

**COAL INDIA LIMITED**

MARKETING &amp; SALES

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Ref no. CIL/M&amp;S/Power/482

Date: 14.10.2024

**NOTICE****Sub: Modification in model FSAs under SHAKTI B(iii) Long/Medium Round-5, B(iv) Long/Medium & SHAKTI B(v) Medium post modification in the beyond ACQ modalities**

The 353<sup>rd</sup> CFDs of CIL in its meeting dated 03.10.2024 have approved the following in respect of beyond ACQ modalities:

- A. Modifications in the FSAs under SHAKTI B(iii)Long/Medium Round-5, SHAKTI B(iv) Long Term, B(iv) Medium Term & B(v) Medium Term as below:

<b>SHAKTI B(iii) Long/Medium Round-5 FSA</b>		
<b>Clause</b>	<b>Original Clause</b>	<b>Modified Clause</b>
4.7.4	<p>The supply of coal beyond ACQ and upto 120% of ACQ shall be allowed by Seller subject to the condition that in case where the PPA is more than that of the linked capacity (in MW), the coal supply would be restricted to the PPA corresponding to linked capacity. If any buyer is interested to take coal beyond ACQ, the buyer has to submit the affidavit as per Schedule IX beforehand, covering that the power generated out of the supplied coal shall be used for PPA compliances.</p> <p>Regarding bonafide use of coal, in cases where a quantity beyond the ACQ is supplied, CEA shall provide a certificate for usage of such additional coal by the IPPs. The consumers shall be required to provide this certificate to the concerned coal company (ies) by 30th June <b>of every year</b> for FY 2023-24 <b>and succeeding years</b>. If such a certificate is not furnished within the said date, then such plant (s) will not be entitled for quantity beyond ACQ in the subsequent financial year.</p> <p>The above supply of coal beyond ACQ will be guided/governed by the procedure for</p>	<p><b>For FY 2023-24:</b></p> <p>The supply of coal beyond ACQ and upto 120% of ACQ shall be allowed by Seller subject to the condition that in case where the PPA is more than that of the linked capacity (in MW), the coal supply would be restricted to the PPA corresponding to linked capacity. If any buyer is interested to take coal beyond ACQ, the buyer has to submit the affidavit as per Schedule IX beforehand, covering that the power generated out of the supplied coal shall be used for PPA compliances.</p> <p>Regarding bonafide use of coal, in cases where a quantity beyond the ACQ is supplied, CEA shall provide a certificate for usage of such additional coal by the IPPs. The consumers shall be required to provide this certificate to the concerned coal company (ies) by 30th June for FY 2023-24. If such a certificate is not furnished within the said date, then such plant (s) will not be entitled for quantity beyond ACQ in the subsequent financial year.</p> <p>The above supply of coal beyond ACQ will be guided/governed by the procedure for</p>

Operationalization issued by CEA on 05.10.2023 (Schedule X) regarding 'Modalities for supply of coal to IPPs beyond ACQ and issuance of Utilization Certificate(UC) for the coal supplied beyond ACQ or any other guideline issued by CEA/CIL/GOI time to time.	Operationalization issued by CEA on 05.10.2023 (Schedule X) regarding 'Modalities for supply of coal to IPPs beyond ACQ and issuance of Utilization Certificate(UC) for the coal supplied beyond ACQ or any other guideline issued by CEA/CIL/GOI from time to time.  <b>For FY 2024-25 &amp; onwards:</b> Supply of coal in excess of ACQ shall be with mutual consent. In this respect, for any supply beyond ACQ as per terms and conditions of FSA, the Purchaser will be required to submit an affidavit as enclosed in Schedule IX beside other requirements as per FSA.  The above supply of coal beyond ACQ will be guided/governed by the procedure/ notification /guideline issued by CEA/CIL/GOI from time to time.
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<b>SHAKTI B(iv)-Long Term, B(iv)-Medium Term &amp; B(v) Medium Term FSAs</b>		
<b>Clause</b>	<b>Original Clause</b>	<b>Modified Clause</b>
4.6.3	Notwithstanding the provisions of Clause 4.6.1 and Clause 4.6.2, the total Coal supply, in a Year, shall not exceed the ACQ or the pro-rated ACQ for that Year, as the case may be.	Supply of coal in excess of ACQ shall be with mutual consent. In this respect, for any supply beyond ACQ as per terms and conditions of FSA, the Purchaser will be required to submit an affidavit as enclosed in <b>Schedule X</b> beside other requirements as per FSA.  The above supply of coal beyond ACQ will be guided/governed by the procedure/ notification /guideline issued by CEA/CIL/GOI from time to time.
4.11.4	In case of supply of coal beyond the ACQ, the Purchaser would be required to furnish a certificate from CEA regarding use of such coal within its Power Station.	Deleted
	<p align="center"><b>Schedule X:</b></p> <p align="center"><b>AFFIDAVIT - UTILIZATION OF COAL SUPPLIED UNDER FSA</b> (on non-judicial stamp paper of requisite value)</p> <p align="center">(To be executed before a 1<sup>st</sup> Class/Executive Magistrate)</p> <p>I, Authorised Signatory of the Purchaser M/s ----- solemnly declare that:</p>	<p align="center"><b>Schedule X:</b></p> <p align="center"><b>AFFIDAVIT - UTILIZATION OF COAL SUPPLIED UNDER FSA</b> (on non-judicial stamp paper of requisite value)</p> <p align="center">(To be executed before a 1<sup>st</sup> Class/Executive Magistrate)</p> <p>I, Authorised Signatory of the Purchaser M/s ----- solemnly declare that:</p>



