


<p>कोल इंडिया लिमिटेड विपणन तथा विक्रय विभाग कोल भवन, प्रांगण सं 04 एमएआर, प्लॉट सं - एएफ-III, एक्शन एरिया - 1ए न्यू टाउन, राजरहाट, कोलकाता- 700 156 फोन: 033-23244214, फैक्स: 033-23244229 सीआईएन: L23109WB1973GO1028844 ईमेल : eauction.cil@coalindia.in वेबसाइट : www.coalindia.in</p>		<p>COAL INDIA LIMITED MARKETING AND SALES DEPARTMENT</p> <p>COAL BHAWAN, PREMISE NO- 04 MAR PLOT- NO -AF-III, ACTION AREA-1A, NEWTOWN, RAJARHAT, KOLKATA -700 156 Ph:033-23244214, Fax: 033-23244229 CIN: L23109WB1973GO1028844 E-MAIL : eauction.cil@coalindia.in WEBSITE : www.coalindia.in</p>
---	---	--

CIL/M&S/Single e-auction/ 394

Date: 22.09.2022

NOTICE

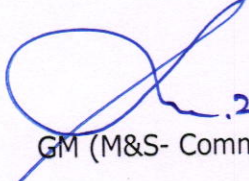
The Cabinet Committee of Economic Affairs (CCEA), in their meeting held on 26.02.2022, approved for Single window mode agnostic e-auction policy clubbing all existing sector specific e-auction windows. MoC vide reference no. CPD-23011/18/2021-CPD dated 21.03.2022 circulated the new e-auction policy guideline in this regard.

A new e-auction scheme namely 'CIL e-auction Scheme 2022' has been developed in terms of the new policy. Coal India Limited and its subsidiary coal companies is going to commence e-auctioning of coal in accordance with the new Single window mode agnostic e-auction policy & Scheme, shortly. The 'CIL e-auction Scheme 2022' is enclosed along with a brief note on the salient features of the scheme.

It may be noted that existing registered bidders with e-auction service providers shall not be required to do fresh registration for participating under the new e-auction scheme.

Coal companies/ CIL will also be organising customer awareness meetings to highlight the modalities and key features of the scheme, shortly. Prospective bidders are requested to attend the meetings for understanding of the new e-auction scheme.

Encl: as above


 22/9/2022
 GM (M&S- Comm)

Distribution to:

- Director (Marketing)
- ED(Coordination), CIL
- ED(Marketing & Logistics), CIL
- GM(Systems), CIL- for uploading of notice on CIL's website

Copy to: For uploading in respective website

- GM/HOD(M&S): ECL/BCCL/CCL/NCL/WCL/SECL/MCL/NEC
- MSTC Ltd.
- MJunction Services Limited

Salient points of the modalities for Single Window transport mode agnostic e Auction

Model for transport mode agnostic e auction:

- Two stage auction process.
- First stage will identify the successful bidder, quantity, price along with bid seniority.
- Second stage will fix mode of supply through a system driven algorithm on the basis of choice of mode and loading points submitted by the bidder and bid seniority arrived in the first stage.

First Stage:

• **Offer structure:**

➤ **Source of Supply :**

- Offer to be made in cluster consisting of one or more CIL Railway loading point(s) and one or more feeding collieries(Road loading points).
- Collieries presently having no transportation facility to railway siding may be offered as single source cluster with Road mode of dispatch with option of lifting through RCR mode .

➤ **Offer Quantity:** The coal company will offer the total quantity of the cluster to be put under auction mentioning maximum evacuation capacity for each loading point.

➤ **Representative Grade:** Lowest grade of the feeding Road despatch points and declared grade(s) of the siding(s) if any.

➤ **Floor price:** The floor price(reserve price) shall be based on the applicable non power notified price of the representative Grade & Size.

• **Auction methodology:**

➤ The present auction methodology of quantity, bid price based bidding will continue.

➤ Each bidder shall be allowed to place single bid against each Cluster. However, the bidder may place improved bid once out bided.

