



COAL INDIA LIMITED
(Marketing Division)
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Ref No. CIL:DM: *Secy/258*

Dated: *27* 25 April 2009.

To:

- (1) The Chairman-cum-Managing Directors,
ECL/BCCL/CCL/WCL/SECL/MCL/NCL.
- (2) Director(Technical), CIL, Kolkata.

Sub: Scheme on issuance of Letter of Assurances (LOA) under NCDP for Non SLC(LT) category of consumers with lapsed linkages having BIFR referred status.

Dear Sir(s),

As per the Govt. directive, a scheme for issuance of LOA to the consumers under non SLC(LT) category with lapsed linkages and having declared to be a sick company by BIFR, is being introduced under NCDP. A copy of the scheme is enclosed along with which may be given due publicity through the subsidiary company websites as well as notice boards.

The scheme has been approved in the 22nd FDs' Meeting held on 31st March 2009 and 3rd & 4th April 2009 at CIL, Kolkata.

Encl: As stated.

Yours faithfully,

(Dr. AK Sarkar)
Director(Marketing).

- cc to: 1) Chairman, CIL, Kolkata. | for information.
2) Director(Finance), CIL, Kolkata. |
3) CGM(S&M) / CGM(QC) / CGM(S&M-SO) / CFM(S&M) / GM(Comml.),
CIL, Kolkata.
4) GM(S&M), CIL, New Delhi.
5) GM(Telecom), CIL Kolkata – for placement in the CIL's Website.

**SCHEME FOR ISSUANCE OF LETTER OF ASSURANCES(LOA) UNDER NCDP
FOR NON SLC(LT) CATEGORY CONSUMERS WITH LAPSED LINKAGES
HAVING BIFR REFERRED STATUS.**

General:

As per the Government directives, a scheme is being introduced for issuance of LOA under NCDP for such consumers which are not covered for grant of clearance by SLC(LT) in MOC and which were having linkages for supply of coal in the past with subsidiary companies of CIL but whose linkages have snapped / lapsed due to non-drawl of coal as per stipulated terms of such coal linkages.

Only such consumers shall be qualified under this scheme who have been referred to BIFR (Govt. of India, Ministry of Finance, Department of Economic Affairs) and have been declared sick. It would be mandatory for such applications to be accompanied with the documents evidencing that the unit (company) was referred to BIFR and the company has been declared sick by BIFR. In addition, each application must have, as attachments, the copy of revival plan submitted by the unit (company) to the BIFR, the details of help or support sought by the unit (company) from the BIFR including coal linkage, the directive of BIFR together with the details of present status. Moreover, an application must also include a self-affirming affidavit giving details of the past linkages, certification of coal requirements being for own usage only etc.

Subject to scrutiny and satisfaction of above, LOA shall be processed for the applicant unit under the new policy as applicable for these categories of consumers.

In addition to the above, the other terms and conditions and details of the scheme including the procedure and format for applicant are as under:-

1 Terms of LOA .: –

The LOA for supply of coal will be issued to the applicant unit for own consumption only. LOA once issued shall not be transferable under any circumstances .No change in the ownership status of the applicant should be permissible from the date of application till commencement of supply in terms of FSA unless so authorised by CIL. Any default on this account on the part of the applicant / LOA holder will lead to cancellation of LOA and forfeiture of Commitment Guarantee submitted by the applicant .

2 Eligibility for LOA: -

The procedure to be adopted for clearance of application by CIL and issuance of LOA by concerned subsidiary company for non SLC (LT) consumer. Non SLC (LT) consumers would include consumers other than (1) Power including IPP and CPP (2) Cement , (3) Sponge Iron & Steel . The requirement of process unit in respect of Cogeneration CPPs will be considered by CIL and not by MOC for SLC (LT) consumers .

1 [Scheme For Loa to Non SLC/LT (BIFR) consumers...V250409]

Consumers having normative coal requirement more than 4,200 tonnes per annum will be eligible to apply for issuance of Letter of Assurance by the concerned subsidiary companies of CIL. Such application should be supported by the recommendation issued by the Directorate of Industries of the respective State Govt / Central Administrative Ministries, (whichever is applicable).

The LOA to be issued by the subsidiary Coal Company will subsequently be converted into Fuel Supply Agreement within three months, of fulfilment of stipulated milestones of LOA, for supply of coal at 75 % of the normative quantity. Such normative quantity may, if found necessary, be assessed by the concerned subsidiary company on commissioning of the unit. The normative coal requirement will be decided in terms of the industry wise norms after physical verification to be finalised by CIL.

3 Non Eligibility for LOA:-

3.1 The consumers, where end use of coal does not involve coal undergoing chemical change shall not be eligible for LOA and accordingly the following types of industries shall be excluded from the scheme.

- (i) Pulverising Units
- (ii) Coal Powder Units
- (iii) Coal Plaster Units.
- (iv) Washeries/Coal Beneficiation Plants.
- (v) De-shelling Plants.
- (vi) Coal Sizing Plants.

3.2 Such industries which do not have any permanent facility and seasonal in nature shall be kept outside the purview of coal supply under LOA/FSA mechanism. Such consumers can draw their supply through respective state nominated agencies. Following categories of consumers be excluded from the list of eligible consumers for issuance of LOA.

- (i) Brick Manufacturers.
- (ii) Tiles Manufacturers
- (iii) Tobacco curing Units.
- (iv) Khejur /Tal Gur Manufacturers.

3.3 The following types of consumers shall also be excluded

- (i) Special Smokeless Fuel (SSF Units).
- (ii) Briquetting Units
- (iii) Soft Coke Manufacturers
- (iv) Hard Coke Manufacturers
- (v) CCDDF Units.
- (vi) Coal Block Manufacturers...

3.4 Due to non availability of coking coal, Coke Oven Plants (Cokeries) shall be excluded from the list of eligible consumers for issuance of LOA

4.0 **Source Of Coal Supply:**

Company wise coal availability vis-a- vis commitments with net coal balance position should be readily available on CIL/Subsidiary Companies' websites for information of all applicants . In case of negative coal balance consumer will be supplied imported coal.

5.0 **Price of Coal:-**

The base price of coal shall be as per notified price of CIL from time to time. In the event the supply of coal is made from a mine with notified price being inadequate to provide a reasonable return, then the price to be charged for such supply should be the higher of 'cost plus reasonable return' and 'notified price'. The imported coal, if supplied, should be charged at the price based on landed cost plus service charges, to be notified by CIL / supplying coal company from time to time. All applicable taxes, statutory levies and other charges will be payable by the consumers.

6.0 **Procedures for issuance of LOA shall be as under**

6.1 Application form shall be available on CIL's Website www.coalindia.nic.in and www.coalindia.gov.in.

6.2 Eligible consumers may approach Marketing Division of Coal India Ltd. Kolkata or offices of GM(S&M)s of the Subsidiary Companies or the Regional Sales Offices of Coal India Limited seeking assistance for online registration and clarification.

Till such time the on line registration system becomes fully operational the receipt/registration shall be carried out manually at CIL Marketing Division, Kolkata.

6.3 Only one application from any consumer for a particular plant shall be considered for registration. The applicant shall apply in the prescribed format enclosed as **Annexure-I**, duly filled in, with required EMD.

Once the online registration system is introduced the registration process shall be carried out online only and the manual system shall be discontinued

6.4 The consumers should fill and submit the application form on line and shall be registered on first-come-first served basis. A system generated registration no. shall be allotted on line and his on line application form incorporating such registration no. shall be mailed by the system to the applicant at his email address provided by him.

6.5 Within fifteen days from the date of on line registration, consumers will be required to submit the downloaded e-mailed copy of the application form, in original print out , and duly signed by the authorized signatory along with forwarding letter in

the applicant's letter head , supporting documents including recommendation of the respective Administrative Ministry , the requisite EMD – cum- Application fee.

6.6 The applicant will furnish along with the documents the Earnest Money Deposit (EMD) at the rate of Rs 20/- per tonne against the annual quantities of coal applied for in the form of Demand Draft /Banker's Cheque in favour of Coal India Limited payable at Kolkata. Applications without EMD should be rejected. EMD will be non-interest bearing and will be converted into Commitment Guarantee at the time of issuance of LOA.

6.7 The application will be processed serially at CIL within a reasonable time. However any deficiency found in the application will be brought to the notice of the applicant through e- mail for rectification within a specified period. On expiry of such period, a reminder will be e-mailed to the applicant and a notice displayed through CIL website. After expiry of the notice period of 30 days, the registration number of the applicant should stand cancelled and EMD will be refunded after deduction of Rs. 10,000/- as processing charges.

6.8 The applications found complete in all respect will be placed for consideration of the Committee on LOA for recommending subsidiary company wise allocation, which will be placed for approval of the competent authority.

6.9 After approval of the competent authority CIL will communicate to the respective supplying coal company the details of allocation for the purpose of issuance of LOAs. Such details will also be made available through CIL/ Subsidiary company website. The subsidiary company concerned will notify the applicant for furnishing the balance amount of CG after adjusting the EMD amount within 90 days. Consumer will have the option to get the refund of earnest money, in case he decides to furnish entire CG in the form of BG. On failure to furnish balance CG in time, a notice of 30 days will be given on expiry of which the EMD amount should stand forfeited and the registration of the applicant will stand cancelled.

6.10 In case the allocation made by CIL with regard to source of supply as well as grade of coal is at variance with applicant's requirement, he will have option of not accepting the offer and seeking refund of EMD. In such cases EMD should be refunded to applicant after deduction of processing charges of Rs.10,000/-.

7.0 Model LOA documents and list of milestones

Different industrial segments outside the ambit of SLC(LT) have been sub-divided into the following 13 sub categories. The Model LOA documents is common to all these categories whereas the list of milestones to be achieved by each of these sub-categories are different and are duly detailed in the annexure to the Model LOA document placed at **Annexure – II** to the Scheme. The terms & conditions of the Model LOA including the rate of Commitment Guarantee charges, its forfeiture, cancellation or withdrawal of LOA, time-bound achievement of milestones and related provisions are duly provided in the Model LOA.

The sub-category of industrial segments with independent list of milestones:-

Sl. No.	Industries	Status
a)	Ceramics, Tiles & Glass	Complete
b)	Refractory	Complete
c)	Pharmaceuticals and Drugs	Complete
d)	Leather	Complete
e)	Dyeing and Printing	Complete
f)	Sugar	Complete
g)	Textile & Rayon	Complete
h)	Distillery	Complete
i)	Engineering & Machinery and Foundry & Forging	Complete
j)	Chemicals	Generic Milestones
k)	Rubber	
l)	Tea	
m)	Lime Manufacturing	

Chief General Manager (S&M)
Coal India Limited
15, Park Street (6th Floor), Kolkata-700016

Dear Sir,

Sub : Application for issuance of LOA for supply of coal.

We have submitted application form for issuance of Letter of Assurance (LOA) for supply of coal from CIL source and the same was registered on line/manually and Registration No. was generated/issued on line/manually against the application. We hereby submit the original print out of our application, which was received from you at our e-mail address/issued to us at you office, along with other requisite documents.

