

**SCHEME DOCUMENT  
FOR AUCTION OF COAL LINKAGES TO POWER  
PRODUCERS/IPPs WITHOUT PPAs**

**(For the period July-September 2022)**

**Paragraph B(viii)(a) of SHAKTI Policy covering Paragraph B(iii) of  
SHAKTI Policy**

**August 01, 2022**

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**Coal India Limited  
A Government of India Undertaking**

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**Disclaimers:**

*This Scheme Document contains information, eligibility norms, methodology and other key information for auction of coal linkages for a short term period by Coal India Limited (“CIL”) to Power Producers (as defined hereinafter) and IPPs (as defined hereinafter) without PPAs (as defined hereinafter) (“Scheme Document”). The information contained in this Scheme Document or any information subsequently provided to any Person (as defined hereinafter) whether a, participant, applicant or interested party (collectively referred to as the “Prospective Bidder”), whether verbally or in documentary or any other form by or on behalf of CIL and/or any of its employees or advisors, is provided to the Prospective Bidder(s) on the terms and conditions set out in this Scheme Document.*

*This Scheme Document is neither an agreement nor an offer by CIL to the Prospective Bidders or any other Person. The purpose of this Scheme Document is to provide Prospective Bidders with information that may be referred by them in registering their Specified End Use Plant(s) (as defined hereinafter) on the Electronic Platform (as defined hereinafter), establishing their eligibility for participating in the Auction (as defined hereinafter) and making their Bids (as defined hereinafter) for the Auction. This Scheme Document includes statements which reflect various assumptions and assessments made by CIL. Such statements do not purport to contain all the information that each Prospective Bidder may require. This Scheme Document may not be suitable for all Persons and it is not possible for CIL, its employees or advisors to consider the investment objectives, financial situation and particular needs of each party who reads or refers to this Scheme Document. The assumptions, assessments, statements and information contained in the Scheme Document may not be complete, accurate or adequate. Each Prospective Bidder should, therefore, conduct its own investigations and analysis and should check the accuracy, adequacy, correctness, reliability and completeness of the assumptions, assessments, statements and information contained in this Scheme Document and obtain independent advice from appropriate sources before submitting a Bid.*

*The information in this Scheme Document has been collated from several sources, including interpretation of Applicable Law. The information given is not intended to be an exhaustive account of all statutory requirements and should not be regarded as comprehensive advice. CIL accepts no responsibility for the accuracy or otherwise for any statement contained in this Scheme Document.*

*CIL, its employees and advisors make no representation or warranty and shall have no liability to any Person, including any Prospective Bidder under any law, statute, rule or regulation or tort, principles of restitution or unjust enrichment or otherwise for any loss, damages, cost or expense which may arise from or be incurred or suffered on account of anything contained in this Scheme Document or otherwise, including on account of the accuracy, adequacy, correctness, completeness or reliability of the Scheme Document and any assessment, assumption, statement or information contained therein or deemed to form part of this Scheme Document or arising in any way from participation in the Auction Process.*

*CIL also accepts no liability of any nature, whether resulting from negligence or otherwise, howsoever caused, arising from reliance of any Prospective Bidder upon the statements contained in this Scheme Document.*

*Notwithstanding anything contained in the Scheme Document, CIL may, in its absolute discretion, but without being under any obligation to do so, update, amend or supplement the information, assessment, process or assumptions contained in this Scheme Document.*

*The issue of this Scheme Document does not imply that CIL is bound to select or shortlist any Bidder and CIL reserves the right (without incurring any liability) to reject all or any of the Bidders or Bids without assigning any reason whatsoever.*

*Each Prospective Bidder (including, any Eligible Bidder (as defined hereinafter) and/or Successful Bidder (as defined hereinafter)) shall bear all its costs associated with or relating to its participation in the Auction including but not limited to preparation, copying, postage, delivery fees, expenses associated with any demonstrations or presentations which may be required by CIL or any other costs incurred in connection with or relating to its Bid, including the Process Fee (as defined hereinafter) and the Bid Security (as defined hereinafter). This Scheme Document is not transferable. Nothing contained in this Scheme Document shall be binding on CIL or confer any right on the Prospective Bidders. The examples set out in this Scheme Document are for illustrative purposes only.*

*In the event of any inconsistency or difference between the provisions of this Scheme Document, the Notice Inviting Registration (as defined hereinafter) and/or the Notice (as defined hereinafter), this Scheme Document shall prevail.*