➤ The seniority of the bid will continue to be determined on the basis of price, quantity & time and the logic is as under:

- (a) Precedence will be accorded to the highest Bid price in the descending order (H1, H2, H3 and so on) as long as the offered quantity is available for allocation.
- (b) If two or more Buyers Bid the same highest price, precedence for allotment will be accorded to the Buyer who has placed the Bid for the higher quantity.
- (c) In case two or more Buyers Bid the same price and the same quantity, precedence will be given to the Buyer who has accorded his Bid first with reference to time.

- On completion of the auction, the provisionally successful bidder shall be intimated about cluster wise winning bid quantity, bid price and bid seniority along with the date and time of Second stage of auction process, by the service provider.

Second Stage:

- After first stage, a window of 6 hours, will be provided to the provisionally successful bidders to register their choice of mode and order of preference of the sources for Rail and Road modes.
- The bidder choice will be obtained in the following manner:

Sl.	Choice	1st option	2nd option	Order of preference of Rail loading points	Order of preference of Road loading points of cluster
A	No Choice	Rail(by default)	-	The order of Rail loading points of notification shall be the default of preference	
B	Rail	Rail	-		√
C	Rail/Road	Rail	Road	√	√
D	Road/Rail	Road	Rail	√	√
E	Road	Road	-		√

Guideline for submitting choice by bidder:

- ❖ The bidders not registering their choice (A above) and registering mode of Choice as 'Rail' (B above) should have a successful bid quantity in multiple of rake fit quantity(4000 tes). In case the bid quantity is not in multiple of rake fit size and the bidder opt for (A) or (B) above, the equivalent Bid Security for the quantity for which rake cannot be formed will stand forfeited.
- ❖ The bidders should compulsorily register their order of preference for all the loading points of Rail and Road mode, as the case may be, for multiple rail/road point offer.
- ❖ Once a bidder submits his choice following the above guideline, Bid Security will not liable to be forfeited in case coal could not be allotted(wholly/partially) due to non-availability of mode/ source-wise offer quantity.
- Logic of the algorithm is as under:
 - ❖ Allocation of the quantity loading point wise will be based on seniority of the bid and choice of mode. In case of multiple loading points within a mode the order of preference of loading points provided by provisionally successful bidder of first stage of auction will be considered. However, the total allocated quantity on any individual loading point shall be to the extent of the capacity of evacuation of that loading point.
 - ❖ For the customers who would not register any choice, Rail mode, being the default mode, will be considered as the choice of supply. In case of multiple Rail loading points, the sequence of loading points of notification will be considered as the order of preference in such case.
 - ❖ The allocation of mode and loading points will be done in the following manner.
 - The bid having the highest seniority will be allocated first considering order of mode and preference of loading points.
 - Once the allocation for the senior most bid is made, allocation for the second senior most bidder will be taken up and so on.

- Allocation of individual loading points, both Rail and Road, will be made to the extent of evacuation capacity indicated in the offer.
- After the above processes, if some quantity of the bidder remains unallocated, equivalent Bid security will be refunded to the concerned bidder by the service provider.

Post auction actions: The service provider shall send the allocation details mentioning % premium over notified price for each bid to the respective coal company and to individual successful bidder.

- Post auction processes:

- From the bid price, % premium over the notified price of the representative grade shall be derived.
- In case the grade of the despatch point is different from that of the representative grade, the percentage premium over notified price of the representative grade will be applied on the notified price of the grade of despatch point to arrive at bid price.
- In case Steam coal is allotted for auctions held on the representative size of ROM coal, the % premium derived will also be applicable over the price differential between ROM & Steam coal.
- The successful bidder will be depositing the balance coal value (over and above the Bid Security submitted) and this will include applicable transportation charge, sizing charge, any other charge.
- Although the auction will be held on the representative grade and size, the successful bidder shall be bound to accept coal for any grade and size from the allotted source within the cluster.

Illustration of the algorithm of second stage of auction process:

Total Offer of cluster: **380000 tes**,

Evacuation capacity of loading points:

Rail siding R1: 100000 tes; Rail siding R2: 140000 tes

Road loading points: C1:50000 tes C2:70000 tes, C3: 80000 tes

Total successful bid: **379000 tes**.