We hereby affirm the following:

1. That M/s(Name).....(Address), has been referred to BIFR vide Case Registration No..... dated and that M/s has been declared a Sick Company by BIFR vide order/letter no.....dated..... (copy of relevant document enclosed)
2. The present status of the company is still under BIFR purview/ has come out of BIFR purview since..... vide order no..... dated..... (Strike out whichever is not applicable) (copy of relevant document enclosed)
3. The coal to be allocated in favour of the unit will be used solely for consumption in the unit and not for any other purpose.
4. I on behalf of applicant firm/company have gone through the terms and conditions as referred to in the application form for issuance of LOA and the same are acceptable.
5. All requisite documents as required are being enclosed duly self attested by me.
6. The undersigned is the authorised signatory on behalf of the applicant firm / company as authorised by the competent authority of the applicant firm / company. A copy of the authorization is enclosed.
7. The information submitted along with documents is correct to the best of my knowledge and if found otherwise the application will be liable to be rejected and processing charge as applicable shall be recovered.
8. I on behalf of applicant firm / company hereby accept that the subsidiary coal company may supply imported coal and the same shall be acceptable to us as per the price declared by CIL at the delivery point

Signature

Date

Full name

Seal of the Unit

Designation

6 [Scheme For Loa to Non SLC/LT (BIFR) consumers...V250409]

FORM FOR APPLICATION FOR LETTER OF ASSURANCE (LOA)

(To be filled in for registration and to be submitted to CIL, Kolkata along with required documents as asked for each item)

(Application Registration Number)

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1. (a) **Details of Linkage Letter issued by the coal company along with a copy**

(b) **Linked Coal Company and Qty. of linkage**

(c) **MPQ Qty of the last year of coal drawal.**

(c) **Booking and Lifting Qty. for the immediate last 12 months prior to linkage being snapped / lapsed.**

(d) **Details of the letter through which the unit (Company) has informed the Coal Company about the suspension of work along with a copy.**

(e) **Documentary evidence that the unit (company) was referred to BIFR (copy of letter from BIFR and the registration no.) together with the copy of letter / order from BIFR declaring that the unit (Company) is a Sick Company.**

(f) **The copy of revival plan submitted by the unit (company) to the BIFR, the details of help or support sought by the unit (company) from the BIFR including coal linkage, the directive of BIFR together with the details of present status.**

2. **Name of the Applicant**

a) **Name of Applicant:-**

Proprietorship/ Partnership / Private Ltd. Co. / Public Ltd. Co./

Others (Specify):

b) Postal Address of the Applicant for correspondence

3. **Registered Office Address of the Applicant**

4. **Telephone & FAX No. with STD Code.**
 - i)
 - ii)
 - iii)
 - iv)
5. **Mobile No. of Authorized Signatory.**
6. **PAN No. of the Applicant.**
(Self attested photo copy of the PAN Card to be attached along with Hard copy of the Application)
7. **E-mail ID of the Applicant**
8. **Photo Identity proof of the authorised signatory**
(Self attested photo copy to be attached along with Hard copy of the Application).
9. **Location of the Unit with full postal address.**
10. **Proof of Address of Unit**

(Telephone Bill/Municipal Tax Bill etc.- Self attested photo copy to be attached along with Hard copy of the Application)
11. **Partnership Deed or Memorandum and Articles of Association**
(Self attested photo copy of the Document to be attached along with Hard copy of the Application)
12. **Factory Registration No.**

(Self-attested photo copy of the document to be enclosed along with hard copy of application form).
13. **Sales Tax / VAT Registration No.**

(Self-attested photo copy of the document to be enclosed along with hard copy of application form).
14. **Central Sales Tax Registration No. (if any).**

(Self-attested photo copy of document to be enclosed along with hard copy of application form).

15. **Details of the letter of recommendation made by the Directorate of Industries of the respective State/Central administrative ministries (whichever applicable)**

(Self-attested photo copy of document to be enclosed along with hard copy of application form).

16. **Name of the Railway Station which serves the unit along with code.**
17. **Name & background of promoters indicating existing nature of work and group turnover. (Ownership Profile)**
18. **Nature of business and turnover**
19. **Name of the product manufactured/to be manufactured with item wise description.**
20. **Phase wise schedule of installation/commissioning of Plant.**
21. **Details of coal burning/processing equipments installed/to be installed with flow sheet indicating size/capacities of units.**

(Requisite documents to be enclosed along with hard copy of application form).

22. **Anticipated annual production of the unit with coal requirement.**

Production Coal Requirement

(In tonnes per annum)

23. **Means of financing indicating break up of debt and equity and details of funds tied up so far. (Name of the Financial Institution).**

(Requisite documents to be enclosed along with hard copy of application form).

24. **Total Project cost (phase wise) so far.**
25. **Arrangement and status in respect of water and power.**

(Requisite documents to be enclosed along with hard copy of application form).

26. Status of environment/Pollution Control Board clearance, if any.

(Requisite documents to be enclosed along with hard copy of application form).

27. Status/details of procurement of Capital Goods.

28. Grade and quantity of coal required per annum.

29. Name of the Subsidiary Company which is preferred for supply of coal.

ECL	BCCL	CCL	NCL	MCL	SECL	WCL	NEC
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DECLARATION

- i) The coal to be allocated in favour of the unit will be used solely for consumption in the referred unit and not for any other purpose.
- ii) The terms and conditions for issuance of L.O.A. are acceptable.
- iii) A sum of Rs 20/-(Twenty) per tonne will be deposited along with the hard copy of application in the form of Demand Draft/ Banker's Cheque drawn in favour of 'Coal India Ltd' payable at Kolkata as Earnest Money Deposit (EMD) which will become a part of the Commitment Guarantee' after due adjustment. The EMD will be non-interest bearing and liable to be forfeited in case of rejection of the application by CIL.
- iv) All related documents as required will be submitted after due self attestation by the authorised signatory.
- v) The information submitted along with document is correct in all respect and if found otherwise the application will be liable to be rejected and **EMD** deposited to CIL forfeited.
- vi) The supplying Subsidiary Company of CIL may supply imported coal in case of non availability of indigenous coal and the same will be acceptable to us for supply at the price declared by CIL at the delivery point.

ACCEPT
REJECT

To

[Name & Address of the Assured]

Dear Mr./Ms.[_____]

Subject: Letter of Assurance

Preamble

In consideration of the request by [*insert name of the applicant and address of the plant*] (hereinafter referred to as “**the Assured**”) for issuance of Letter of Assurance (hereinafter referred to as “**LOA**”) requiring [*insert quantity*] tonnes per annum (tpa) of [*insert Grade of coal*] Grade coal for its [*insert capacity & Unit of Capacity*] [*insert name of the industry*] [to be] located at [*insert name of location of the (name of the industry) plant*] (hereinafter referred to as “**the Plant**”), from about [*insert the date of commencement of coal supplies*], as requested by the Assured, [*insert name of the CIL subsidiary*] (hereinafter referred to as “**the Assurer**”) hereby provisionally assures that it would endeavour to supply coal to the Assured subject to the following terms and conditions:

1. Scope of Assurance

1.1 Quantity & Grade of coal

Subject to the Assured fulfilling its obligations in accordance with Clause 2 to the satisfaction of the Assurer within the period of validity of this LOA and the signing of the Fuel Supply Agreement (FSA) within three (3) months thereafter, the Assurer shall endeavour to supply, as per the normative requirement of the Plant, [*insert quantity*] tonnes per annum (tpa) of [*insert Grade of coal*] Grade(s)] coal to the Assured, which shall be subject to review and assessment by the Assurer of the actual coal requirement of the Assured as well as the incremental availability of coal from the mines of the Assurer and/or of imported coal. It is expressly clarified that in the event that the incremental coal supplies available with the Assurer (after meeting out the commitments already made) is 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 met through imported coal available with the Seller, which too shall be distributed on pro-rata basis.

1.2 Price of coal

The price of coal assured herein shall be as per the notified price of CIL from time to time. 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 the cost plus reasonable return or such notified price. 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 imports 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 incurring any liability whatsoever, including the liability for payment of damages to the Assured.

2. Fulfillment of Assured's obligations

2.1 Time-bound achievement of milestones

The Assured shall undertake to complete all the activities, as mentioned in Annexure 1 to this LOA, within twelve (12) months from the date of issue of LOA and each activity within the time-period mentioned against it. For the avoidance of any doubt, the time-period of twelve (12) months, as aforesaid, shall include any Force Majeure Act that may occur during the validity of the LOA.

2.2 Reporting Requirement

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

2.3 Verification by the Assurer

The Assurer reserves the right to independently verify the status of each milestone, as mentioned in Annexure 1, and satisfy itself of its authenticity; and in the event of any significant or reasonable discrepancy found by the Assurer in respect of 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. Further, in the event that the Assured fails to correct the discrepancy as provided herein the Assured shall be liable to submit additional Commitment Guarantee, as per Clause 3.3. Notwithstanding anything contained herein, the Assurer shall reserve the right to physically inspect and satisfy itself the installation and commissioning of the Plant prior to signing of FSA with the Assured.

3. Commitment Guarantee by the Assured

3.1 Amount of Commitment Guarantee

Prior to the date of issue of this LOA, the Assured have provided to the Assurer, a Commitment Guarantee (CG), in cash / bank guarantee, for a sum of Rs. [*insert amount in figures and words*] equivalent to ten percent (10%) of base price of Grade [*insert Grade of coal**] Run-of-Mine (ROM) coal of the Assurer prevalent on the date of application by the Assured for issue of LOA, multiplied by the quantity of coal mentioned in the Preamble. {Note: In no case shall the CG be less than Rs.3,00,000/- (Indian Rupees Three lakhs only) or be more than Rs.6,00,00,000/- (Indian Rupees Sixty Million 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.

3.2 Validity & Conversion of Commitment Guarantee

The Commitment Guarantee (CG) shall remain valid until four (4) months after the expiry of the LOA period of twelve (12) months. Thereafter, the CG shall

stand converted into the Contract Performance Guarantee (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 guarantee for such further amount 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 due to be completed in six (6) months from the date of issue of LOA, as specified in Annexure 1, is not duly performed or completed by the Assured within the said specified time-period, then the Assured shall be liable to furnish to the Assurer one tenth (1/10th) of the amount of CG for each such non-performed or incomplete milestone, as additional Commitment Guarantee, within fifteen (15) days of the expiry of such specified time-period. Further, such additional CG(s) shall at all times be deemed to be a part of the CG and all related provisions of this LOA shall be equally applicable for the additional CG.

3.4 Encashment of Commitment Guarantee

3.4.1 Cancellation or withdrawal of LOA

In the event any activity/milestone due to be completed in six (6) months, as specified in Annexure 1, is not duly performed or completed by the Assured within the said specified time-period and the Assured fails to furnish the additional CG 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 total period of twelve (12) months, as specified in Annexure 1, the Assurer shall have the right to cancel or withdraw this LOA after duly notifying the Assured in writing at least seven (7) days in advance. 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 cancel or withdraw this LOA. Upon such cancellation/ withdrawal of this LOA, the Assurer shall encash the CG including any additional CG submitted by the Assured. It is clarified for removal of doubt that this Clause shall survive the cancellation/ withdrawal of this LOA.

3.4.2 Failure to sign the FSA

The Assurer shall have the right to encash the CG in the event of failure by the Assured to sign the FSA within three (3) months from the expiry of validity of the

LOA or the satisfactory achievement of all the milestones, as shown in Annexure 1, whichever is earlier. It is also clarified to the Assured that the percentage of annual contracted quantity fixed with respect to Take or Pay obligations in the FSA may be reviewed by the Seller in light of its coal availability and coal commitments, and amended on year-to-year basis during the term of the FSA.

4. Validity of the LOA

The LOA shall remain valid for a period of twelve months (12) months from the date of issue of this LOA, and shall stand annulled upon expiry of such time-period.

