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Mahanadi Coalfields Limited



Office of the General Manager(M&S)

PO: Jagriti Vihar, Sambalpur-768020, Orissa.

PBX No.- 0663-2542461-69, FAX No.: 0663-2542307,

Telephone No.: 0663 – 2542870 (O) / 2542359 (O)

E-Mail ID : gm-snm.mcl@coalindia.in

No. MCL/SBP/GM(S&M)/Special Spot e-Auction p-II/2020-21/474

Dt.23.12.2020

सेवा में,
श्री विनय वर्मा, महाप्रबंधक,
एम / एस. एमजंक्शन सर्विसेज लिमिटेड,
पहली मंजिल, टाटा सेंटर, 43, जवाहरलाल नेहरू रोड,
कोलकाता - 700 071

**Sub: SALE OF COAL THROUGH SPECIAL SPOT E-AUCTION 2020 SCHEME
FOR IMPORT SUBSTITUTION (SSEA-IMS)- Ph-II ONLY FOR COAL IMPORTERS
(JAN' 2021-MARCH' 2021)**

Dear Sir,

MCL would like to offer coal under the “Special Spot E-Auction scheme 2020 for Import Substitution” for quantities as notified as below. The e-auction will be conducted as per the scheme of Special Forward e-Auction 2020 for import substitution. **The date for e-Auction is 30th DEC 2020**. The details of the source-wise offer by Road & Rail mode along with Floor Prices is enclosed.

The notice for schedule of dates & acceptance of EMDs is enclosed as **Annexure-I**. The format of Bank Guarantee & **notice for acceptance and confirmation of BG through SFMS only** is collectively enclosed as **Annexure-II**, herewith to be strictly followed while collecting the BGs from prospective bidders.

You are requested to make necessary arrangements for hoisting the details of “**Special Spot e-Auction 2020 for Import Substitution- Only for Coal Importers**” in your website. Also make necessary arrangements for fresh re-registration and acceptance of EMDs as per the terms and conditions. Documents so collected at the time of registration from genuine consumers, may be sent to this office after duly attestation by M/s.mjunction services limited.

Details may be put on your website also and widely circulated. As per advice of CIL, the terms and conditions of the Special Spot E-Auction 2020 for Import Substitution should be explained to the consumers before start of Special Spot E-Auction.

Further, it is requested that the sale letter issued by your office must contain the following as furnished in the Registration:

“Customer ID, Full address, GSTN No., PAN No., Grade of coal with size, Quantity & Price.

भवदीय

(Handwritten signature)
23/12/2020

महाप्रबंधक (विपणन और विक्रय)
7/12

**QUANTITY OFFERED UNDER SPECIAL SPOT E-AUCTION FOR IMPORT
SUBSTITUTION- ONLY FOR COAL IMPORTERS – Ph- II
BY ROAD & RAIL MODE**

ROAD MODE

SI No.	SOURCE	GRADE	SIZE	OFFER UNDER SSEA-IMS (In Tes.)	NOTIFIED PRICE	RESERVE PRICE	% ADD-ON
1	ANANTA OCP	3701-4000	(-)100 MM	100000	1073	1181	10%
2	JAGANNATH OCP	3701-4000	(-)100 MM	100000	1073	1181	10%
3	BHUBANESWARY OCP	3701-4000	(-)100 MM	100000	1073	1181	10%
4	LINGARAJ OCP	3701-4000	(-)100 MM	100000	1073	1181	10%
5	BALRAM OCP	3401-3700	(-)100 MM	100000	990	990	0%
6	HINGULA OCP	3401-3700	(-)100 MM	100000	990	990	0%
7	HINGULA OCP	2801-3100	(-)100 MM	100000	718	790	10%
8	KULDA OCP	3101-3400	(-)100 MM	200000	907	998	10%
9	GARJANBAHAL OCP	2801-3100	(-)100 MM	200000	718	790	10%
Total Road offer				1100000			

