

## Jindal Power Ltd. Spokesperson

- We came to know about the decision past midnight. The reason cited being “the highest bidder doesn’t reflect fair value”, which we fail to understand as our bid was much below the ceiling price during the reverse auction process.
- We had followed a consistent and prudent bidding strategy throughout the Coal Block Auction process, with a serious long term business perspective.
- The coal block auctions for Gare Palma IV / 2 & 3 and Tara Coal Block saw participation from 11 power producers (highest for any Schedule II Coal Blocks) and 10 power producers respectively.
- The **effective value of our bid for Gare Palma IV/2 & 3 stands at Rs 808 per ton**, duly factoring the **complete discount on the Ceiling Price of Rs. 700 per ton** and Additional Premium of Rs. 108 per ton.
- The **effective value of our bid for Tara stands at Rs. 1096 per ton**, duly factoring the **complete discount on the Ceiling Price of Rs. 970 per ton** and a Additional Premium of Rs. 126 per ton.
- **Direct Tariff benefit of approximately Rs. 27,660 crore would be accrued based on our bid.** (Rs. 11,469 crore from Gare Palma IV/2 & 3 and Rs. 16,191 crore from Tara Coal Block respectively)
- **State of Chhattisgarh would have earned revenue of Rs. 3782 crore** based on the highest bid price for the two blocks.
- **State of Chhattisgarh would have accrued Additional Tariff Benefit estimated around Rs. 13,682 crore**, as applicable for power producers with captive coal mines.
- **Estimated Royalties of Rs. 3790 crore would have been accrued from the two coal blocks.**
- **Government could have earned revenues of around Rs. 9658 crore from Taxes and Cess**, based on conservative estimates under currently applicable framework.
- **The Gross Value of the Bid** (Ceiling Price + Highest Bid Price + Tariff Benefit to Consumers + Additional Tariff Benefit to Chattisgarh + Taxes & Cess) **is pegged at upto Rs. 58,572 crore.**
- **We are puzzled with the decision and would make our best efforts to engage in a dialogue with the Coal Ministry and Government Authorities to present the facts.**
  - *As per policy of Chattisgarh state government, a power plant with a captive coal mine needs to supply 7.5% of net power generated to Government of Chattisgarh at Energy Charge.*

### **Jindal Power Limited**

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