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 or supplied hereunder to any third party. If at any time in the reasonable opinion of the Assurer, the Assured has entered into an arrangement for such resale or trade of such coal supplies the Assurer shall cancel/withdraw this LOA without incurring any liability whatsoever, including the liability for payment of damages to the Assured

** In case of multiple Grades mentioned in Clause 1.1, Grade with the highest Useful Heat Value (UHV) shall be considered for the purpose of calculation of Commitment Advance.*

Annexure 1: Milestones to be achieved by the Assured during the validity of LOA – (to be picked up for the relevant industry from the Ex

List of milestones (to be included in the LOA)- Ceramic, Tiles, Glass Industry

S.No.	Activity/ Milestone	Timeline from the date of LOA	Document to be submitted by the Assured on achievement of milestone	Issuing Authority	Waival	Explanatory Note
1	Existence of business entity	within 6 months	Certificate of Incorporation/ Commencement of Business Certificate	State Registrar of Companies, Ministry of Company Affairs, Government of India	1) In case of Partnership firm - Copies of the Acknowledgement Receipts of the Income Tax Returns of respective Partners for the immediately preceding financial year; 2) In case of Proprietary firm - Copy of the Acknowledgement Receipt of the Income Tax Return of the Proprietor for the immediately preceding financial year.	
2	In-principle letter of approval for the project for which coal is required	within 6 months	Certified copy of the decision of the Board of Directors	Company Secretary under the Company Seal	1) In case of Partnership firm - Partnership Agreement/ Deed duly identifying the business activity for which coal is requested; 2) In case of Proprietary firm - Affidavit undertaking the business activity for which coal is requested	
3	Registration/ Industrial Entrepreneurs Memorandum (IEM)/ Industrial License	within 6 months	Industrial Entrepreneurs Memorandum (IEM) Acknowledgement Letter/ Industrial License	Directorate of Industries State Government (for Small Scale Inds.-SSI), Secretariat of Industrial Assistance (SIA) (Ministry of Industry) , Government of India	-	On filing the IEM, an acknowledgement containing the SIA Registration Number, for future reference, is issued. For Small Scale Industries (SSI) IEM can be obtained by State Directorate of Industries, For Medium and Large scale industries it is required by SIA
4	Technical and Feasibility Studies	within 6 months	Techno-economic Feasibility Report(TFR)/ Detailed Project Report(DPR)	Independent Agency/ Expert	Self-attested DPR in case it is prepared in-house	The DPR shall essentially contain the technological, infrastructure, market and financial analysis of the project. DPR is critical, especially in light of the fact that the milestones relative to land acquisition would be benchmarked against the area considered in DPR
5	Tax Related (All documents; as applicable)	within 6 months	1. Income Tax registration (Application for PAN / TAN)	Income Tax department	-	-
		within 9 months	2. Registration for Professional Tax	Ministry of Labour	-	-
		within 9 months	3. Sales Tax / VAT registration	Sales Tax Deptt.	-	-
		within 12 months	4. Contract Labor License	Ministry of Labor	-	-
		within 12 months	5. Service tax registration	Service Tax Department	-	-
6	Factory Related (All documents; as applicable)	within 6 months	1. Registration under the Factory Act, 1948	State Government	-	-
		within 6 months	2. Registration under Customs Act	Commissioner of Customs	-	-
		within 6 months	3. Clearance related to hazardous & waste management material handling (if applicable)	MoEF	-	Under, Manufacture, Storage and Import of Hazardous Chemical Rules 1989, amended in 2000.
		within 12 months	4. Registration under PF Act	Ministry of Labour	-	-
		within 12 months	5. Registration under Employee State Insurance Act	Ministry of Labour	-	-
		within 12 months	6. Registration under Workmen Compensation Act	Ministry of Labour	-	-
		within 12 months	7. Registration under Industrial Disputes Act	Ministry of Labour	-	-
7	Firm Water Allocation	within 6 months	Clearance, if applicable	Central Ground Water Authority (CGWA)	-	-
		within 6 months	Sanction Letter for firm water allocation	State Water Supply Authority	In case of utilization of ground water, relevant permission from relevant department of the State Government.	-
8	Approval of Construction Activity & Building Plan	within 6 months	Approved construction plan by the relevant authority	Town and country planning/ Municipal and local authorities/ Chief Inspector of Factories	-	-
9	Forest Clearance (if applicable)	within 9 months	Forest Clearance	MoEF (Central Government)		It is unlikely that a Ceramic/ Glass industry will be in Forest area and require Forest Clearance. The ceramic industry would generally be located within the notified industrial area/ estates or purchase land from private owners and apply for conversion of purpose of land.
10	Land acquisition (100% of the area, as shown in the TFR/DPR, acquired)	within 9 months	Land Registration Document / Sale deed/ Land lease agreement document	From the competent authority		
11	Permission for land use (in case industry is located outside an industrial area)	within 9 months	Document certifying use of land for industrial purpose	State DI/ Deptt. of Town & Country Planning/ Local Authority/ District Collector		In case the land purchased is outside the industrial area, land use permission and conversion of purpose of land for industrial usage is required.
12	Raw Material Sourcing	within 9 months	Copy of agreement with raw material supplier for Soda Ash and Silica Sand	Agreement with Supplier	In case raw material is not being procured on firm agreement basis, detailed sourcing strategy of raw material for production of end product.	The raw material for Ceramic & Glass industry primarily constitutes of Clay, Feldspar, Flint & Clay, Silica Sand, Feldspar, Flint respectively. The ceramic industries do not own captive mines for minerals but buy it from open market. The raw material is easily available in the market.
13	Power Allocation	within 9 months	Load sanction letter	State Electricity Board/ State Distribution Utility	1. In case of Captive Power Plant – Letter of Award for purchase of main plant and equipment 2. In case of Liquid Fuel Power Generator (HSD, FO etc.) Purchase order of the equipment & bills related to purchase of fuel for power generation	-
14	Funding of investment, as identified in the TFR/DPR	within 9 months	1. Board's resolution on the amount of equity investment in the Project	Company Secretary under the Company Seal	In case of Proprietary/ Partnership firm; Bank statements of the Proprietor/ Partners for the last twelve months shall be submitted for justification of the equity commitment	Adequate documentary evidence for both equity and debt financing is required. As part of the funding plan for the project, the debt portion, if applicable, as shown in the plan needs to be backed by appropriate letter from the Bank/FI
			2. Sanction Letter from the Bank/Financial Institution	Letter from the Bank/ Financial Institution	In case of 100% equity investment as mentioned under the DPR; No Sanction Letter from Bank/ Financial Institution is required	
15	Order of Plant & Machinery	within 9 months	Copy of Signed Agreement with the Contractor/ Equipment supplier	-	-	The overall time required for setting up a ceramic industry is in the range of 14- 18 months The key equipment for Ceramic industry is Ball mills, Hydraulic press, Driers, Kilns, Polishing, Glazing machines.
16	Construction of the project (at least 50% as per TFR/ DPR)	within 9 months	Progress report on project	Independent Engineer	-	
17	Commissioning of Project	within 12 months	Commissioning certificate of the project	Independent Engineer	-	
18	Environment Clearance (Emission norms, Effluent treatment etc.)	within 12 months	NoC from State Pollution Control Board	State Pollution Control Board		No EIA study is required, the approvals are required from State Pollution Control Boards. The time required for environment related approvals is less as EIA study is not carried out and EAC/ State EAC approvals are not required.

List of milestones (to be included in the LOA)- Refractory Industry						
S.No.	Activity/ Milestone	Timeline from the date of LOA	Document to be submitted by the Assured on achievement of milestone	Issuing Authority	Waival	Explanatory Note
1	Existence of business entity	within 6 months	Certificate of Incorporation/ Commencement of Business Certificate	State Registrar of Companies, Ministry of Company Affairs, Government of India	1) In case of Partnership firm - Copies of the Acknowledgement Receipts of the Income Tax Returns of respective Partners for the immediately preceding financial year; 2) In case of Proprietary firm - Copy of the Acknowledgement Receipt of the Income Tax Return of the Proprietor for the immediately preceding financial year.	
2	In-principle letter of approval for the project for which coal is required	within 6 months	Certified copy of the decision of the Board of Directors	Company Secretary under the Company Seal	1) In case of Partnership firm - Partnership Agreement/ Deed duly identifying the business activity for which coal is requested; 2) In case of Proprietary firm - Affidavit undertaking the business activity for which coal is requested	
3	Registration/ Industrial Entrepreneurs Memorandum (IEM)/ Industrial License	within 6 months	Industrial Entrepreneurs Memorandum (IEM) Acknowledgement Letter/ Industrial License	Directorate of Industries State Government (for Small Scale Inds -SSI); Secretariat of Industrial Assistance (SIA) (Ministry of Industry) , Government of India	-	On filing the IEM, an acknowledgement containing the SIA Registration Number, for future reference, is issued. For Small Scale Industries (SSI) IEM can be obtained by State Directorate of Industries, For Medium and Large scale industries it is required by SIA.
4	Technical and Feasibility Studies	within 6 months	Techno-economic Feasibility Report(TFR)/ Detailed Project Report(DPR)	Independent Agency/ Expert	Self-attested DPR in case it is prepared in-house	The DPR shall essentially contain the technological, infrastructure, market and financial analysis of the project. DPR is critical, especially in light of the fact that the milestones relative to land acquisition would be benchmarked against the area considered in DPR
5	Tax Related (All documents; as applicable)	within 6 months	1. Income Tax registration (Application for PAN / TAN)	Income Tax department	-	-
		within 9 months	2. Registration for Professional Tax	Ministry of Labour	-	-
		within 9 months	3. Sales Tax / VAT registration	Sales Tax Deptt.	-	-
		within 12 months	4. Contract Labor License	Ministry of Labor	-	-
		within 12 months	5. Service tax registration	Service Tax Department	-	-
		within 12 months	6. Import Export Certificate (IEC) (if applicable)	Director General of Foreign Trade	-	-
6	Factory Related (All documents; as applicable)	within 6 months	1. Registration under the Factory Act, 1948	State Government	-	-
		within 6 months	2. Registration under Customs Act	Commissioner of Customs	-	-
		within 6 months	3. Clearance related to hazardous & waste management material handling (if applicable)	MoEF	-	Under, Manufacture, Storage and Import of Hazardous Chemical Rules 1989, amended in 2000.
		within 12 months	4. Registration under PF Act	Ministry of Labour	-	-
		within 12 months	5. Registration under Employee State Insurance Act	Ministry of Labour	-	-
		within 12 months	6. Registration under Workmen Compensation Act	Ministry of Labour	-	-
		within 12 months	7. Registration under Industrial Disputes Act	Ministry of Labour	-	-
within 6 months	Clearance, if applicable	Central Ground Water Authority (CGWA)	-	-		
7	Firm Water Allocation	within 6 months	Sanction Letter for firm water allocation	State Water Supply Authority	In case of utilization of ground water, relevant permission from relevant department of the State Government.	-
8	Approval of Construction Activity & Building Plan	within 6 months	Approved construction plan by the relevant authority	Town and country planning/ Municipal and local authorities/ Chief Inspector of Factories	-	-
9	Land acquisition (100% of the area, as shown in the TFR/DPR, acquired)	within 9 months	Land Registration Document / Sale deed/ Land lease agreement document	From the competent authority		
10	Permission for land use (in case industry is located outside an industrial area)	within 9 months	Document certifying use of land for industrial purpose	State D/ Deptt. of Town & Country Planning/ Local Authority/ District Collector		In case the land purchased is outside the industrial area, land use permission and conversion of purpose of land for industrial usage is required.
11	Environment Clearance	within 6 months	Approved Terms of Reference (TOR)	Expert Appraisal Committee (EAC) of MoEF(Central Govt.) for Category 'A' Projects or State Expert Appraisal Committee (SEAC) for Category 'B' Projects (As Applicable)	-	Dyeing and Printing units located outside the notified industrial area/ estate fall under the Category "A" projects and need approval from EAC (Central Govt.), the projects within the industrial estates fall under Category "B" and require State EAC approval
		within 12 months	Final clearance	MOEF (Central Govt.) for Category 'A' projects or State Environment Impact Assessment Authority (SEIAA) - for category 'B' projects, as applicable		
12	Forest Clearance (if applicable)	within 12 months	Forest Clearance	MoEF (Central Government)	-	
13	Power Allocation	within 9 months	Load sanction letter	State Electricity Board/ State Distribution Utility	1. In case of Captive Power Plant – Letter of Award for purchase of main plant and equipment 2. In case of Liquid Fuel Power Generator (HSD, FO etc.) Purchase order of the equipment & bills related to purchase of fuel for power generation	
14	Funding of investment, as identified in the TFR/DPR	within 9 months	1. Board's resolution on the amount of equity investment in the Project	Company Secretary under the Company Seal	In case of Proprietary/ Partnership firm; Bank statements of the Proprietor/ Partners for the last twelve months shall be submitted for justification of the equity commitment	Adequate documentary evidence for both equity and debt financing is required. As part of the funding plan for the project, the debt portion, if applicable, as shown in the plan needs to be backed by appropriate letter from the Bank/FI
			2. Sanction Letter from the Bank/Financial Institution	Letter from the Bank/ Financial Institution	In case of 100% equity investment as mentioned under the DPR; No Sanction Letter from Bank/ Financial Institution is required	
15	Order of Plant & Machinery	within 9 months	Copy of Signed Agreement with the Contractor/ Equipment supplier	-	-	The key equipment may include Press Machines, Moulder etc.
16	Construction of the project (at least 50% as per TFR/ DPR)	within 9 months	Progress report on project	Independent Engineer	-	
17	Commissioning of Project	within 12 months	Commissioning certificate of the project	Independent Engineer	-	

