

COAL INDIA LIMITED  
MARKETING DIVISION  
Ground Floor, Coal Bhawan,  
New Town, Rajarhat, Kolkata-700156



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E-MAIL : eauction.cil@coalindia.in

No. CIL/S&M/Special Spot E-auction/ 1074

Date :29.09.2016

**NOTICE**

**Modalities for Special Spot E-auction 2016-17**

Special Spot E-auction 2016-17 will be conducted as per the terms and conditions followed under existing Spot E-auction Scheme under some modified modalities for operative convenience as part of 'ease of business' at CIL. The modalities Special Spot E-auction 2016-17 will stand modified to the following extent.

The total validity of period of lifting of coal under the Special Spot auction would be up to March'17. Following is proposed in respect of scheduling of lifting and validity:

1. The reserve price will be limited to the upper cap of 20% add-on over the notified price of coal for non-power sector. For source wise reserve price, customers have to consult the notice of respective Coal Companies from where they want to bid.
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 mode-wise quantity. The total validity of period of lifting of coal under the Special Spot auction would be up to March'17.
4. The successful bidder and the coal company would be mutually deciding the Monthly lifting schedule.
5. Successful bidder would be required to make the payment for Monthly Schedule quantity by the last day of the preceding month. However, the last instalment of payment has to be made by 7th February, 2017 to allow clear forty-five days for lifting of booked quantity of coal after issuance of delivery/sale order. However, any rescheduling of payment by successful bidder for the first month after auction, if needed, will be decided mutually by bidder and Coal Company.
6. For each value paid order separate sale/delivery order shall be issued by the coal company. Validity period for completing lifting shall be 45 days with provision for extension till 31st March, 2017 in case of road despatch.
7. In case of rail despatch, rail programme shall be submitted by the successful bidder in sync with the mutually agreeable delivery schedule, by the last day of the preceding month. The last such programme would be submitted on or before 7th February, 2017, upon which Coal Companies shall be issuing consents to Railways.
8. Validity period for making payment to seek allotment of rake/rakes is 45 days from the date of issuance of consent by the coal companies.
9. Once the rake is allotted the validity for loading is guided by the prevailing Railway Rules
10. In case of forfeiture in respect of lifting, the account would be reckoned at the end of 31't March, 2017.
11. The minimum quantity for bidding would be 50 tonnes and bid multiple would be in the multiple of 50 tes for Road mode sources, where as in case of Rail the minimum quantity for bidding would be 1(one) rake and bid multiple would be in the multiple of 1(one) rake. The rake size shall be as per prevalent

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Railway Rules. The quantity of coal in a rake shall be as indicated in the notice of e-auction of coal companies.

12. All interested registered bidders shall be required to deposit in advance non-interest bearing EMD with respective service provider for Rupees 200/ton exclusive of taxes, duties and other charges as applicable for the intended quantity of coal they want to bid for before participating in Special Spot E-Auction. This may be paid upfront by way of Bank Draft / Bankers P.O or by way of e-transfer.
13. Participants will have the option of submission of EMD in the form of Bank Guarantee (BG) also. The format of BG is enclosed herewith. The conditions of submitting BG is as follows:
  - i. Which shall be Rupees 200/ton for the intended bid quantity in terms of Basic price excluding taxes duties and other charges.
  - ii. Such BG to be submitted separately for each subsidiary, if the Bidder intends to participate in e-auction for more than one subsidiary.
  - iii. The BG may be drawn in favor of concerned subsidiary from any Structured Financial Messaging System (SFMS) enabled scheduled commercial banks (list of 23 banks enclosed with BG format) through SFMS platform only. The beneficiary bank will be State Bank of India, CAG Branch, Kolkata (IFSC Code No. SBIN0009998) for acceptance of BG as beneficiary.
  - iv. The validity of the BG shall be at least throughout the pendency of lifting plus 90 days which will be extendable as desired by the concerned coal companies in case of Rail supply.
  - v. The copy of the Bank Guarantee received through SFMS platform at SBI, CAG branch, Kolkata shall be collected from the bank by CIL and handed over to the Service Provider as confirmation of BG. However, in spite of effort if CIL fails to get required BG conformation from the nodal branch before the schedule 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 the auction, the BG of the successful bidders will stand transferred to concerned subsidiaries along with copy of the BG collected/obtained from the Beneficiary Bank, by the Service Provider. The coal company will verify the BG of successful bidders from issuing branch. Supply of coal will start only after receipt of conformation from the issuing branch subject to deposition of payment towards coal value by the consumers.
  - vii. In the event of failure of the Bidder to deposit the coal value for lifting of coal the BG will be encashed by the concerned subsidiary.
  - viii. In case of falsification in BG, the concerned Bidder will be blacklisted. Also, any amount equivalent to EMD in credit of any subsidiary of CIL the same will be forfeited.
  - ix. Minimum quantity for submission of BG: Road- Minimum intended bid quantity will be 4000 tes. & Rail-Minimum intended bid quantity will be equivalent to one Railway Rake & in multiple. The rake size shall be as per prevalent Railway Rules. The quantity of coal in a rake shall be as indicated in the notice of e-auction of coal companies.
14. As long as EMD is available in the registered consumer's account with the Service Providers, the consumer can participate in this auction conducted by any coal company of CIL through the particular Service Provider. In other words, it may be a global EMD for participating in e-Auction conducted by a Service Provider. However, such option will not be available in case of company wise BG is submitted by the Bidder in place of cash EMD.

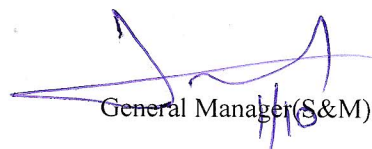
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15. The bidders, who will submit EMD in terms of BG for participating in Special Spot E-auction, after being successful in auction will have to deposit coal value in full to the respective Coal Company for the quantity to be lifted in each month, in other cases, EMD as converted to Security deposit will be adjusted with Coal value to be paid as per schedule by buyers.
16. The bidders, who are already registered to service providers for Spot e-auction are eligible to participate in Special Spot E-auction 2016-17 subject to fulfilling other conditions of this auction & by submitting required EMD. Other Prospective buyers who are not registered, required to register them to service providers for participating in Special Spot E-auction.
17. Special Spot E-auction will be carried out by the service providers under the existing agreement.

The other terms and conditions of the Special spot e-auction in respect of Eligibility, Registration, Notification, Bidding process, Post e-auction process, Refund etc. will continue to be in line with Existing Spot e-auction scheme.

  
General Manager(S&M)

Distribution,  
for uploading on respective websites:

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2. GM(S&M) ECL/BCCL/CCL/WCL/NCL /SECL/MCL  
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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