Bid seniority	Winning qty(tes)	Choice	Order of source preference	Loading point wise allocation	Loading pointwise residual qty	Allotted qty Rail	Allotted qty Road	Total Allotted qty	Qty remain unallocated
1	60000	Road/Rail	C1,C2,C3 R1,R2	C1-50000, C2-10000	R1-100000 R2-140000 C1-NIL, C2-60000, C3-80000		60000	60000	0
2	30000	Rail/Road	R2,R1 C3,C1,C2	R2-28000 C3-2000	R1-100000 R2-112000 C1-NIL, C2-60000, C3-78000	28000	2000	30000	0
3	67000	Road/Rail	C1,C2,C3 R1,R2	C2-60000, C3-7000	R1-100000 R2-112000 C1-NIL, C2-NIL, C3-71000		67000	67000	0
4	68000	No Choice	R1,R2	R1-68000	R1-32000 R2-112000 C1-NIL, C2-NIL, C3-71000	68000		68000	0
5	10000	Road	C3,C2,C1	C3-10000	R1-32000 R2-112000 C1-NIL, C2-NIL, C3-61000		10000	10000	0
6	18000	Road	C1,C3,C2	C3-18000	R1-32000 R2-112000 C1-NIL, C2-NIL, C3-43000		18000	18000	0
7	24000	Rail	R2,R1	R2-24000	R1-32000 R2-88000 C1-NIL, C2-NIL, C3-43000	24000		24000	0
8	52000	Road/Rail	C2,C3,C1 R1,R2	C3-43000 R1-8000	R1-24000 R2-88000 C1-NIL, C2-NIL, C3-NIL	8000	43000	51000	1000
9	42000	Rail/Road	R1,R2 C2,C3,C1	R1-24000 R2-16000	R1-NIL R2-72000 C1-NIL, C2-NIL, C3-NIL	40000		40000	2000
10	8000	Road/Rail	C1,C2,C3 R2,R1	R2-8000	R1-NIL R2-64000 C1-NIL, C2-NIL, C3-NIL	8000		8000	0
Total	379000					176000	200000	376000	3000

CIL e-Auction Scheme 2022

Background: The policy for e-auctioning of coal through a single window mode agnostic offer has been introduced in terms of MoC guidelines circulated vide letter no. CPD-23011/18/2021-CPD dated 21.03.2022 on approval from Cabinet Committee of Economic Affairs(CCEA).

Objective: E-auction of coal will facilitate easy availability of coal through a simple, transparent and consumer friendly on line system to all sections of coal Buyers across the country.

Terms & Conditions

1. Eligibility:

1.1 Any Indian Buyer (viz. individual, partnership firm, companies etc.) can participate in e-Auction for procurement of coal.

1.2 Before the bid is accepted, the bidder shall pay in full all sums of money due to the seller in regard to any previous supply of coal to the bidder. If there are any arrears the seller shall be entitled not to consider such bids.

2. Registration:

2.1 Before participation in the e-Auction, a prospective Buyer shall be required to get itself / himself registered with the Service Provider appointed by the CIL / Coal Companies for the purpose, by submitting an application in the prescribed format available on the Website of the Service Provider. The application shall be made along with the required documents such as PAN Number, GSTIN Certificate, Passport size photograph, etc. as prescribed by the Service Provider. This one time Registration can be done either online, or at the notified front office(s) of the Service Provider.

2.2 After the registration, all-prospective Buyers will be provided an auto generated "Unique User ID" & a "password" based on which they can log in. Details of the registration process with the Service Provider will be available in their website.

2.3 The Service Provider shall issue "Photo Identity Card" to their registered Bidders duly authenticating the identity & signature, indicating a "Unique Registration Number" allotted to them. The "Unique registration number" of the registered Bidders shall be communicated to the Coal Companies by the Service Provider.

2.4 Only one registration will be done against one PAN number. However, based on more than one valid GST registration certificate, more than one registration against a PAN Number can be considered. In such cases, the details of GST number will be indicated in each 'Photo Identity Card'.

2.5 Bid Security: All registered bidders shall be required to submit in advance Bid security in the form of a non-interest bearing deposit at the rate of Rs.300/- per ton with service provider for participation in e-auction

Bid Security may be paid upfront by way of e-transfer

or,

The Bidder shall have the option to furnish the Bid Security in the form of Bank Guarantee (BG).