List of milestones (to be included in the LOA)- Pharma & Bulk Drugs

S.No.	Activity/ Milestone	Timeline from the date of LOA	Document to be submitted by the Assured on achievement of milestone	Issuing Authority	Waival	Explanatory Note
1	Existence of business entity	within 6 months	Certificate of Incorporation/ Commencement of Business Certificate	State Registrar of Companies, Ministry of Company Affairs, Government of India		1) In case of Partnership firm - Copies of the Acknowledgement Receipts of the Income Tax Returns of respective Partners for the immediately preceding financial year; 2) In case of Proprietary firm - Copy of the Acknowledgement Receipt of the Income Tax Return of the Proprietor for the immediately preceding financial year.
2	In-principle letter of approval for the project for which coal is required	within 6 months	Certified copy of the decision of the Board of Directors	Company Secretary under the Company Seal		1) In case of Partnership firm - Partnership Agreement/ Deed duly identifying the business activity for which coal is requested; 2) In case of Proprietary firm - Affidavit undertaking the business activity for which coal is requested
3	Registration/ Industrial Entrepreneurs Memorandum (IEM)/ Industrial License	within 6 months	Industrial Entrepreneurs Memorandum (IEM) Acknowledgement Letter/ Industrial License	Directorate of Industries State Government (for Small Scale Inds.-SSI); Secretariat of Industrial Assistance (SIA) (Ministry of Industry) , Government of India	-	On filing the IEM, an acknowledgement containing the SIA Registration Number, for future reference, is issued. For Small Scale Industries (SSI) IEM can be obtained by State Directorate of Industries, For Medium and Large scale industries it is required by SIA
4	Technical and Feasibility Studies	within 6 months	Techno-economic Feasibility Report(TFR)/ Detailed Project Report(DPR)	Independent Agency/ Expert		Self-attested DPR in case it is prepared in-house
5	Tax Related (All documents, as applicable)	within 6 months	1. Income Tax registration (Application for PAN / TAN)	Income Tax department	-	
		within 9 months	2. Registration for Professional Tax	Ministry of Labour		
		within 9 months	3. Sales Tax / VAT registration	Sales Tax Deptt.		
		within 12 months	4. Contract Labor License	Ministry of Labor		
		within 12 months	5. Service tax registration	Service Tax Department		
		within 12 months	6. Import Export Certificate (IEC) (if applicable)	Director General of Foreign Trade		
6	Factory Related (All documents; as applicable)	within 6 months	1. Registration under the Factory Act, 1948	State Government	-	
		within 6 months	2. Registration under Customs Act	Commissioner of Customs	-	
		within 6 months	3. Clearance related to hazardous & waste management material handling (if applicable)	MoEF	-	Under, Manufacture, Storage and Import of Hazardous Chemical Rules 1989, amended in 2000.
		within 12 months	4. Registration under PF Act	Ministry of Labour	-	
		within 12 months	5. Registration under Employee State Insurance Act	Ministry of Labour	-	
		within 12 months	6. Registration under Workmen Compensation Act	Ministry of Labour	-	
		within 12 months	7. Registration under Industrial Disputes Act	Ministry of Labour	-	
within 6 months	Clearance, if applicable	Central Ground Water Authority (CGWA)	-			
7	Firm Water Allocation	within 6 months	Sanction Letter for firm water allocation	State Water Supply Authority		In case of utilization of ground water, relevant permission from relevant department of the State Government.
8	Approval of Construction Activity & Building Plan	within 6 months	Approved construction plan by the relevant authority	Town and country planning/ Municipal and local authorities/ Chief Inspector of Factories	-	
9	Land acquisition (100% of the area, as shown in the TFR/DPR, acquired)	within 9 months	Land Registration Document / Sale deed/ Land lease agreement document	From the competent authority		
10	Permission for land use (in case industry is located outside an industrial area)	within 9 months	Document certifying use of land for industrial purpose	State DI/ Deptt. of Town & Country Planning/ Local Authority/ District Collector		In case the land purchased is outside the industrial area, land use permission and conversion of purpose of land for industrial usage is required.
10	Environment Clearance	within 6 months	Approved Terms of Reference (TOR)	Expert Appraisal Committee (EAC) of MoEF(Central Govt.) for Category 'A' Projects or State Expert Appraisal Committee (SEAC) for Category 'B' Projects (As Applicable)	-	Projects located outside the notified industrial area/ estate fall under the Category "A" projects and need approval from EAC (Central Gov.), the projects within the Industrial estates fall under Category "B" and require State EAC approval
		within 9 months	Final clearance	MOEF (Central Govt.) for Category 'A' projects or State Environment Impact Assessment Authority (SEIAAA) - for category 'B' projects, as applicable		
11	Forest Clearance (if applicable)	within 9 months	Forest Clearance	MoEF (Central Government)		It is unlikely that a Pharma/ Drug manufacturing plant will be in Forest area and require Forest Clearance. The industry would generally be located within the notified Industrial area/ estates.
12	Approval under the Drug & Cosmetic Act.	within 9 months	1. Approval from Central Drug Standard Control Organisation (CDSCO) (If Applicable) 2. Licensing of manufacturing establishments and sales	1. Central Authority CDSCO- Ministry of Health & Family Welfare 2. State Government (Under CDSCO)		1. Under the Drug and Cosmetics Act, the regulation of manufacture, sale and distribution of Drugs is primarily the concern of the State authorities while the Central Authorities are responsible for approval of New Drugs, Clinical Trials in the country, laying down the standards for Drugs, control over the quality of imported Drugs, coordination of the activities of State Drug Control Organisations and providing expert advice with a view of bring about the uniformity in the enforcement of the Drugs and Cosmetics Act. The Central Drugs Standard Control Organisation (CDSCO), headed by the Drugs Controller General (India) (DCGI) discharges the functions allocated to Central Government. The CDSCO is attached to the office of the Director General of Health Services in the Ministry of Health and Family Welfare. The DCGI is a statutory authority under the Act and has port offices, zonal offices with drug inspectors and drug testing laboratories functioning under him.
13	Power Allocation	within 9 months	Load sanction letter	State Electricity Board/ State Distribution Utility		1. In case of Captive Power Plant – Letter of Award for purchase of main plant and equipment 2. In case of Liquid Fuel Power Generator (HSD, FO etc.) Purchas order of the equipment & bills related to purchase of fuel for power generation
14	Funding of investment, as identified in the TFR/DPR	within 9 months	1. Board's resolution on the amount of equity investment in the Project	Company Secretary under the Company Seal		In case of Proprietary/ Partnership firm: Bank statements of the Proprietor/ Partners for the last twelve months shall be submitted for justification of the equity commitment.
			2. Sanction Letter from the Bank/Financial Institution	Letter from the Bank/ Financial Institution		In case of 100% equity investement as mentioned under the DPR, No Sanction Letter from Bank/ Financial Institution is required
15	Order of Plant & Machinery	within 9 months	Copy of Signed Agreement with the Contractor/ Equipment supplier	-		Adequate documentary evidence for both equity and debt financing is required. As part of the funding plan for the project, the debt portion, if applicable, as shown in the plan needs to be backed by appropriate letter from the Bank/FI
16	Construction of the project (at least 50% as per TFR/ DPR)	within 9 months	Progress report on project	Independent Engineer	-	
17	Commissioning of Project	within 12 months	Commissioning certificate of the project	Independent Engineer	-	

List of milestones (to be included in the LOA) - Leather						
S.No.	Activity/ Milestone	Timeline from the date of LOA	Document to be submitted by the Assured on achievement of milestone	Issuing Authority	Waival	Explanatory Note
1	Existence of business entity	within 6 months	Certificate of Incorporation/ Commencement of Business Certificate	State Registrar of Companies, Ministry of Company Affairs, Government of India	1) In case of Partnership firm - Copies of the Acknowledgement Receipts of the Income Tax Returns of respective Partners for the immediately preceding financial year; 2) In case of Proprietary firm - Copy of the Acknowledgement Receipt of the Income Tax Return of the Proprietor for the immediately preceding financial year.	
2	In-principle letter of approval for the project for which coal is required	within 6 months	Certified copy of the decision of the Board of Directors	Company Secretary under the Company Seal	1) In case of Partnership firm - Partnership Agreement/ Deed duly identifying the business activity for which coal is requested; 2) In case of Proprietary firm - Affidavit undertaking the business activity for which coal is requested	
3	Registration/ Industrial Entrepreneurs Memorandum (IEM) Industrial License	within 6 months	Industrial Entrepreneurs Memorandum (IEM) Acknowledgement Letter/ Industrial License	Directorate of Industries State Government (for Small Scale Inds.-SSI); Secretariat of Industrial Assistance (SIA) (Ministry of Industry), Government of India	-	On filing the IEM, an acknowledgement containing the SIA Registration Number, for future reference, is issued. For Small Scale Industries (SSI) IEM can be obtained by State Directorate of Industries, For Medium and Large scale industries it is required by SIA.
4	Technical and Feasibility Studies	within 6 months	Techno-economic Feasibility Report(TFR)/ Detailed Project Report(DPR)	Independent Agency/ Expert	Self-attested DPR in case it is prepared in-house	The DPR shall essentially contain the technological, infrastructure, market and financial analysis of the project. DPR is critical, especially in light of the fact that the milestones relative to land acquisition would be benchmarked against the area considered in DPR
5	Tax Related (All documents; as applicable)	within 6 months	1. Income Tax registration (Application for PAN/ TAN)	Income Tax department	-	-
		within 9 months	2. Registration for Professional Tax	Ministry of Labour	-	-
		within 9 months	3. Sales Tax / VAT registration	Sales Tax Deptt.	-	-
		within 12 months	4. Contract Labor License	Ministry of Labor	-	-
		within 12 months	5. Service tax registration	Service Tax Department	-	-
		within 12 months	6. Import Export Certificate (IEC) (if applicable)	Director General of Foreign Trade	-	-
6	Factory Related (All documents; as applicable)	within 6 months	1. Registration under the Factory Act, 1948	State Government	-	-
		within 6 months	2. Registration under Customs Act	Commissioner of Customs	-	-
		within 6 months	3. Clearance related to hazardous & waste management material handling (if applicable)	MoEF	-	Under, Manufacture, Storage and Import of Hazardous Chemical Rules 1989, amended in 2000.
		within 12 months	4. Registration under PF Act	Ministry of Labour	-	-
		within 12 months	5. Registration under Employee State Insurance Act	Ministry of Labour	-	-
		within 12 months	6. Registration under Workmen Compensation Act	Ministry of Labour	-	-
7	Firm Water Allocation	within 12 months	7. Registration under Industrial Disputes Act	Ministry of Labour	-	-
		within 6 months	Clearance, if applicable	Central Ground Water Authority (CGWA)	-	-
8	Approval of Construction Activity & Building Plan	within 6 months	Sanction Letter for firm water allocation	State Water Supply Authority	In case of utilization of ground water, relevant permission from relevant department of the State Government.	-
9	Land acquisition (100% of the area, as shown in the TFR/DPR, acquired)	within 9 months	Approved construction plan by the relevant authority	Town and country planning/ Municipal and local authorities/ Chief Inspector of Factories	-	-
10	Permission for land use (in case industry is located outside an industrial area)	within 9 months	Land Registration Document / Sale deed/ Land lease agreement document	From the competent authority	-	-
11	Environment Clearance	within 6 months	Document certifying use of land for industrial purpose	State DI/ Deptt. of Town & Country Planning/ Local Authority/ District Collector	-	In case the land purchased is outside the industrial area, land use permission and conversion of purpose of land for industrial usage is required.
		within 12 months	Approved Terms of Reference (TOR)	Expert Appraisal Committee (EAC) of MoEF(Central Govt.) for Category 'A' Projects or State Expert Appraisal Committee (SEAC) for Category 'B' Projects (As Applicable)	-	Tanneries located outside the notified industrial area/ estate fall under the Category 'A' projects and need approval from EAC (Central Gov.), the projects within the industrial estates fall under Category 'B' and require State EAC approval
12	Forest Clearance (if applicable)	within 12 months	Final clearance	MOEF (Central Govt.) for Category 'A' projects or State Environment Impact Assessment Authority (SEIAA) - for category 'B' projects, as applicable	-	-
13	Forest Clearance (if applicable)	within 12 months	Forest Clearance	MoEF (Central Government)	-	It is unlikely that a tannery will be in Forest area and require Forest Clearance.
14	Power Allocation	within 9 months	Load sanction letter	State Electricity Board/ State Distribution Utility	1. In case of Captive Power Plant - Letter of Award for purchase of main plant and equipment 2. In case of Liquid Fuel Power Generator (HSD, FO etc) Purchase order of the	-
15	Funding of investment, as identified in the TFR/DPR	within 9 months	1. Board's resolution on the amount of equity investment in the Project	Company Secretary under the Company Seal	In case of Proprietary Partnership firm: Bank statements of the Proprietor/ Partners for the last twelve months shall be submitted for justification of the equity commitment	Adequate documentary evidence for both equity and debt financing is required. As part of the funding plan for the project, the debt portion, if applicable, as shown in the plan needs to be backed by appropriate letter from the Bank/FI
			2. Sanction Letter from the Bank/Financial Institution	Letter from the Bank/ Financial Institution	In case of 100% equity investment as mentioned under the DPR: No Sanction Letter from Bank/ Financial Institution is required	
16	Order of Plant & Machinery	within 9 months	Copy of Signed Agreement with the Contractor/ Equipment supplier	-	-	-
17	Construction of the project (at least 50% as per TFR/ DPR)	within 9 months	Progress report on project	Independent Engineer	-	-
18	Commissioning of Project	within 12 months	Commissioning certificate of the project	Independent Engineer	-	-