RAIL MODE

SI No.	SIDING	GRADE	SIZE	OFFER UNDER SSEA-IMS (In Tes./Rakes#)	NOTIFIED PRICE	RESERVE PRICE	% ADD-ON
1	SPUR-I&II	3701-4000	(-)100 MM	360000 (90 Rakes)	1073	1181	10%
2	SPUR-III&IV	3701-4000	(-)100 MM	360000 (90 Rakes)	1073	1181	10%
3	SPUR-V&VI	3701-4000	(-)100 MM	360000 (90 Rakes)	1073	1181	10%
4	SPUR-VII&VIII	3401-3700	(-)100 MM	160000 (40 Rakes)	990	990	0%
5	SPUR- IX	3401-3700	(-)100 MM	360000 (90 Rakes)	990	990	0%
6	KANIKA*	3101-3400	(-)100 MM	1000000 250 Rakes)	907	998	10%
7	SARDEGA	3101-3400	(-)100 MM	1000000 250 Rakes)	907	998	10%
Total Rail offer				3600000 (900 Rakes)			

1(One) Rake approx-4000 tes.

*Coal of Kanika Siding includes coal of mines of OCPL & Coal of mines of MCL.

- Reserve Price is excluding Statutory Charges, STC, etc. which will be charged extra as per notification/applicable.
- Sizing Charges shall be charged extra as applicable as per notification/applicable.
- All statutory and non-statutory charges as applicable on the day of lifting will be charged.
- Applicable price on the date of despatch would be variable in line with the change in the notified price of CIL, if any as detailed in the term & condition of the scheme.
- In case of revision of grade of any of the source(s) the same will be dealt as detailed in the term & condition of the scheme.

**Salient Points of the schemes modified to the extent of various amendments
as notified by CIL.**

Eligibility :

Any Indian buyer including traders who imported coal at any point of time in the current year or/and any of the previous two financial years.

Registration :

Before participation in the e-Auction, a prospective Buyer shall be required to get itself/himself registered separately 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 respective Service Providers.

The application shall be made along with the required documents such as (i) PAN Number (ii) GSTIN Certificate (iii) Passport Size Photograph (iv) Copy of Certification of details of any Bill of Entry (BOE) from the LC opening Bank of the Importer. The date of BOE should fall within the current year or/and any of the previous two financial years. (v) an affidavit wherein the bidder shall affirm that the coal secured through bid shall be towards import substitution and shall not import coal to that extent.

Earnest Money Deposit (EMD) :

All registered bidders shall be required to submit in advance EMD in the form of a non-interest bearing deposit at the rate of Rs.200/- per ton with respective service provider for all grades of coking coal and non-coking coal.

EMD may be paid upfront by way of e-transfer/ Bank Draft / Banker's cheque
or,

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

(i) The BG should be drawn on any SFMS enabled schedule Bank located at the HQ of the concerned coal company.

(ii) The validity of BG shall be three months beyond the period 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.

Minimum Bid Quantity :

The minimum quantity for Bidding would be 24000(twenty four thousand) for any mode ie. 24000 for Road source and 24000 tons (6 rakes) for Rail source. Further increment of bid in Rail mode shall be 4000 tons (1 rake) load and in Road mode it shall be 1000 tons. The rake size shall be as per prevalent Railway Rules.

Monthly Scheduled Quantities (MSQ) :

The e-auction is being conducted for the period Nov'20 to March'21. However as the e-Auction event is scheduled on 25.11.2020, the successful bid quantity of a bidder for the period would be divided in 4 (Four) equal parts i.e. Dec'20 to March'21 for determining Monthly Scheduled Quantities (MSQ) for coal supplies during the period. However, in case of supply by rail, such equal monthly parts shall be in the multiple of rake load. The total successful bid quantity in rake loads for the period for a bidder shall be distributed equally over the operative months of the period. In the event the number of rakes is not exactly divisible by no. of operative months, it will be dealt as under:

- a) If the number of rakes is less than number of months, it will be sequentially distributed from the initial month.
- b) If some rakes are left in excess after equal monthly distribution, these rakes will also be distributed subsequently from the initial month.