(i) Such BG is required to be submitted separately for each subsidiary to the Service Provider, if the Bidder intends to participate in e-auction for more than one subsidiary.

(ii) The Service Provider shall arrange to send the scanned copy of the BG to the respective Coal Co. through e-mail to expedite taking SFMS confirmation of the BG by the Coal Co.,

(iii) The BG should be drawn on any SFMS enabled schedule Bank located at the HQ of the concerned coal company or such place as specified by the coal company and to be furnished as per the timeline notified by the coal company.

(iv) The validity of BG shall be six months from the date of e-auction initially. It will have to be kept valid throughout the pendency of lifting and to be further extended till discharged/returned by the Coal Company after final settlement of dues if any.

(v) SFMS Confirmation of the BG shall be taken by respective Coal Co. and shall intimate the Service Provider about the same. However, in spite of effort if the coal company fails to get required SFMS conformation before the scheduled auction date, the bidder shall not be eligible to participate in the bidding and the reason for non-confirmation of BG shall be attributed to the bidders.

(vi) After completion of auction the original BG of the successful Bidders will be sent to concerned subsidiary along with the bid sheet by the Service Providers, where supply of coal will start only after payment of the coal value.

(vii) In the event of failure of the Bidder to deposit the coal value for lifting of coal or any other reason as per the scheme the BG will be encashed by the concerned subsidiary.

(ix) BG against which no quantity could be successfully bid shall be returned to the bidder by the Service Provider.

(x) BG format shall be provided by the respective Coal Company.

2.6. Process Fee: In addition with the bid security, the Bidders shall also be required to submit a Process Fee, in cash through e-transfer, prior to participation in e-auction at the rate of Rs.20/- per ton for the intended bid quantity, inclusive of applicable taxes, with service provider for participation in e-auction. The Process fee shall be non-refundable to the extent of provisionally successful bid quantity in the First stage of bidding process.

2.7 As long as Bid security & Process Fee (both in the form of cash) is available in the registered buyer's account with the Service Provider, the bidder can participate in e-Auction conducted by any coal company of CIL through the Service Provider. In other words, it may be a global Bid security for participating in e-Auction conducted by the Service Provider. However, such option will not be available in case company wise BG is submitted by the Bidder in place of cash bid security.

2.8 The bid security and the Process Fee shall have to be deposited by the bidder by 23:59 hrs. of the day prior to the scheduled date of auction for participation. For example: If the auction is scheduled on 4th April, the bidder can deposit Bid Security & Process fees (both in cash) till 23:59 hrs. of 3rd April.

3. Notification:

3.1 Coal companies shall notify the event of e-auction, minimum 7(seven) days in advance, through display on the Company's notice board and putting the same on the Coal Company's websites for wide publicity. The program will be intimated to the Service Provider accordingly for hoisting the same on their websites also.

3.2 The auction shall be transport mode agnostic with default mode as Rail. However, coal may be lifted by the bidder through Road mode/other modes depending upon their choice and suitability without paying any additional charges and discount on account of basic price of coal.

The minimum bid quantity shall continue to be 50 tonnes. However, for movement by Rail mode, the bid quantity has to be in multiple of rake fit quantity.

3.3 The Buyer should satisfy itself / himself about the Rake fit stations / destinations from the Railways before participation in e-Auction for movement by rail.

Non-acceptance of the programme, even after the option exercised under extant Railway rules, on account of rake-fit stations / destinations being not accepted by the Railways shall be treated as a failure of the Buyer leading to forfeiture of related bid security.

4. Auction Methodology:

4.1 Offer structure

4.1.1 The auction will be held in two stages. First stage will identify the successful bidder through a mode agnostic e-auction process and second stage will settle the mode(s) & source(s) of supply on the basis of seniority of the bid of the first stage and choice of the bidder.

4.1.2 The offer will be provided by the coal company as a cluster of despatch points. The cluster may include one or more CIL Railway loading point(s) and one or more feeding collieries(Road loading points).

The mines, having no transportation arrangement to CIL Railway siding, may be offered as a single source cluster with mode of dispatch by Road. However, the bidder will be free to transport coal through Road-cum Rail mode on his own arrangement and responsibility.