List of milestones (to be included in the LOA)- Dyeing & Printing						
S.No.	Activity/ Milestone	Timeline from the date of LOA	Document to be submitted by the Assured on achievement of milestone	Issuing Authority	Waival	Explanatory Note
1	Existence of business entity	within 6 months	Certificate of Incorporation/ Commencement of Business Certificate	State Registrar of Companies, Ministry of Company Affairs, Government of India	-	1) In case of Partnership firm - Copies of the Acknowledgement Receipts of the Income Tax Returns of respective Partners for the immediately preceding financial year; 2) In case of Proprietary firm - Copy of the Acknowledgement Receipt of the Income Tax Return of the Proprietor for the immediately preceding financial year.
2	In-principle letter of approval for the project for which coal is required	within 6 months	Certified copy of the decision of the Board of Directors	Company Secretary under the Company Seal	-	1) In case of Partnership firm - Partnership Agreement/ Deed duly identifying the business activity for which coal is requested; 2) In case of Proprietary firm Affidavit undertaking the business activity for which coal is requested
3	Registration/ Industrial Entrepreneurs Memorandum (IEM) Industrial License	within 6 months	Industrial Entrepreneurs Memorandum (IEM) Acknowledgement Letter/ Industrial License	Directorate of Industries State Government (for Small Scale Inds.-SSI); Secretariat of Industrial Assistance (SIA) (Ministry of Industry) , Government of India	-	On filing the IEM, an acknowledgement containing the SIA Registration Number, for future reference, is issued. For Small Scale Industries (SSI) IEM can be obtained by State Directorate of Industries, For Medium and Large scale industries it is required by SIA.
4	Technical and Feasibility Studies	within 6 months	Techno-economic Feasibility Report(TFR)/ Detailed Project Report(DPR)	Independent Agency/ Expert	-	The DPR shall essentially contain the technological, infrastructure, market and financial analysis of the project. DPR is critical, especially in light of the fact that the milestones relative to land acquisition would be benchmarked against the area considered in DPR
5	Tax Related (All documents; as applicable)	within 6 months	1. Income Tax registration (Application for PAN / TAN)	Income Tax department	-	-
		within 9 months	2. Registration for Professional Tax	Ministry of Labour	-	-
		within 9 months	3. Sales Tax / VAT registration	Sales Tax Deptt.	-	-
		within 12 months	4. Contract Labor License	Ministry of Labor	-	-
		within 12 months	5. Service tax registration	Service Tax Department	-	-
		within 12 months	6. Import Export Certificate (IEC) (if applicable)	Director General of Foreign Trade	-	-
6	Factory Related (All documents; as applicable)	within 6 months	1. Registration under the Factory Act, 1948	State Government	-	-
		within 6 months	2. Registration under Customs Act	Commissioner of Customs	-	-
		within 6 months	3. Clearance related to hazardous & waste management material handling (if applicable)	MoEF	-	-
		within 12 months	4. Registration under PF Act	Ministry of Labour	-	-
		within 12 months	5. Registration under Employee State Insurance Act	Ministry of Labour	-	-
		within 12 months	6. Registration under Workmen Compensation Act	Ministry of Labour	-	-
		within 12 months	7. Registration under Industrial Disputes Act	Ministry of Labour	-	-
7	Firm Water Allocation	within 6 months	Clearance, if applicable Sanction Letter for firm water allocation	Central Ground Water Authority (CGWA) State Water Supply Authority	-	In case of utilization of ground water, relevant permission from relevant department of the State Government.
8	Approval of Construction Activity & Building Plan	within 6 months	Approved construction plan by the relevant authority	Town and country planning/ Municipal and local authorities/ Chief Inspector of Factories	-	-
9	Land acquisition (100% of the area, as shown in the TFR/DPR, acquired)	within 9 months	Land Registration Document / Sale deed/ Land lease agreement document	From the competent authority	-	-
10	Permission for land use (in case industry is located outside an industrial area)	within 9 months	Document certifying use of land for industrial purpose	State D/ Deptt. of Town & Country Planning/ Local Authority/ District Collector	-	In case the land purchased is outside the industrial area, land use permission and conversion of purpose of land for industrial usage is required.
11	Environment Clearance	within 6 months	Approved Terms of Reference (TOR)	Expert Appraisal Committee (EAC) of MoEF(Central Govt.) for Category 'A' Projects or State Expert Appraisal Committee (SEAC) for Category 'B' Projects (As Applicable)	-	Dyeing and Printing units located outside the notified industrial area/ estate fall under the Category 'A' projects and need approval from EAC (Central Govt.), the projects within the Industrial estates fall under Category 'B' and require State EAC approval
		within 12 months	Final clearance	MOEF (Central Govt.) for Category 'A' projects or State Environment Impact Assessment Authority (SEIAA) - for category 'B' projects, as applicable	-	
12	Forest Clearance (if applicable)	within 12 months	Forest Clearance	MoEF (Central Government)	-	-
13	Power Allocation	within 9 months	Load sanction letter	State Electricity Board/ State Distribution Utility	-	1. In case of Captive Power Plant – Letter of Award for purchase of main plant and equipment 2. In case of Liquid Fuel Power Generator (HSD, FO etc.) Purchase order of the equipment & bills related to purchase of fuel for power generation
14	Funding of investment, as identified in the TFR/DPR	within 9 months	1. Board's resolution on the amount of equity investment in the Project	Company Secretary under the Company Seal	-	Adequate documentary evidence for both equity and debt financing is required. As part of the funding plan for the project, the debt portion, if applicable, as shown in the plan needs to be backed by appropriate letter from the Bank/FI
			2. Sanction Letter from the Bank/Financial Institution	Letter from the Bank/ Financial Institution	-	
15	Order of Plant & Machinery	within 9 months	Copy of Signed Agreement with the Contractor/ Equipment supplier	-	-	-
16	Construction of the project (at least 50% as per TFR/ DPR)	within 9 months	Progress report on project	Independent Engineer	-	-
17	Commissioning of Project	within 12 months	Commissioning certificate of the project	Independent Engineer	-	-

