the Assurer shall cancel/withdraw this LOA without any liabilities or damages, whatsoever, payable to the Assured.

Annexure-1: Milestones to be achieved by the Assured

S. No.	Activity/ Milestone	Timeline	Document to be submitted by the Assured on achievement of milestone	Issuing Authority
1	Environment Clearance	within 6 months from the date of LOA	Approved Terms of Reference (TOR)	Expert Appraisal Committee (EAC) of MoEF (Central Govt.) for Category 'A' Projects or State Expert Appraisal Committee (EAC) for Category 'B' projects, as applicable
		within 12 months from the date of LOA	Final clearance	MOEF (Central Govt.) for Category 'A' projects or State Environment Impact Assessment Authority (SEIAA) - for category 'B' projects, as applicable
2	Forest Clearance, if applicable	within 12 months from the date of LOA	Recommendation for Forest clearance	State Government
		within 21 months from the date of LOA	Forest Clearance	MoEF (Central Government)
3	Financing of the project / Financial Closure	within 21 months from the date of LOA	Final Sanction letters from Bank(s) /Financial Institution(s) Or Loan Agreement	Bank(s)/ Financial Institution(s)
4	Order of Main Plant (BTG)	within 24 months from date of issuance of Minutes of SLC (LT) by MOC	Self-Declaration towards Order Placement	-