However both buyer and seller can recast the monthly schedule on mutual consent in advance of the stipulated date of payment of 2nd installment.

Deposition of Coal Value :

The successful bidder will be required to deposit coal value against the scheduled quantity of the month with the concerned coal company on monthly basis in two installments as per bidder's choice. The first installment to be deposited within 10 working days of start of the month and the second installment by the end of the month Such payments shall be made through e-transfer/ demand drafts / bankers cheque drawn in favor of the concerned coal company payable at the place of business of the coal company along with the debit advice issued by the bank certifying that the Demand Draft

/Banker's cheque has been issued or e-transfer has been made by debiting the account of the concerned consumer/ bidder.

In case coal value is deposited by the successful bidder for less than the monthly scheduled quantity, the coal company shall accept the payment for the said quantity and forfeit the EMD amount for the failed quantity.

However, the Monthly Scheduled Quantity can be revised on mutual consent of buyer and seller in advance of the stipulated date of payment of 2nd installment.

In case of supplies by Rail, Coal Company shall accept the payment of coal value against the monthly scheduled quantity, only in the multiples of full rake size quantity.

Validity of lifting against the sale order :

The validity period of lifting of coal by road, provided the coal value is paid against the scheduled quantity of the month in due time, shall be 45 days from the date of issue of the Delivery Order/Sale Order.

The validity period of a monthly programme for movement by rail for seeking allotment of rake shall be 30 (thirty) days from the last date stipulated for making payment against the MSQ of the concerned month by the buyer and consent of the programme shall be issued by the concerned coal company accordingly. Once the rake is allotted, it shall remain valid for supply of coal as per prevailing Railway Rules. It is clarified that after rakes are sanctioned by Railways and offer is made by Coal Company to Railways, ensuring transport arrangement (rake allotment) as per bid for scheduled loading towards performance of contract is the sole responsibility of bidder. The weighment at the loading end shall be final and binding for all commercial purposes.

The EMD/Security Deposit submitted by the successful Bidders will be liable for forfeiture in the following cases: -

- a) If after completion of e-Auction, a successful Bidder fails to make payment for the coal value including all other charges within the stipulated time, the EMD/BG amount equivalent to proportionate EMD of the failed quantity shall be forfeited.
- b) If the successful Bidders do not lift the booked quantity within the stipulated validity period, the proportionate Security @ Rs.200 per ton (as converted from the EMD amount) or the applicable BG amount for the unlifted quantity would be forfeited. Forfeitable EMD amount can be deducted from coal value also instead of BG encashment.

Coal usage :

The coal procured under this e-Auction is for use within the country for import substitution and is not for Export.

Price payable (revised bid price) in case of revision in notified price of bid grade of coal/change in grade as per grade declaration :

In case there is a change in declared grade and/or the notified price at the time of lifting, the bidder shall be required to pay the following amount:

- (a) Revised notified price (with or without change in declared grade as applicable)

Plus

- (b) Percentage add on of reserve price over notified price

Plus

- (c) Percentage premium over reserve price as per successful bid. .

OR

- (d) The original bid price whichever is higher. (applicable only in case of revision in notified price)