List of milestones (to be included in the LOA)- Sugar						
S.No.	Activity/ Milestone	Timeline from the date of LOA	Document to be submitted by the Assured on achievement of milestone	Issuing Authority	Waiver	Explanatory Note
1	Existence of business entity	within 6 months	Certificate of Incorporation/ Commencement of Business Certificate/ Certificate of registration of the Co-operative	State Registrar of Companies, Ministry of Company Affairs, Government of India State Registrar of Co-operatives (In case of single state co-operatives) Central Registrar of Cooperative Societies (In case of multi state cooperative)	1) In case of Partnership firm - Copies of the Acknowledgment Receipts of the Income Tax Returns of respective Partners for the immediately preceding financial year; 2) In case of Proprietary firm - Copy of the Acknowledgment Receipt of the Income Tax Return of the Proprietor for the immediately preceding financial year.	
2	In-principle letter of approval for the project for which coal is required	within 6 months	Certified copy of the decision of the Board of Directors	Company Secretary under the Company Seal/ Competent authority in case of a cooperative	1) In case of Partnership firm - Partnership Agreement/ Deed duly identifying the business activity for which coal is requested; 2) In case of Proprietary firm - Affidavit undertaking the business activity for which coal is requested	
3	Certification of Command Area for setting up the Sugar Mill	within 6 months	Notification from the Cane Commissioner	The Cane Commissioner Office		A certificate from cane commissioner is required to be submitted to the Industrial Entrepreneurs Memorandum (IEM) validating the no other sugar mill lies within 15 Km of the proposed site.
4	Registration/ Industrial Entrepreneurs Memorandum (IEM) Industrial License	within 6 months	Industrial Entrepreneurs Memorandum (IEM) Acknowledgement Letter/ Industrial License	Directorate of Industries State Government (for Small Scale Inds.-SSI); Secretariat of Industrial Assistance (SIA) (Ministry of Industry) ; Government of India	-	On filing the IEM, an acknowledgement containing the SIA Registration Number, for future reference, is issued. For Small Scale Industries (SSI) IEM can be obtained by State Directorate of Industries, For Medium and Large scale industries it is required by SIA
5	Technical and Feasibility Studies	within 6 months	Techno-economic Feasibility Report(TFR)/ Detailed Project Report(DPR)	Independent Agency/ Expert	Self-attested DPR in case it is prepared in-house	The DPR shall essentially contain the technological, infrastructure, market and financial analysis of the project. DPR is critical, especially in light of the fact that the milestones relative to land acquisition would be benchmarked against the area considered in DPR
6	Tax Related (All documents; as applicable)	within 6 months	1. Income Tax registration (Application for PAN / TAN)	Income Tax department	-	-
		within 9 months	2. Registration for Professional Tax	Ministry of Labour	-	-
		within 9 months	3. Sales Tax / VAT registration	Sales Tax Deptt.	-	-
		within 12 months	4. Contract Labor License	Ministry of Labor	-	-
		within 12 months	5. Service tax registration	Service Tax Department	-	-
7	Factory Related (All documents; as applicable)	within 6 months	6. Import Export Certificate (IEC) (if applicable)	Director General of Foreign Trade	-	-
		within 6 months	1. Registration under the Factory Act, 1948	State Government	-	-
		within 6 months	2. Registration under Customs Act	Commissioner of Customs	-	-
		within 6 months	3. Clearance related to hazardous & waste management material handling (if applicable)	MoEF	-	Under, Manufacture, Storage and Import of Hazardous Chemical Rules 1989, amended in 2000.
		within 12 months	4. Registration under PF Act	Ministry of Labour	-	-
		within 12 months	5. Registration under Employee State Insurance Act	Ministry of Labour	-	-
		within 12 months	6. Registration under Workmen Compensation Act	Ministry of Labour	-	-
within 12 months	7. Registration under Industrial Disputes Act	Ministry of Labour	-	-		
8	Firm Water Allocation	within 6 months	Clearance, if applicable	Central Ground Water Authority (CGWA)	-	-
9	Approval of Construction Activity & Building Plan	within 6 months	Sanction Letter for firm water allocation	State Water Supply Authority	In case of utilization of ground water, relevant permission from relevant department of the State Government.	-
10	Approval of Construction Activity & Building Plan	within 6 months	Approved construction plan by the relevant authority	Town and country planning/ Municipal and local authorities/ Chief Inspector of Factories	-	-
11	Land acquisition (100% of the area, as shown in the TFR/DPR, acquired)	within 9 months	Land Registration Document / Sale deed/ Land lease agreement document	From the competent authority		
12	Permission for land use (in case industry is located outside an industrial area)	within 9 months	Document certifying use of land for industrial purpose	State DV/ Dept. of Town & Country Planning/ Local Authority/ District Collector		In case the land purchased is outside the industrial area, land use permission and conversion of purpose of land for industrial usage is required.
13	Raw Material Sourcing (Sugarcane)	within 9 months	List of farmers, Sugarcane has entered into agreement	List of Sugarcane farmers with whom Sugarcane has entered into agreement for procurement of Sugarcane. The list should be attested by Company Secretary under the Company Seal	Not applicable In case of co-operatives running sugar mills	Sugarcane owner generally enter into agreement with farmers for procurement of Sugarcane crop. The agreements are entered with individual farmers.
14	Environment Clearance (applicable for crushing capacity > 5000 tcd)	within 9 months	NoC from State Pollution Control Board	State Pollution Control Board	-	No EIA study is required, the approvals are required from State Pollution Control Boards. The time required for environment related approvals is less as EIA study is not carried out and EAC/ State EAC approvals are not required.
14	Environment Clearance for Sugar Factory (Applicable to Sugar Factories with capacities greater than or equal to 5000 TCD)	within 6 months	Approved Terms of Reference (TOR)	State Expert Appraisal Committee (SEAC) for Category 'B' Projects	-	-
		within 9 months	Final clearance (for Category B Projects) For Sugar Factories < 5000 TCD- No Objection Certificate (NoC) from State Pollution Control Board (SPCB) (As Applicable)	State Environment Impact Assessment Authority (SEIAA) - for category 'B' projects NoC from State Pollution Control Board (As Applicable)	-	As per MoEF circular, Sugarcane with a capacity greater than or equal to 5000 TCD falls under Category B Projects and require State EAC approval. For Sugarcane below this threshold NoC from State Pollution Control Board is required.
15	Environment Clearance for ethanol production	within 9 months	Approved Terms of Reference (TOR)	Expert Appraisal Committee (EAC) of MoEF(Central Govt.) for Category 'A' Projects or State Expert Appraisal Committee (SEAC) for Category 'B' Projects (As Applicable)	-	(A) MOEF Clearance: (i) All molasses based distilleries (ii) All cane juice/ non-molasses based distilleries greater than or equal to 30 KLD.
		within 9 months	Final clearance	MoEF (Central Govt.) for Category 'A' projects or State Environment Impact Assessment Authority (SEIAA) - for category 'B' projects, as applicable	-	(B) SEIAA Clearance: (i) All cane juice/ non-molasses based distilleries less than 30 KLD
16	Forest Clearance (if applicable)	within 9 months	Forest Clearance	MoEF (Central Government)		
17	Power Allocation	within 9 months	Load sanction letter	State Electricity Board/ State Distribution Utility	1. In case of Captive Power Plant – Letter of Award for purchase of main plant and equipment 2. In case of Liquid Fuel Power Generator (HSD, FO etc.) Purchase order of the equipment & bills related to purchase of fuel for power generation	
18	Funding of investment, as identified in the TFR/DPR	within 9 months	1. Board's resolution on the amount of equity investment in the Project 2. Sanction Letter from the Bank/Financial Institution	Company Secretary under the Company Seal Letter from the Bank/ Financial Institution	In case of Proprietary/ Partnership firm, Bank statements of the Proprietor/ Partners for the last twelve months shall be submitted for justification of the equity commitment In case of 100% equity investment as mentioned under the DPR; No Sanction Letter from Bank/ Financial Institution is required	Adequate documentary evidence for both equity and debt financing is required. As part of the funding plan for the project, the debt portion, if applicable, as shown in the plan needs to be backed by appropriate letter from the Bank/ FI
19	Order of Plant & Machinery	within 9 months	Copy of Signed Agreement with the Contractor/ Equipment supplier	-	-	
20	Construction of the project (at least 50% as per TFR/ DPR)	within 9 months	Progress report on project	Independent Engineer	-	
21	Commissioning of Project	within 12 months	Commissioning certificate of the project	Independent Engineer	-	The overall time required for setting up a sugar industry is approx. 12-18 months.

List of milestones (to be included in the LOA)- Textiles & Rayon						
S.No.	Activity/ Milestone	Timeline from the date of LOA	Document to be submitted by the Assured on achievement of milestone	Issuing Authority	Waival	Explanatory Note
1	Existence of business entity	within 6 months	Certificate of Incorporation/ Commencement of Business Certificate	State Registrar of Companies, Ministry of Company Affairs, Government of India		1) In case of Partnership firm - Copies of the Acknowledgement Receipts of the Income Tax Returns of respective Partners for the immediately preceding financial year; 2) In case of Proprietary firm - Copy of the Acknowledgement Receipt of the Income Tax Return of the Proprietor for the immediately preceding financial year.
2	In-principle letter of approval for the project for which coal is required	within 6 months	Certified copy of the decision of the Board of Directors	Company Secretary under the Company Seal		1) In case of Partnership firm - Partnership Agreement/ Deed duly identifying the business activity for which coal is requested; 2) In case of Proprietary firm - Affidavit undertaking the business activity for which coal is requested
3	Registration/ Industrial Entrepreneurs Memorandum (IEM) Industrial License	within 6 months	Industrial Entrepreneurs Memorandum (IEM) Acknowledgement Letter/ Industrial License	Directorate of Industries State Government (for Small Scale Inds - SSI), Secretariat of Industrial Assistance (SIA) (Ministry of Industry) , Government of India		On filing the IEM, an acknowledgement containing the SIA Registration Number, for future reference, is issued. For Small Scale Industries (SSI) IEM can be obtained by State Directorate of Industries, For Medium and Large scale industries it is required by SIA
4	Technical and Feasibility Studies	within 6 months	Techno-economic Feasibility Report(TFR)/ Detailed Project Report(DPR)	Independent Agency/ Expert		The DPR shall essentially contain the technological, infrastructure, market and financial analysis of the project. DPR is critical, especially in light of the fact that the milestones relative to land acquisition would be benchmarked against the area considered in DPR
5	Tax Related (All documents; as applicable)	within 6 months	1. Income Tax registration (Application for PAN / TAN)	Income Tax department	-	-
		within 9 months	2. Registration for Professional Tax	Ministry of Labour	-	-
		within 9 months	3. Sales Tax / VAT registration	Sales Tax Deptt.	-	-
		within 12 months	4. Contract Labor License	Ministry of Labor	-	-
		within 12 months	5. Service tax registration	Service Tax Department	-	-
		within 12 months	6. Import Export Certificate (IEC) (if applicable)	Director General of Foreign Trade	-	-
6	Factory Related (All documents; as applicable)	within 6 months	1. Registration under the Factory Act, 1948	State Government	-	-
		within 6 months	2. Registration under Customs Act	Commissioner of Customs	-	-
		within 6 months	3. Clearance related to hazardous & waste management material handling (if applicable)	MoEF	-	Under, Manufacture, Storage and Import of Hazardous Chemical Rules 1989, amended in 2000.
		within 12 months	4. Registration under PF Act	Ministry of Labour	-	-
		within 12 months	5. Registration under Employee State Insurance Act	Ministry of Labour	-	-
		within 12 months	6. Registration under Workmen Compensation Act	Ministry of Labour	-	-
		within 12 months	7. Registration under Industrial Disputes Act	Ministry of Labour	-	-
7	Firm Water Allocation	within 6 months	Clearance, if applicable	Central Ground Water Authority (CGWA)	-	-
8	Approval of Construction Activity & Building Plan	within 6 months	Sanction Letter for firm water allocation	State Water Supply Authority		In case of utilization of ground water, relevant permission from relevant department of the State Government.
9	Land acquisition (100% of the area, as shown in the TFR/DPR, acquired)	within 6 months	Approved construction plan by the relevant authority	Town and country planning/ Municipal and local authorities/ Chief Inspector of Factories		-
10	Land registration Document / Sale deed/ Land lease agreement document	within 9 months	Approved construction plan by the relevant authority	From the competent authority		-
11	Permission for land use (in case industry is located outside an industrial area)	within 9 months	Document certifying use of land for industrial purpose	State DI/ Deptt. of Town & Country Planning/ Local Authority/ District Collector		In case the land purchased is outside the industrial area, land use permission and conversion of purpose of land for industrial usage is required.
11	Environment Clearance (if applicable)	within 6 months	Approved Terms of Reference (TOR)	Expert Appraisal Committee (EAC) of MoEF(Central Govt.) for Category 'A' Projects or State Expert Appraisal Committee (SEAC) for Category 'B' Projects (As Applicable)		In case of certain textile units not requiring EIA, NoC from State Pollution Control Board for air pollution, water pollution etc. may be submitted.
		within 12 months	Final clearance	MOEF (Central Govt.) for Category 'A' projects or State Environment Impact Assessment Authority (SEIAA) - for category 'B' projects, as applicable		Rayon is classified under category 'A' while others are classified under category 'B'
12	Forest Clearance (if applicable)	within 12 months	Forest Clearance	MoEF (Central Government)		-
13	Power Allocation	within 9 months	Load sanction letter	State Electricity Board/ State Distribution Utility		1. In case of Captive Power Plant – Letter of Award for purchase of main plant and equipment 2. In case of Liquid Fuel Power Generator (HSD, FO etc.) Purchase order of the equipment & bills related to purchase of fuel for power generation
14	Funding of investment, as identified in the TFR/DPR	within 9 months	1. Board's resolution on the amount of equity investment in the Project	Company Secretary under the Company Seal		In case of Proprietary/ Partnership firm, Bank statements of the Proprietor/ Partners for the last twelve months shall be submitted for justification of the equity commitment
		within 9 months	2. Sanction Letter from the Bank/Financial Institution	Letter from the Bank/ Financial Institution		In case of 100% equity investment as mentioned under the DPR, No Sanction Letter from Bank/ Financial Institution is required
15	Order of Plant & Machinery	within 9 months	Copy of Signed Agreement with the Contractor/ Equipment supplier			Adequate documentary evidence for both equity and debt financing is required. As part of the funding plan for the project, the debt portion, if applicable, as shown in the plan needs to be backed by appropriate letter from the Bank/ FI
16	Construction of the project (at least 50% as per TFR/ DPR)	within 12 months	Progress report on project	Independent Engineer		-

* Commissioning of project to be covered as a Condition Precedent (CP) under Fuel Supply Agreement (FSA)

