

COAL INDIA LIMITED

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Corporate

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Date: 04.08.16

Notice

Subject:

Modalities for Exclusive E-auction for 2016-17 for Non- Power consumers

(including CPPs) - Phase 1

Exclusive E-auction for 2016-17 for Non-Power consumers (including CPPs) - Phase I (3 monthly auction: Aug'16 — Oct'16) will be conducted as per the terms and conditions followed for Exclusive E-auction Scheme 2015-16 under some modified modalities for operative convenience as part of 'ease of business' at CIL. The modalities for Exclusive E-auction 2016-17 Phase I will stand modified to the following extent.

- 1. The reserve price will remain at 10% over the notified price of coal for non-power sector. This, however, is applicable to G6 and below grades of coal. For WCL only, the reserve price will be at par with the notified price of coal for all grades.
- 2. Subsidiary Coal Companies shall notify the final Source and Grade wise reserve price of coal on their respective websites and convey the same to respective service providers with copy to CIL.
- 3. Bidders will have to bid for Source-wise grade-wise quantity in aggregate. Validity of lifting against successful quantity against any month (Aug'16, Sept'16 and Oct'16) will be up to 6 months on rolling basis. The validity period for all road borne lifting shall be till the end of 6 months for lifting of coal against booking of each month. The validity period for lifting of coal shall be 45 days more than the period of 6 months for payment against the last month of the 6 months period. For Rail supply, validity for taking allotment will be within 30 days of the last date of paying installments of coal value for the month by buyers and supply will be made as per extant Railway rules.
- 4. Bidders after successful bidding will give a declaration to respective Coal Company on distribution of quantity bided in three monthly installments for Aug'16, Sept'16 and Oct'16 (period of auction of Phase-I) within 7 days of auction. However, distribution can be recasted if needed, based on mutual consent of buyer and seller.
- 5. In case of non-submission of distribution of monthly quantity for Aug'16, Sept' 16 and Oct'16 by the bidders, Coal Company will distribute the quantity booked in equal monthly installments for 3 months.
- 6. There will be flexibility in monthly coal value deposition for the lifting period of 6 months for the scheduled quantity of every month of 3 months (Aug'16, Sept' 16 and Oct'16) as per mutually agreed terms.

- 7. Payment of coal value for supply in a month to be made on monthly basis in two instalments as per bidder's choice. The first instalment to be deposited within 10 working days of start of the month and the second instalment at the end of the month However for any rescheduling of payment by successful bidder for the first month i.e. August, 16, if needed, Coal Company may decide the dates of payment in consultation with successful bidder.
- 8. In case of default on part of Bidder to deposit coal value of any month, the proportionate EMD shall be forfeited. However, the Monthly Scheduled Quantity can be revised on mutual consent of Buyer and seller.
- 9. All interested registered consumers shall be required to deposit in advance non-interest bearing EMD with respective service provider for such an amount as would cover 10% of the reserve price (of e-Auction concerned) in terms of basic price of coal exclusive of taxes, duties and other charges as applicable before participating in Exclusive e-Auction. This may be paid upfront by way of Bank Draft / Bankers P.O or by way of e-transfer. Participants will have the option of submission of EMD in the form of Bank Guarantee (BG), the details of which will be uploaded shortly along with the BG format.
- 10. The EMD of the prospective bidders under CPP category, already submitted, to the respective service provider for participating in the Special Forward E-auction for power producers 2016-17 Phase-I may get transferred as EMD of Exclusive E-auction 2016-17 Phase-I. Such CPPs would be required to submit an application to the service provider stating that they are interested in participating in Exclusive e-auction 2016-17 Phase I using their existing registration. However, their existing registration can be used subject to fulfillment of the registration requirement as is mandatorily required under the Exclusive e-auction Scheme. Such CPPs would also have option of registering afresh with the service provider under Exclusive e-auction Scheme. Bidders who have already registered for participating in the Exclusive E-auction 2015-16 shall be eligible to participate in Exclusive E-Auction 2016-17 subject to deposition of required EMD.
- 11. (i) Wherever the State Pollution Control Board is not specifying the validity of the certificate issued by them to the unit or in other words have issued the open ended certificate such a certificate will be considered acceptable and intimation will be sent to the authority responsible for issuance of Pollution Certificate in the State.
 - (ii) For the purpose of registration consumers who are yet to receive Pollution Certificate in spite of having applied for the same may furnish evidence by producing certified copy of payment receipts I acknowledgements etc. for such applications made to the pollution control authority. However, before participating into the bidding they will have to produce either the valid Pollution Certificate or a "No Objection" for consuming coal issued by the Pollution control Board/ authority to which application for pollution certificate had been made.
 - (iii) The bidders whose Consent to Operate (CTO) has expired or is going to expire within the pendency of lifting and who are yet to receive valid NOC from the respective State Pollution Control Board against their renewal of CTO application already made are required to furnish the proof of application to the State Pollution Control Board along with an affidavit that the copy of Original Certificate will be submitted within 3 months from the date of expiry of CTO.

(iv) The affidavit already submitted by the CPP bidders for participating in the earlier phases of Special Forward E-auction need to submit the copy of the earlier affidavit duly notarized. These documents should be submitted at least one working day before the date of auction. Those bidders whose CTO will expire during the pendency of lifting and who are yet to apply to the respective State Pollution Control Board for their renewal of CTO will submit an undertaking (in form of affidavit duly notarized) stating that they will submit the copy of application documents for renewal of CTO to the respective State Pollution Control Board under an affidavit declaring that the original CTO will be submitted within 3 months from the date of expiry of the CTO

General Manager S&R

Distribution,

for uploading on respective websites:

- 1. GM (System), CIL for uploading on respective websites and further action with an advice to notify the final sourcewise grade-wise details of reserve price on immediate basis:
- 2. GM(S&M) BCCL/CCL/WCL/NCL /SECL/MCL for uploading on respective websites and further action:
- 3. M/s MSTC Ltd.
- 4. M/s Mjunction Services Ltd.

Copy for information to:

- 5. TS to Chairman, CIL
- 6. TS to Director (M), CIL