4.1.3 The capacity of each loading point against the cluster offer are also to be indicated in the offer separately. The total capacity of the loading points shall be equal or more than the total offer quantity of the cluster.

4.1.4 Auction will be held in a mode agnostic system for the offer of the cluster on the representative grade and size.

The representative grade of the cluster shall be the lowest grade of the feeding Road despatch points and declared grade of the siding(s) if any.

If the size of the coal offered (Steam/ROM) is identical for all the loading points under the cluster, the same can be used as representative size of the cluster. In case, more than one size is offered within the cluster, ROM may be considered as the representative size.

4.2. Bidding Process:

4.2.1 The registered Bidders shall be required to record their acceptance after login, of the Terms & Conditions of the e-Auction before participation in the actual Bidding Process.

4.2.2 Before participating in e-Auction, Bidders are to satisfy themselves with the quality of coal being offered.

4.2.3 Prospective Bidders are entitled to Bid for the quantity to the extent of amount of Bid Security plus Process Fee (Bid security + Process fee=Rs. 320/ton) which is available with the Service Provider in the Bidder's account at the time of Bidding.

4.2.4 First stage of bidding:

4.2.4.1 The Buyers while Bidding shall quote their "Bid price" per tonne in Indian Rupee as base price for coal/coal products on FOR/FOB colliery basis, exclusive of other charges like statutory levies, surface transportation charges, sizing/beneficiation charges, taxes, cess, royalty, SED, & any other charges as will be applicable at the time of delivery. These charges as well as freight etc. shall be on the Buyers' account.

4.2.4.2 The Bidder has to Bid for a price equal to or above the Reserve Price(Floor price) to secure consideration in the concerned e-Auction.

4.2.4.3 The date, time and period of e-Auction as notified in advance including closing time on portal of Service Provider shall be adhered to but for the event of force majeure. However, the closing time of e-Auction will be automatically extended up to last Bid time, plus 5 minutes, so that opportunity is given to other Bidders for making an improved Bid on that item.

4.2.4.3 The Bidder shall offer his Bid price (per tonne) in the increment of Rs.20/- (Rs. twenty) or multiple thereof during the Normal e-Auction period. During the extended period, the Bidder shall offer his Bid price in the increment of Rs.50/-(Rs. Fifty) or multiple thereof

4.2.4.4 While maintaining the secrecy of Bidder's identity, the web site shall register and display on screen the lowest and the highest successful Bid price at that point of time. The system will not allow a Bidder to Bid in excess of his entitled quantity as per the amount corresponding to bid security + process fee. Each bidder is entitled to register single bid for each cluster. However once a Bidder is out-Bided by another (in part or full) the particular Bidder shall become eligible for making an improved Bid.

4.2.4.5 Following criteria would be adopted in deciding the successful Bidders:-

- (a) Precedence will be accorded to the highest Bid price in the descending order (H1, H2, H3 and so on) as long as the offered quantity is available for allocation.
- (b) If two or more Buyers Bid the same highest price, precedence for allotment will be accorded to the Buyer who has placed the Bid for the higher quantity.
- (c) In case two or more Buyers Bid the same price and the same quantity, precedence will be given to the Buyer who has accorded his Bid first with reference to time.

The Bid Seniority of the successful bidders shall also be decided following the above criteria.

4.2.4.6 On completion of the first stage of bidding, the provisionally successful bidder shall be intimated about winning bid quantity, bid price and bid seniority along with the date and time of Second stage of auction process, by the service provider.

4.2.5 Second stage of bidding:

The provisionally successful bidder of first stage shall be provided with a window of 6 hours to register their choice of mode(s) & source(s). In case the cluster contains more than one Rail and/or Road loading points, the bidder shall also be required to register their order of preference of all the loading points for Rail and Road mode.

The provisionally successful bidders of first stage of bidding may register any one of the following choices:

Sl.	Choice	1st option	2nd option	Order of preference of Rail loading points	Order of preference of Road loading points of cluster
A	No Choice	Rail (by default)	-	The order of Rail loading points of notification shall be the default of preference	
B	Rail	Rail	-	√	
C	Rail/Road	Rail	Road	√	√
D	Road/Rail	Road	Rail	√	√
E	Road	Road	-		√

Choice of preference shall not be required if the Cluster is having only one Road Loading point or one Rail loading point.