List of milestones (to be included in the LOA)- Distillery						
S.No.	Activity/ Milestone	Timeline from the date of LOA	Document to be submitted by the Assured on achievement of milestone	Issuing Authority	Waiver	Explanatory Note
1	Existence of business entity	within 6 months	Certificate of Incorporation/ Commencement of Business Certificate	State Registrar of Companies, Ministry of Company Affairs, Government of India		1) In case of Partnership firm - Copies of the Acknowledgement Receipts of the Income Tax Returns of respective Partners for the immediately preceding financial year. 2) In case of Proprietary firm - Copy of the Acknowledgement Receipt of the Income Tax Return of the Proprietor for the immediately preceding financial year.
2	In-principle letter of approval for the project for which coal is required	within 6 months	Certified copy of the decision of the Board of Directors	Company Secretary under the Company Seal		1) In case of Partnership firm - Partnership Agreement/ Deed duly identifying the business activity for which coal is requested; 2) In case of Proprietary firm - Affidavit undertaking the business activity for which coal is requested
3	Registration/ Industrial Entrepreneurs Memorandum (IEM) Industrial License	within 6 months	Industrial Entrepreneurs Memorandum (IEM) Acknowledgement Letter/ Industrial License	Directorate of Industries State Government (for Small Scale Inds - SSI); Secretariat of Industrial Assistance (SIA) (Ministry of Industry) , Government of India	-	On filing the IEM, an acknowledgement containing the SIA Registration Number, for future reference, is issued. For Small Scale Industries (SSI) IEM can be obtained by State Directorate of Industries. For Medium and Large scale industries it is required by SIA
4	Technical and Feasibility Studies	within 6 months	Techno-economic Feasibility Report(TFR)/ Detailed Project Report(DPR)	Independent Agency/ Expert		The DPR shall essentially contain the technological, infrastructure, market and financial analysis of the project. DPR is critical, especially in light of the fact that the milestones relative to land acquisition would be benchmarked against the area considered in DPR
5	Tax Related (All documents; as applicable)	within 6 months	1. Income Tax registration (Application for PAN / TAN)	Income Tax department	-	-
		within 9 months	2. Registration for Professional Tax	Ministry of Labour	-	-
		within 9 months	3. Sales Tax / VAT registration	Sales Tax Deptt.	-	-
		within 12 months	4. Contract Labor License	Ministry of Labor	-	-
		within 12 months	5. Service tax registration	Service Tax Department	-	-
		within 12 months	6. Import Export Certificate (IEC) (if applicable)	Director General of Foreign Trade	-	-
		within 6 months	1. Registration under the Factory Act, 1948	State Government	-	-
		within 6 months	2. Registration under Customs Act	Commissioner of Customs	-	-
6	Factory Related (All documents; as applicable)	within 6 months	3. Clearance related to hazardous & waste management material handling (if applicable)	MoEF	-	Under, Manufacture, Storage and Import of Hazardous Chemical Rules 1989, amended in 2000.
		within 12 months	4. Registration under PF Act	Ministry of Labour	-	-
		within 12 months	5. Registration under Employee State Insurance Act	Ministry of Labour	-	-
		within 12 months	6. Registration under Workmen Compensation Act	Ministry of Labour	-	-
		within 12 months	7. Registration under Industrial Disputes Act	Ministry of Labour	-	-
		within 6 months	Clearance, if applicable	Central Ground Water Authority (CGWA)	-	-
		within 6 months	Sanction Letter for firm water allocation	State Water Supply Authority	-	-
7	Firm Water Allocation	within 6 months	Sanction Letter for firm water allocation	State Water Supply Authority		In case of utilization of ground water, relevant permission from relevant department of the State Government.
8	Approval of Construction Activity & Building Plan	within 6 months	Approved construction plan by the relevant authority	Town and country planning/ Municipal and local authorities/ Chief Inspector of Factories		-
9	Environment Clearance	within 6 months	Approved Terms of Reference (TOR)	Expert Appraisal Committee (EAC) of MoEF(Central Govt.) for Category 'A' Projects or State Expert Appraisal Committee (SEAC) for Category 'B' Projects (As Applicable)		(A) MOEF Clearance: (i) All molasses based distilleries (ii) All cane juice/ non-molasses based distilleries greater than or equal to 30 KLD.
		within 12 months	Final clearance	MOEF (Central Govt.) for Category 'A' projects or State Environment Impact Assessment Authority (SEIAA) - for category 'B' projects, as applicable		(B) SEIAA Clearance: (i) All cane juice/ non-molasses based distilleries less than 30 KLD
10	Forest Clearance (if applicable)	within 9 months	Forest Clearance	MoEF (Central Government)		It is unlikely that a Distillery unit will be in Forest area and require Forest Clearance. The Distillery unit will generally be located in the agricultural/ within the notified industrial area estates, in case of purchase of land from private owners, change purpose of land is required.
11	Land acquisition (100% of the area, as shown in the TFR/DPR, acquired)	within 9 months	Land Registration Document / Sale deed/ Land lease agreement document	From the competent authority		
12	Permission for land use (in case industry is located outside an industrial area)	within 9 months	Document certifying use of land for industrial purpose	State DI/ Deptt. of Town & Country Planning/ Local Authority/ District Collector		In case the land purchased is outside the industrial area, land use permission and conversion of purpose of land for industrial usage is required.
13	Power Allocation	within 9 months	Load sanction letter	State Electricity Board/ State Distribution Utility		1. In case of Captive Power Plant – Letter of Award for purchase of main plant and equipment 2. In case of Liquid Fuel Power Generator (HSD, FO etc.) Purchase order of the equipment & bills related to purchase of fuel for power generation
14	Funding of investment, as identified in the TFR/DPR	within 9 months	1. Board's resolution on the amount of equity investment in the Project 2. Sanction Letter from the Bank/Financial Institution	Company Secretary under the Company Seal Letter from the Bank/ Financial Institution		In case of Proprietary/ Partnership firm; Bank statements of the Proprietor/ Partners for the last twelve months shall be submitted for justification of the equity commitment Adequate documentary evidence for both equity and debt financing is required. As part of the funding plan for the project, the debt portion, if applicable, as shown in the plan needs to be backed by appropriate letter from the Bank/FI In case of 100% equity investment as mentioned under the DPR; No Sanction Letter from Bank/ Financial Institution is required
15	Order of Plant & Machinery	within 9 months	Copy of Signed Agreement with the Contractor/ Equipment supplier	-		
16	Construction of the project (at least 50% as per TFR/ DPR)	within 9 months	Progress report on project	Independent Engineer		
17	Commissioning of Project	within 12 months	Commissioning certificate of the project	Independent Engineer		

List of milestones (to be included in the LOA)- Engineering						
S.No.	Activity/ Milestone	Timeline from the date of LOA	Document to be submitted by the Assured on achievement of milestone	Issuing Authority	Waiver	Explanatory Note
1	Existence of business entity	within 6 months	Certificate of Incorporation/ Commencement of Business Certificate	State Registrar of Companies, Ministry of Company Affairs, Government of India	1) In case of Partnership firm - Copies of the Acknowledgement Receipts of the Income Tax Returns of respective Partners for the immediately preceding financial year; 2) In case of Proprietary firm - Copy of the Acknowledgement Receipt of the Income Tax Return of the Proprietor for the immediately preceding financial year.	
2	In-principle letter of approval for the project for which coal is required	within 6 months	Certified copy of the decision of the Board of Directors	Company Secretary under the Company Seal	1) In case of Partnership firm - Partnership Agreement/ Deed duly identifying the business activity for which coal is required; 2) In case of Proprietary firm - Affidavit undertaking the business activity for which coal is requested	
3	Registration/ Industrial Entrepreneurs Memorandum (IEM)/ Industrial License	within 6 months	Industrial Entrepreneurs Memorandum (IEM) Acknowledgement Letter/ Industrial License	Directorate of Industries State Government (for Small Scale Inds.-SSI); Secretariat of Industrial Assistance (SIA) (Ministry of Industry) , Government of India	-	On filing the IEM, an acknowledgement containing the SIA Registration Number, for future reference, is issued. For Small Scale Industries (SSI) IEM can be obtained by State Directorate of Industries. For Medium and Large Scale Industries it is required by SIA. The DPR shall essentially contain the technological, infrastructure, market and financial analysis of the project. DPR is critical, especially in light of the fact that the milestones relative to land acquisition would be benchmarked against the area considered in DPR.
4	Technical and Feasibility Studies	within 6 months	Techno-economic Feasibility Report(TFR)/ Detailed Project Report(DPR)	Independent Agency/ Expert	Self-attested DPR in case it is prepared in-house	
5	Tax Related (All documents, as applicable)	within 6 months	1. Income Tax registration (Application for PAN / TAN)	Income Tax department	-	-
		within 9 months	2. Registration for Professional Tax	Ministry of Labour	-	-
		within 9 months	3. Sales Tax / VAT registration	Sales Tax Deptt	-	-
		within 12 months	4. Contract Labor License	Ministry of Labor	-	-
		within 12 months	5. Service tax registration	Service Tax Department	-	-
		within 12 months	6. Import Export Certificate (IEC) (if applicable)	Director General of Foreign Trade	-	-
6	Factory Related (All documents, as applicable)	within 6 months	7. Registration under the Factory Act, 1948	State Government	-	-
		within 6 months	8. Registration under Customs Act	Commissioner of Customs	-	-
		within 6 months	3. Clearance related to hazardous & waste management material handling (if applicable)	MoEF	-	-
		within 12 months	4. Registration under PF Act	Ministry of Labour	-	-
		within 12 months	5. Registration under Employee State Insurance Act	Ministry of Labour	-	-
		within 12 months	6. Registration under Workmen Compensation Act	Ministry of Labour	-	-
		within 12 months	7. Registration under Industrial Disputes Act	Ministry of Labour	-	-
within 6 months	9. Clearance, if applicable	Central Ground Water Authority (CGWA)	-	-		
7	Firm Water Allocation	within 6 months	Sanction Letter for firm water allocation	State Water Supply Authority	In case of utilization of ground water, relevant permission from relevant department of the State Government.	
8	Approval of Construction Activity & Building Plan	within 6 months	Approved construction plan by the relevant authority	Town and country planning Municipal and local authorities/ Chief Inspector of Factories	-	
9	Land acquisition (100% of the area, as shown in the TFR/DPR, acquired)	within 9 months	Land Registration Document / Sale deed/ Land lease agreement document	From the competent authority	-	In case the land purchased is outside the industrial area, land use permission and conversion of purpose of land for industrial usage is required.
10	Permission for land use (in case industry is located outside an industrial area)	within 9 months	Document certifying use of land for industrial purpose	State Dt/ Deptt. of Town & Country Planning/ Local Authority/ District Collector	-	
10	Environment Clearance	within 6 months	Approved Terms of Reference (TOR)	Expert Appraisal Committee (EAC) of MoEF (Central Govt) for Category 'A' Projects or State Expert Appraisal Committee (SEAC) for Category 'B' Projects (As Applicable)	-	The laundry and forging units are categorised according to the processing capacity
11	Forest Clearance (if applicable)	within 9 months	Final clearance	MoEF (Central Govt.) for Category 'A' projects or State Environment Impact Assessment Authority (SEIAA) - for category 'B' projects, as applicable.	-	
11	Forest Clearance (if applicable)	within 9 months	Forest Clearance	MoEF (Central Government)	-	It is unlikely that a Engg. plant will be in Forest area and require Forest Clearance. The industry would generally be located within the notified industrial area estates.
12	Power Allocation	within 9 months	Load sanction letter	State Electricity Board/ State Distribution Utility	1. In case of Captive Power Plant - Letter of Award for purchase of main plant and equipment 2. In case of Liquid Fuel Power Generator (HSD, FO etc.) Purchase order of the equipment & bills related to purchase of fuel for power generation	
13	Funding of investment, as identified in the TFR/DPR	within 9 months	1. Board's resolution on the amount of equity investment in the Project 2. Sanction Letter from the Bank/Financial Institution	Company Secretary under the Company Seal Letter from the Bank/ Financial Institution	In case of Proprietary Partnership firm, Bank statements of the Proprietor/ Partners for the last twelve months shall be submitted for justification of the equity commitment. In case of 100% equity investment as mentioned under the DPR, No Sanction Letter from Bank/ Financial Institution is required	Adequate documentary evidence for both equity and debt financing is required. As part of the funding plan for the project, the debt portion, if applicable, as shown in the plan needs to be backed by appropriate letter from the Bank/FI
14	Order of Plant & Machinery	within 9 months	Copy of Signed Agreement with the Contractor/ Equipment supplier	-	-	
15	Construction of the project (at least 50% as per TFR/ DPR)	within 9 months	Progress report on project	Independent Engineer	-	

Commitment of project to be covered as a Condition Precedent (CP) under Fuel Supply Agreement (PSA)