illustrations

Case I (Change In Notified Price)			
A	At the time of Bidding		Rs/Tonne
	Grade G4		
i	Notified price		3000
ii	Reserve Price		3300
iii	Original Bid Price		3795
iv	Reserve price add on % over notified price	$(3300-3000)/3000$	10.00%
v	Bid premium % over reserve price	$(3795-3300)/3300$	15.00%
B	At the time of Lifting		
vi	Revised Notified price		3200
vii	Revised Reserve price (Notified price+ reserve price add on)	$(3200+10\% \text{ of } 3200)$	3520
viii	Revised bid price (Reserve price + bid premium%)	$(3520+15\% \text{ of } 3520)$	4048
C	Bid price payable (Higher of iii & viii)		4048
Case II (Change In declared grade)			
A	At the time of Bidding		Rs/Tonne
	Grade G4		
i	Notified price of G4		3000
ii	Reserve Price		3300
iii	Original Bid Price		3795
iv	Reserve price add on % over notified price	$(3300-3000)/3000$	10.00%
v	Bid premium % over reserve price	$(3795-3300)/3300$	15.00%
B	At the time of Lifting		
	Grade redeclared a G5		
vi	Notified price of G5 grade		2800
vii	Reserve price (Notified price of G5 + reserve price add on)	$(2800+10\% \text{ of } 2800)$	3080
viii	Revised bid price (Reserve price + bid premium%)	$(3080+15\% \text{ of } 3080)$	3542
C	Bid price payable		3542
Case III (Change In Grade & Notified Price)			
A	At the time of Bidding		Rs/Tonne
	Grade G4		
i	Notified price of G4		3000
ii	Reserve Price		3300
iii	Original Bid Price		3795
iv	Reserve price add on % over notified price	$(3300-3000)/3000$	10.00%
v	Bid premium % over reserve price	$(3795-3300)/3300$	15.00%
B	At the time of Lifting		
	Revised Grade G5		
vi	Pre-revised Notified Price of G5		2800
vii	Revised Notified price of G5		3200
	Calculation on pre revised notified price of G5 grade		
viii	Reserve price (Notified price of G5 + reserve price add on)	$(2800+10\% \text{ of } 2800)$	3080
ix	Revised bid price (Reserve price + bid premium%)	$(3080+15\% \text{ of } 3080)$	3542
	Calculation on revised notified price of G5 grade		
x	Reserve price (Notified price of G5 + reserve price add on)	$(3200+10\% \text{ of } 3200)$	3520
xi	Revised bid price (Reserve price + bid premium%)	$(3520+15\% \text{ of } 3520)$	4048
C	Bid price payable (Higher of ix & xi)		4048

In case of any increase in bid price due to revision of notified price as explained above, the bidder shall deposit within the time notified by Coal Co. the additional amount for the balance monthly scheduled quantity pending to be delivered as on the effective date of revision. In case of non-receipt of the additional amount from the Bidder, the quantity to be dispatched shall be reduced to the extent of dues and EMD shall be forfeited towards such reduced quantity.

Dispute Resolution:

In the event of any dispute, Bidder / Buyer is necessarily required to represent in writing to the General Manager (Marketing & Sales) of the concerned Coal Company, who would deal with the same in a period of one month from such representation. Thereafter, if required the matter be determined by the Director-In-Charge of Marketing of the concerned Coal Company. Any interpretation of any clause of this scheme will be subject to clarification by CIL, which will be deemed as firm and final.

All disputes arising out of this scheme or in relation thereto in any form whatsoever shall be dealt exclusively by way of arbitration in terms of the Arbitration and Conciliation Act, 1996 as amended from time to time or the prevalent applicable Government rules/laws. The parties are free to determine the number of arbitrators but such number should not be even number. However, failing such determination, the arbitral tribunal shall consist of a sole arbitrator.

Director (Marketing), CIL, upon written request of the bidder forwarded by Coal Company recommending arbitration or request of the Coal Company in this behalf. Arbitrator shall be appointed by Director (Marketing), CIL upon written request of the bidder forwarded by coal company recommending arbitration or written request of the Coal Company on this behalf. The arbitration shall be conducted at HQ of the respective Coal company or any other place to be jointly decided by the coal co., bidder and the arbitrator. On such decision, Director in charge (Marketing) of concerned coal co. shall notify the same. The award rendered by the Arbitrator shall be final and binding on the parties.

For detailed term & condition and subsequent amendments, please refer to the Special Spot e-Auction scheme 2020 for Import Substitution and notices available in CIL/MCL and service providers' websites.