Whereas ---- (Name of the Power Station and Unit) the Purchaser executed a Fuel Supply Agreement (FSA) and signed all further amendments thereto with M/s ---- (name of the coal company), the Seller on ---- for supply of coal for power generation in terms of the said agreement.

Now in terms of the aforementioned FSA we hereby state and solemnly affirm as under:

1. That against the above FSA, we furnished **[Long/Medium]\*** term PPA entered with ----- (name of the DISCOM) for ---- MW which is to the extent of ---% of the generating capacity of the Power Station
2. That the power generated out of the coal received under the FSA from the coal supplying subsidiary of CIL (name) during [---- FY] has been supplied to ----- (name of the DISCOM) under the **[Long/Medium]\*** term PPA and has not been supplied under merchant sale/third party sale.
3. That in case at any stage it is found that the power generated out of the coal supplied under the subject FSA has not been supplied to ----- (name of the DISCOM) under the **[Long/Medium]\*** term PPA, we shall be liable for actions as may be available to the Seller under the FSA considering such failure as breach in terms of the Fuel Supply Agreement and for any other actions taken by any other authority including the state/central power regulators.

Whereas ---- (Name of the Power Station and Unit) the Purchaser executed a Fuel Supply Agreement (FSA) and signed all further amendments thereto with M/s ---- (name of the coal company), the Seller on ---- for supply of coal for power generation in terms of the said agreement.

Now in terms of the aforementioned FSA we hereby state and solemnly affirm as under:

1. That against the above FSA, we furnished **[Long/Medium]\*** term PPA entered with ----- (name of the DISCOM) for ---- MW which is to the extent of ---% of the generating capacity of the Power Station
2. That the power generated out of the coal received under the FSA from the coal supplying subsidiary of CIL (name) during [---- FY] has been supplied to ----- (name of the DISCOM) under the **[Long/Medium]\*** term PPA and has not been supplied under merchant sale/third party sale.
3. **We affirm that the present ACQ under the FSA which is..... MT is not adequate to generate electricity as per requirement under the [Long/Medium]\* term PPA.**
4. **We affirm that we are willing to take coal beyond ACQ of .....MT.**
5. **We affirm that the Power Generated through the additional coal supplied under the FSA beyond the level of the present ACQ as mentioned at clause 4 above shall only be used to be supplied through the existing [Long/Medium]\* term PPA**
6. That in case at any stage it is found that the power generated out of the coal supplied under the subject FSA has not been supplied to ----- (name of the DISCOM) under the **[Long/Medium]\*** term PPA, we shall be liable for actions as may be available to the Seller under the FSA considering such failure as breach in terms of the Fuel Supply Agreement and for any other actions taken by any other authority including the state/central power regulators.

Signature of the Authorized Signatory of the Purchaser (Deponent)	Signature of the Authorized Signatory of the Purchaser (Deponent)
Dated-----	Dated-----
<b><u>VERIFICATION</u></b>	<b><u>VERIFICATION</u></b>
I, [insert], the [insert designation of the deponent] do hereby verify that the contents of the paragraph 1 and 2 are true to my knowledge whereas that of paragraph 3, my undertaking and nothing has been concealed and no part of it is false.	I, [insert], the [insert designation of the deponent] do hereby verify that the contents of the paragraph 1 and 2 are true to my knowledge whereas that of paragraph 3, my undertaking and nothing has been concealed and no part of it is false.
Signed at	Signed at
Date	Date
Place	Place
Seal of the Magistrate	Seal of the Magistrate
Note: The certificate should be endorsed by the DISCOM/Utility prior to submission to the Seller	Note: The certificate should be endorsed by the DISCOM/Utility prior to submission to the Seller

\* 'Long' for SHAKTI B(iv) Long Term FSA and 'Medium' for SHAKTI B(iv) Medium Term & SHAKTI B(v) Medium Term FSAs

- B. The above modifications shall be applicable to the existing and future FSAs under SHAKTI B(iii) Long/Medium Term Round-5, B(iv) Long Term, B(iv) Medium Term & B(v) Medium Term.
- C. The power plants that have signed FSAs under SHAKTI B(iii) Long/Medium Term Round-5, B(iv) Long Term & B(v) Medium Term, shall be required to sign a supplementary agreement to original FSAs.

This is for kind information and taking necessary action

  
 General Manager (M&S)

**Distribution**

1. Director (Marketing), CIL
2. ED(M&L), CIL
3. GM(M&S-Oprn), CIL
4. GM(M&S), ECL/BCCL/CCL/NCL/WCL/SECL/MCL