



COAL INDIA LIMITED
MARKETING DIVISION
KOLKATA

CIL/M&S/Linkage Auction tranche VII/84

Date: 11.03.2024

NOTICE


Subject: Validity of BG as performance security under FSA of NRS Linkage auction

In terms of the Scheme/FSA provision, the successful bidders of NRS Linkage auction(tranche VII ongoing) has to submit performance security covering the tenure of FSA i.e. 10 years(or life of mine, whichever is earlier) plus 3 months.

In this respect, a number of representations have been received from the successful bidders/consumers stating that they are facing difficulties to obtain BG for such long tenure of 10 years 3 months.

Considering the requests from the consumers, competent authority at CIL has decided the following:

- The successful bidders/consumers may submit the Bank Guarantee (BG)(as performance security) with initial validity of atleast 5 years 3 months. The said BG should be extended/replaced to cover the remaining period of the tenure of the FSA tenure of 10 years plus 3 months. The extended/replaced BG has to be submitted by the consumer atleast 3 months prior to expiry of initial BG.
- In case of non-extension/non-replacement of initial BG, as required above, the instance will be considered as 'exit' from FSA and necessary penal provision including forfeiture and debarment will be applicable as per FSA/Scheme provision.
- The other provisions of FSA requiring modification/updation/amendment/addendum of BG will remain unaltered.


11/3/2024
Executive Director (M&L)

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