



COAL INDIA LIMITED
MARKETING DIVISION
KOLKATA

CIL/M&S/Linkage Auction tranche VIII/296

Date: 05.11.2024

NOTICE

Subject: Major reforms in NRS Linkage auction tranche VIII & onwards

CIL is planning to commence tranche VIII NRS Linkage auction shortly. In relation to ensuing NRS linkage auction, certain reforms/modifications in the operative modalities have been envisaged which are mentioned below:

A. Registration process:

- a. Units/Plants/EUPs of specific subsector of a single owner/company in same or geographically different location under same PAN are allowed to register in single bidder ID.
- b. Participation in the linkage auction by the bidder will be allowed for the cumulative eligible normative requirement of the linked EUPs/units(subject to deduction of existing linkages and coal block production). However, the supply to individual EUP from all coal linkage sources will not exceed its normative quantity/requirement
- c. In case any EUP is debarred, the same EUP is not allowed to register itself along with other EUPs under single registration. Participation in linkage auction will not be permitted for the concerned EUP/Bidder. In case of inclusion of such debarred EUP in the registration, all the successful bid(s) obtained under this registration will be liable for termination with consequent penal action. In case, any of the linked EUP/unit under single registration will put under debarment in relation to linkages/FSAs prior to tranche VIII, post participation, the concerned bidder (containing the linked EUP/unit under debarment) will also be debarred to its entirety and successful bid/FSA of the concerned bidder under this scheme will be liable for termination with consequent penal action.
- d. The interested bidders are required to seek registration on the Electronic Platform for bidding purposes against payment of a non-refundable registration fee of Rs. 10,000 (Indian Rupees Ten Thousand) plus applicable taxes.
Bidders already registered for the coal linkage auctions in Mjunction portal may use the same registration for the same Specified End Use Plant and may not register again.
In case any bidder is not registered in Mjunction portal but having MSTC bidder ID & existing linkage, they must register their EUP in Mjunction portal mentioning MSTC registration details. Such re-registration will not attract any further registration fee.
- e. However, in case bidder wants to bring their EUPs of the specific subsector(necessarily under same PAN) located at geographically different location or under different bidder IDs under single registration(as mentioned in point (a) above), the bidder will be required to mention existing registration/ID/linkage & other relevant details while registering their EUPs under single bidder ID. In such case, registration fee will be applicable and registration number will be given afresh by the service provider. The existing registration/related details will be mapped with this new bidder ID. The earlier bidder IDs will be deactivated post completion of this new registration process.
- f. The RFP information of each linked EUP including plant capacity and linked coal block details are to be submitted by the bidder.
- g. Participation will be allowed for cumulative eligible normative quantity of the linked EUPs/units under same registration. However, the supply to individual plant/unit from all coal linkage sources & consumption thereof will not exceed its normative quantity/requirement.
- h. Self-attested copy of PAN & Self-attested copy of GSTIN of the bidder will be required to be submitted to auction service provider for registration process. In case of a proprietorship firm, proprietor's personal PAN card is required. In case of partnership firm, PAN of the firm and that of the authorized partner are to be submitted

B. Offer structure: The offer will be colliery/siding wise mentioning mode of transport. In case of Rail offer, the feeding colliery(ies) of the siding(Primary/Secondary) is to be mentioned in the offer with possible distribution of feeding percentage of coal from linked collieries. The rake may be formed from the coal of the feeding mines with flexibility of $\pm 15\%$ of the proportion from the each feeding mines mentioned in the offer.

C. Supply of coal to linked EUP(s) of a bidder: Linkage coal can be taken to any of the linked plant under common registration (barring any EUP/unit under debarment). However, the MSQ distribution among the plants shall have to declared/submitted 15 days prior to commencement of the concerned month by the bidder to the concerned coal company. In case of non-receipt of distribution matrix, the coal company may use the matrix of last available month for supply of coal. Any change of destination (to other linked unit/EUP) of the Rail program/allotment shall be subject to mutual agreement by Purchaser and Seller and as per extant Railway rules. However, once the Road sale order is issued for quota of any month on account of any EUP/Unit, any change of EUP/Unit will not be allowed for the concerned Road mode Sales Order. The bidder shall undertake not to lift coal from any coal linkages beyond normative coal requirement of individual EUP of the specific subsector.