List of milestones (to be included in the LOA)- Foundry						
S.No.	Activity/ Milestone	Timeline from the date of LOA	Document to be submitted by the Assured on achievement of milestone	Issuing Authority	Waival	Explanatory Note
1	Existence of business entity	within 6 months	Certificate of Incorporation/ Commencement of Business Certificate	State Registrar of Companies, Ministry of Company Affairs, Government of India	-	1) In case of Partnership firm - Copies of the Acknowledgement Receipts of the Income Tax Returns of respective Partners for the immediately preceding financial year; 2) In case of Proprietary firm - Copy of the Acknowledgement Receipt of the Income Tax Return of the Proprietor for the immediately preceding financial year.
2	In-principle letter of approval for the project for which coal is required	within 6 months	Certified copy of the decision of the Board of Directors	Company Secretary under the Company Seal	-	1) In case of Partnership firm - Partnership Agreement/ Deed duly identifying the business activity for which coal is requested; 2) In case of Proprietary firm - Affidavit undertaking the business activity for which coal is requested
3	Registration/ Industrial Entrepreneurs Memorandum (IEM)/ Industrial License	within 6 months	Industrial Entrepreneurs Memorandum (IEM) Acknowledgement Letter/ Industrial License	Directorate of Industries State Government (for Small Scale Inds.-SSI); Secretariat of Industrial Assistance (SIA) (Ministry of Industry), Government of India	-	On filing the IEM, an acknowledgement containing the SIA Registration Number, for future reference, is issued. For Small Scale Industries (SSI) IEM can be obtained by State Directorate of Industries, For Medium and Large scale industries it is required by SIA
4	Technical and Feasibility Studies	within 6 months	Techno-economic Feasibility Report(TFR)/ Detailed Project Report(DPR)	Independent Agency/ Expert	-	The DPR shall essentially contain the technological, infrastructure, market and financial analysis of the project. DPR is critical, especially in light of the fact that the milestones relative to land acquisition would be benchmarked against the area considered in DPR
5	Tax Related (All documents; as applicable)	within 6 months	1. Income Tax registration (Application for PAN / TAN)	Income Tax department	-	-
		within 9 months	2. Registration for Professional Tax	Ministry of Labour	-	-
		within 9 months	3. Sales Tax / VAT registration	Sales Tax Deptt.	-	-
		within 12 months	4. Contract Labor License	Ministry of Labor	-	-
		within 12 months	5. Service tax registration	Service Tax Department	-	-
		within 12 months	6. Import Export Certificate (IEC) (if applicable)	Director General of Foreign Trade	-	-
6	Factory Related (All documents; as applicable)	within 6 months	1. Registration under the Factory Act, 1948	State Government	-	-
		within 6 months	2. Registration under Customs Act	Commissioner of Customs	-	-
		within 6 months	3. Clearance related to hazardous & waste management material handling (if applicable)	MoEF	-	Under, Manufacture, Storage and Import of Hazardous Chemical Rules 1989, amended in 2000.
		within 12 months	4. Registration under PF Act	Ministry of Labour	-	-
		within 12 months	5. Registration under Employee State Insurance Act	Ministry of Labour	-	-
		within 12 months	6. Registration under Workmen Compensation Act	Ministry of Labour	-	-
7	Firm Water Allocation	within 12 months	7. Registration under Industrial Disputes Act	Ministry of Labour	-	-
		within 6 months	Clearance, if applicable	Central Ground Water Authority (CGWA)	-	-
		within 6 months	Sanction Letter for firm water allocation	State Water Supply Authority	-	In case of utilization of ground water, relevant permission from relevant department of the State Government.
8	Approval of Construction Activity & Building Plan	within 6 months	Approved construction plan by the relevant authority	Town and country planning/ Municipal and local authorities/ Chief Inspector of Factories	-	-
9	Land acquisition (100% of the area, as shown in the TFR/DPR, acquired)	within 9 months	Land Registration Document / Sale deed/ Land lease agreement document	From the competent authority	-	-
10	Permission for land use (in case industry is located outside an industrial area)	within 9 months	Document certifying use of land for industrial purpose	State D/ Deptt. of Town & Country Planning/ Local Authority/ District Collector	-	In case the land purchased is outside the industrial area, land use permission and conversion of purpose of land for industrial usage is required.
10	Environment Clearance	within 6 months	Approved Terms of Reference (TOR)	Expert Appraisal Committee (EAC) of MoEF(Central Govt.) for Category 'A' Projects or State Expert Appraisal Committee (SEAC) for Category 'B' Projects (As Applicable)	-	The foundry and forging units are categorised according to the processing capacity
		within 9 months	Final clearance	MoEF (Central Govt.) for Category 'A' projects or State Environment Impact Assessment Authority (SEIAA) - for category 'B' projects, as applicable	-	It is unlikely that a Foundry plant will be in Forest area and require Forest Clearance. The industry would generally be located within the notified industrial area/ estates.
11	Forest Clearance (if applicable)	within 9 months	Forest Clearance	MoEF (Central Government)	-	It is unlikely that a Foundry plant will be in Forest area and require Forest Clearance. The industry would generally be located within the notified industrial area/ estates.
12	Power Allocation	within 9 months	Load sanction letter	State Electricity Board/ State Distribution Utility	-	1. In case of Captive Power Plant – Letter of Award for purchase of main plant and equipment 2. In case of Liquid Fuel Power Generator (HSD, FO etc.) Purchase order of the equipment & bills related to purchase of fuel for power generation
13	Funding of investment, as identified in the TFR/DPR	within 9 months	1. Board's resolution on the amount of equity investment in the Project	Company Secretary under the Company Seal	-	In case of Proprietary/ Partnership firm, Bank statements of the Proprietor/ Partners for the last twelve months shall be submitted for justification of the equity commitment
			2. Sanction Letter from the Bank/Financial Institution	Letter from the Bank/ Financial Institution	-	In case of 100% equity investment as mentioned under the DPR; No Sanction Letter from Bank/ Financial Institution is required
14	Order of Plant & Machinery	within 9 months	Copy of Signed Agreement with the Contractor/ Equipment supplier	-	-	Adequate documentary evidence for both equity and debt financing is required. As part of the funding plan for the project, the debt portion, if applicable, as shown in the plan needs to be backed by appropriate letter from the Bank/ FI
15	Construction of the project (at least 50% as per TFR/ DPR)	within 9 months	Progress report on project	Independent Engineer	-	-
16	Commissioning of Project	within 12 months	Commissioning certificate of the project	Independent Engineer	-	-

List of milestones (to be included in the LOA)- Generic Milestones of Other Industries						
S.No.	Activity/ Milestone	Timeline from the date of LOA	Document to be submitted by the Assured on achievement of milestone	Issuing Authority	Waiver	Explanatory Note
1	Existence of business entity	within 6 months	Certificate of Incorporation/ Commencement of Business Certificate	State Registrar of Companies, Ministry of Company Affairs, Government of India	1) In case of Partnership firm - Copies of the Acknowledgement Receipts of the Income Tax Returns of respective Partners for the immediately preceding financial year; 2) In case of Proprietary firm - Copy of the Acknowledgement Receipt of the Income Tax Return of the Proprietor for the immediately preceding financial year.	
2	In-principle letter of approval for the project for which coal is required	within 6 months	Certified copy of the decision of the Board of Directors	Company Secretary under the Company Seal	1) In case of Partnership firm - Partnership Agreement/ Deed duly identifying the business activity for which coal is requested; 2) In case of Proprietary firm - Affidavit undertaking the business activity for which coal is requested	
3	Registration/ Industrial Entrepreneurs Memorandum (IEM)/ Industrial License	within 6 months	Industrial Entrepreneurs Memorandum (IEM) Acknowledgement Letter/ Industrial License	Directorate of Industries State Government (for Small Scale Inds. - SSI); Secretariat of Industrial Assistance (SIA) (Ministry of Industry), Government of India	-	On filing the IEM, an acknowledgement containing the SIA Registration Number, for future reference, is issued. For Small Scale Industries (SSI) IEM can be obtained by State Directorate of Industries, For Medium and Large scale industries it is required by SIA
4	Technical and Feasibility Studies	within 6 months	Techno-economic Feasibility Report(TFR)/ Detailed Project Report(DPR)	Independent Agency/ Expert	Self-attested DPR in case it is prepared in-house	The DPR shall essentially contain the technological, infrastructure, market and financial analysis of the project. DPR is critical, especially in light of the fact that the milestones relative to land acquisition would be benchmarked against the area considered in DPR
5	Tax Related (All documents; as applicable)	within 6 months	1. Income Tax registration (Application for PAN / TAN)	Income Tax department	-	-
		within 8 months	2. Registration for Professional Tax	Ministry of Labour	-	-
		within 9 months	3. Sales Tax / VAT registration	Sales Tax Deptt.	-	-
		within 12 months	4. Contract Labor License	Ministry of Labor	-	-
		within 12 months	5. Service tax registration	Service Tax Department	-	-
		within 12 months	6. Import Export Certificate (IEC) (if applicable)	Director General of Foreign Trade	-	-
6	Factory Related (All documents; as applicable)	within 6 months	1. Registration under the Factory Act, 1948	State Government	-	-
		within 6 months	2. Registration under Customs Act	Commissioner of Customs	-	-
		within 6 months	3. Clearance related to hazardous & waste management material handling (if applicable)	MoEF	-	Under, Manufacture, Storage and Import of Hazardous Chemical Rules 1989, amended in 2000.
		within 12 months	4. Registration under PF Act	Ministry of Labour	-	-
		within 12 months	5. Registration under Employee State Insurance Act	Ministry of Labour	-	-
		within 12 months	6. Registration under Workmen Compensation Act	Ministry of Labour	-	-
		within 12 months	7. Registration under Industrial Disputes Act	Ministry of Labour	-	-
7	Firm Water Allocation	within 6 months	Clearance, if applicable	Central Ground Water Authority (CGWA)	-	-
8	Approval of Construction Activity & Building Plan	within 6 months	Sanction Letter for firm water allocation	State Water Supply Authority	In case of utilization of ground water, relevant permission from relevant department of the State Government.	-
9	Land acquisition (100% of the area, as shown in the TFR/DPR, acquired)	within 9 months	Approved construction plan by the relevant authority	Town and country planning/ Municipal and local authorities/ Chief Inspector of Factories	-	-
10	Permission for land use (in case industry is located outside an industrial area)	within 9 months	Land Registration Document / Sale deed/ Land lease agreement document	From the competent authority	-	In case the land purchased is outside the industrial area, land use permission and conversion of purpose of land for industrial usage is required.
11	Environment Clearance	within 6 months	Document certifying use of land for industrial purpose	State D/ Dept. of Town & Country Planning/ Local Authority/ District Collector	-	-
		within 9 months	Approved Terms of Reference (TOR)	Expert Appraisal Committee (EAC) of MoEF(Central Govt.) for Category 'A' Projects or State Expert Appraisal Committee (SEAC) for Category 'B' Projects (As Applicable)	In case no EIA is required : NoC from State Pollution Control Board for air pollution, water pollution etc. may be submitted.	-
12	Forest Clearance (if applicable)	within 9 months	Final clearance	MOEF (Central Govt.) for Category 'A' projects or State Environment Impact Assessment Authority (SEIAA) - for category 'B' projects, as applicable	-	-
13	Power Allocation	within 9 months	Forest Clearance	MoEF (Central Government)	1. In case of Captive Power Plant – Letter of Award for purchase of main plant and equipment 2. In case of Liquid Fuel Power Generator (HSD, FO etc.) Purchase order of the equipment & bills related to purchase of fuel for power generation	-
14	Funding of investment, as identified in the TFR/DPR	within 9 months	Load sanction letter	State Electricity Board/ State Distribution Utility	In case of Proprietary/ Partnership firm; Bank statements of the Proprietor/ Partners for the last twelve months shall be submitted for	Adequate documentary evidence for both equity and debt financing is required. As part of the funding plan for the project, the debt portion, if applicable, as shown in the plan needs to be backed by appropriate letter from the Bank/FI
15	Order of Plant & Machinery	within 9 months	1. Board's resolution on the amount of equity investment in the Project	Company Secretary under the Company Seal	In case of 100% equity investment as mentioned under the DPR; No Sanction Letter from Bank/ Financial Institution is required	-
16	Construction of the project (at least 50% as per TFR/ DPR)	within 9 months	2. Sanction Letter from the Bank/Financial Institution	Letter from the Bank/ Financial Institution	-	-
17	Commissioning of Project	within 12 months	Copy of Signed Agreement with the Contractor/ Equipment supplier	-	-	-
			Progress report on project	Independent Engineer	-	-
			Commissioning certificate of the project	Independent Engineer	-	-