

## Auction of Coal Linkage for Steel(coking) subsector under Tranche VII

Date:13.09.2024

### Clarification regarding the Bid documents

Sl. No.	Question	Answer
1.	Whether the lead member can transfer the middlings by-product and/or Washery Rejects to other member of the consortium at cost which can be reimbursed by the respective members?	As per the scheme, the consortium is the bidder. The consortium may include a maximum of 3 members including one blast furnace plant/unit (lead member) and one or two middling consuming units. The Scheme document enables the middling consuming units (members other than Lead Member) of the consortium to use the by-product and/or Washery Rejects. However, the terms of such transfer among the consortium members is not under the purview of the Steel(coking) Tranche VII bid documents.
2.	In case of a consortium if the bill/invoice on account of Raw Coal is raised in favour of the Lead Member, what financial treatment will be given to the coal middlings by-product and/or Washery Rejects which will be transferred by the lead member to the other member of the Consortium?	
3.	Is lifting of coal by products by consortium partner will attract Related Party Transaction regulations as the coal will be transferred at cost and not at market price.	
4.	Whether there will be any sale of coal and/or middlings by-product and/or Washery Rejects between the members of the consortium?	
5.	In case of a consortium, in whose favour, Bill/Invoice on account of Raw Coal will be raised by CIL/BCCL?	The lead member of a consortium is the Blast furnace Unit producing Steel. Post signing of FSA by all consortium members, commercial and operational compliances are to be carried out by the Lead member on behalf of the consortium(bidder). Therefore, the coal company will raise the bill to the Lead member on account of the consortium(bidder).
6.	Can the Bill/Invoice be raised in joint name of the members of the Consortium?	
7.	Since the contract for FSA is for 15 years is there any possibility to change the consortium partner during the FSA period?	No such provision is there in the bid documents.
8.	Do we get exemption under Clause no. "4" of Scheme document wherein it is mentioned that "Bid/ registration should contain the information required for each member of the Consortium" since the consortium is yet to be formed but blast furnace is willing to procure linkage?	The details of consortium members are to be mandatorily declared at the time of registration for participation.
9.	Blast Furnace Capacity: Only 3 units allowed in portal, please increase the limit up to 6-7.	Any number of blast furnace units of a Steel plant (of single owner in same location or in geographically different location) can be registered in a single registration. In case of consortium, maximum number of consortium member is 3 wherein only blast furnace plant of a single owner (any number of units) can register as Lead member

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		and the rest of the two members will be middling consuming plant.
10.	Given the grade options for FSA, it is cleared that we are required to enter FSA w.r.t. Coking Coal only. Is our understanding correct? Do we need to enter FSA for thermal coal, then please provide the option in the portal.	Only coking coal FSAs secured under Steel(coking) subsector of NRS Linkage auction are required to be mentioned in the portal as per Scheme provision.
11.	Request for Demo	Demo auction will be conducted by auction service provider