D. Change of mode:

a. Rail to Road:

- The Road mode supply will be made from the linked mines of Primary source/Secondary source, as the case may be, in the same supply proportion mentioned in the offer notification of the concerned auction, subject to availability
- In case the siding (primary/secondary, as the case may be) is fed by single feeding mine, supply under the mode conversion will be made from the feeding Road source.
- In case siding (primary/secondary, as the case may be) is fed by multiple mines, supply under mode conversion will be made in the same proportion of distribution from the feeding mines of the concerned siding (as mentioned in the offer notification/FSA). Any change on the proportion of such supply from feeding mine will be subject to mutual consent of buyer and seller
- The price payable by the willing FSA holder for supply of coal through the Temporary Road Source(s)(i.e. feeding mine-wise of the siding) would be higher of the following:
 - (a) the As Delivered Price (considering the Modulated/notified Price, as applicable, and Winning premium [%]) for the Primary Rail Source, or
 - (b) the As Delivered Price (considering the Modulated/Notified Price, as applicable, and Winning premium [%]) of the bids for the Temporary Road Source(each of feeding mines of the siding) within the same subsector under the same tranche of NRS Linkage Auction.

Moreover, road source specific charge, if any, shall also be applicable.

Note: In case the feeding mine is not having any price reference in the linkage auction of the same subsector under same tranche, the % premium of original Rail siding will prevail.

- The coal company will be empowered for extending/exercising such facility of change of mode from Rail to Road, on monthly basis, taking into account availability of coal in the concerned mode, rake movement possibility (likely non-materialization of allotted rake), ground level conditions etc. to the willing consumers. Restoration of a quantity to the original mode once transfer of mode has been exercised will not be allowed.
- Change of mode to Road mode will be allowed against allotted rake on the basis of request of consumer. The Road DO validity will however not exceed the 180 days timeline of the Rail mode(from date of allotment) subject to maximum validity of 45 days.

In case of non-materialization of Road DO/sale order(post mode conversion), for the reason attributable to the consumer, penal provision will be applicable.

b. Road to Rail:

- The consumer may request for change of mode to Rail mode from the concerned Road mode quantity to coal company subject to minimum of rake load quantity or in multiple.
If there is possibility of materialization in Rail mode and considering availability/commitment position, the coal company may allow the quantity (in rake load factor multiple) to be converted to Rail mode.
- The Road to Rail conversion will only be allowed in the siding which is fed from a single mine/colliery as per offer notification. Siding with more than one feeding mine will not be allowed for such conversion.
- The price payable by the willing FSA holder for supply of coal through the Temporary Rail siding(i.e. linked Railway siding of the offered Road source) would be higher of the following:
 - (a)the As Delivered Price (considering the Modulated/notified Price, as applicable, and Winning premium [%]) for the Primary Road Source, or
 - (b)the As Delivered Price (considering the Modulated/Notified Price, as applicable, and Winning premium [%]) of the bids for the Temporary Rail siding(linked to Road source) within the same subsector under the same tranche of NRS Linkage Auction.

Moreover, Rail source specific charge, if any, shall also be applicable.

Note: In case the linked Rail siding is not having any price reference in the linkage auction of the same subsector under same tranche, the % premium of original Road source will prevail

- The Rail program will be valid for 180 days from allotment, however, non-materialization of the rake(under conversion) within the validity period will lead to penal action for the unmaterialized quantity as per FSA provision

E. Cut off date: Bidders having expiring FSAs till 30.09.2025 are allowed to participate in tranche VIII NRS Linkage auction in the specific subsector for the concerned quantity beside residual eligible quantity.

F. Processing fee: Rs. 30/ton(incl taxes)

G. Bid security: Rs. 150/ton(incl taxes)

The above details are provided for information of the stakeholders for tranche VIII NRS Linkage auction. Detailed terms & condition and clauses regarding tranche VIII NRS Linkage auction will be mentioned in the Scheme document of specific subsector and FSA document which will be final and binding in nature.

P. J. Lee
05/11/24

General Manager(M&S-Comm)

Copy to:

- Executive Director(M&L)
- GM(M&S): ECL/BCCL/CCL/WCL/NCL/SECL/MCL/NEC
- Mjunction Services Ltd.: For uploading the notice in respective website