Guideline for submitting choice by bidder:

- a. The bidders not registering any choice (A above) and registering mode of Choice as Rail only (B above) should have a successful bid quantity in multiple of rake fit quantity(4000 tes). In case the bid quantity is not in multiple of rake fit size and the bidder opt for (A) or (B) above, the equivalent Bid Security for the quantity for which rake cannot be formed will stand forfeited.
- b. The bidders should compulsorily register their order of preference for all the loading points of Rail and Road mode, as the case may be. The same will be ensured by the system.
- c. It is mandatory for the bidder having bid quantity less than 4000 tonnes(rake fit) to register their choice of order of preference of road loading point, else bid security of the bidder for the bid quantity will stand forfeited.
- d. Once a bidder submits his choice following the above guideline, Bid Security will not be liable to be forfeited in case coal could not be allotted(wholly/partially) due to non-availability of source-wise offer quantity.

4.2.5.1 On the basis of the bid seniority and the choice of mode and loading points registered by the bidders, the mode of supply of coal along with the source (in case of multiple Rail and Road loading points) will be settled through an algorithm.

4.2.5.2 The logic of the algorithm will be as under:

- ❖ Allocation of the quantity loading point wise will be based on seniority of the bid and choice of mode. In case of multiple loading points within a mode the order of preference of loading points provided by provisionally successful bidder of first stage of auction will be considered. However, the total allocated quantity on any individual loading point shall be to the extent of the capacity of evacuation of that loading point.
- ❖ For the customers who would not register any choice, Rail mode, being the default mode, will be considered as the choice of supply. In case of multiple Rail loading points, the sequence of loading points of notification will be considered as the order of preference in such case.
- ❖ The allocation of mode and loading points will be done in the following manner
 - The bid having the highest seniority will be allocated first considering order of mode and preference of loading points.
 - Once the allocation for the senior most bid is made, allocation for the second senior most bidder will be taken up and so on.
 - Allocation of individual loading points, both Rail and Road, will be made to the extent of evacuation capacity indicated in the offer.
 - After the above processes, if some quantity of the bidder remains unallocated, equivalent Bid security will be refunded to the concerned bidder by the service provider.

5. **Post e-Auction process:**

5.1 Each successful Bidder will be intimated through e-mail / SMS by the Service Provider on the same date after the closure of e-Auction. However, it will be the responsibility of the Bidder to personally see and download the result displayed on website, on the same date after close of e-Auction.

5.2 **Determination of coal supplying price:**

- a) From the bid price, % premium over the notified price of the representative grade shall be derived.
- b) In case the grade of the despatch point is different from that of the representative grade, the percentage premium over notified price of the representative grade will be applied on the notified price of the grade of despatch point to arrive at bid price.
- c) In case Steam coal is allotted for auctions held on the representative size of ROM coal, the % premium derived will also be applicable over the price differential between ROM & Steam coal.
- d) The successful bidder will be depositing the balance coal value (over and above the Bid security submitted) and this will include applicable transportation charge, sizing charge, any other charge.
- e) Although the auction will be held on the representative grade and size, the successful bidder shall be bound to accept coal for any grade and size from the allotted source of the cluster.

5.2 The successful Bidders after the e-Auction will be required to deposit coal value with the concerned Coal Company, within a period of ten working days, after the date of closing of second stage of e-Auction. Ten working days would be reckoned as applicable to the respective Subsidiary Coal companies' office where the payment/ deposit is required to be made.

5.3 Equivalent amount of Bid Security of successful Bidder corresponding to successful Bid quantity, shall be blocked and will be transferred to Coal Company by the Service Provider along-with the Bid sheet in respect of successful Bidders.

5.4 In case there is change in declared grade (due to revision in grade declaration notification) of the dispatch point in the interim period from the date of bidding and date of dispatch, the customer may opt out from taking coal in the changed grade by submitting application within 5 days of such notification.

In case of opt out by the bidder, the equivalent bid security to the extent of proportionate bid quantity from the date of grade notification will be refundable.