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## **1. Definitions**

- 1.1 In this Scheme Document, in addition to the terms defined in the body of this Scheme Document, the following capitalized terms shall, unless repugnant to the meaning or context thereof, have the following meanings:
- 1.1.1 “**Acceptable Bank**” shall mean a Scheduled Bank as listed in the Second Schedule of the Reserve Bank of India Act, 1934 excluding those listed under the headings of Gramin Banks, Urban Co-operative Banks and State Co-operative Banks.
- 1.1.2 “**Adjustment**” shall have the meaning ascribed to such term in Clause 3.6.2.6.
- 1.1.3 “**Allocated Quantity**” shall have the meaning ascribed to such term in Clause 3.6.2.6.
- 1.1.4 “**Applicable Law**” shall mean all applicable statutes, laws, by-laws, rules, regulations, orders, ordinances, protocols, codes, guidelines, policies, notices, directions, judgments, decrees or other requirements or official directives of any governmental authority or court or other rules or regulations, approvals from the relevant governmental authority, government resolution, directive, or other government restriction or any similar form of decision, or determination, or any interpretation or adjudication having the force of law in India.
- 1.1.5 “**Auction**” shall have the meaning ascribed to such term in Clause 2.1.8.
- 1.1.6 “**Auction Process**” shall mean the process for conduct of the Auction as set out in Clause 3.
- 1.1.7 “**Authorised Signatory**” shall mean the individual who has been duly authorised, pursuant to execution of a power of attorney (in the format prescribed in **Annexure III**) by a Bidder in favour of such individual to do all such acts, deeds and things as may be necessary or required in the Auction Process on behalf of such Bidder, including but not limited to: (i) affixing such Bidder’s digital signature certificate; and/or (iii) executing and submitting a Bid on behalf of such Bidder; and/or (iv) executing the undertaking (set out in **Annexure II**), and the affidavit set out in **Annexure IV**, on behalf of such Bidder; and/or (v) executing and submitting such other documents as may be deemed necessary, in accordance with the terms hereof.
- 1.1.8 “**Bid**” shall mean the bid submitted by the Eligible Bidder in accordance with Clause 3.6, for a Link Quantity with respect to a Specified End Use Plant, pursuant to a unique registration number given by the Service Provider.
- 1.1.9 “**Bid Security**” shall have the meaning ascribed to such term in Clause 5.2.1
- 1.1.10 “**Bidder**” shall have the meaning ascribed to such term in Clause 3.1.1.
- 1.1.11 “**CEA**” shall mean Central Electricity Authority.
- 1.1.12 “**CIL**” shall mean Coal India Limited (a Government of India undertaking).
- 1.1.13 “**Coal Linkages**” shall have the meaning as intended at Clause 2.3.
- 1.1.14 “**Coercive Practice**” shall have the meaning ascribed to such term in Clause 7.3.3.

- 1.1.15 “**Company**” shall have the meaning ascribed to such term in clause (20) of section 2 of the Companies Act, 2013, as amended from time to time.
- 1.1.16 “**Completion of the Auction Process**” shall mean, with respect to a particular tranche of the Auction Process, the completion of the Auction for the last Lot of that tranche.
- 1.1.17 “**Conditions to Auction**” shall mean, with respect to this Auction, the conditions specified in Clause 3.5 and submission of the documents on the Electronic Platform of the Service Provider and in physical form to the Service Provider at the address specified in **Annexure V**, in accordance with the Scheme Document.
- 1.1.18 “**Corrupt Practice**” shall have the meaning ascribed to such term in Clause 7.3.1.
- 1.1.19 “**DAM**” shall mean day ahead market wherein power generators trade on the electricity exchange for delivery of electricity on the following day.
- 1.1.20 “**DEEP Portal**” shall mean the following e-bidding portal for Discovery of Efficient Energy Price, available at <https://www.mscecommerce.com/auctionhome/ppa/index.jsp>.
- 1.1.21 “**DISCOM**” shall mean the distribution licensee authorised to operate and maintain a distribution system for supplying electricity to the consumers in its area of supply.
- 1.1.22 “**Demand Supply Ratio**” shall mean the sum of Link Quantity submitted by each Eligible Bidder for a particular round divided by the total quantity of coal being offered from the Lot.
- 1.1.23 “**Due Date**” shall have the meaning ascribed to such term in Clause 6.8.1.
- 1.1.24 “**Electronic Platform**” shall have the meaning ascribed to such term in Clause 3.1.1.
- 1.1.25 “**Eligible Bidder**” shall have the meaning ascribed to such term in Clause 3.3.2.
- 1.1.26 “**Eligibility Conditions**” shall mean the eligibility conditions specified in Clause 4.
- 1.1.27 “**Fraudulent Practice**” shall have the meaning ascribed to such term in Clause 7.3.2.
- 1.1.28 “**FSA**” shall mean the fuel supply agreement to be executed between the Successful Bidder and the relevant Subsidiary in accordance with Clause 3.6.4.
- 1.1.29 “**GCV**” shall mean gross calorific value.
- 1.1.30 “**Guidelines**” shall have the meaning ascribed to such term in Clause 2.1.5.
- 1.1.31 Deleted
- 1.1.32 “**Intimation Letter**” shall have the meaning ascribed to such term in Clause 3.6.3.
- 1.1.33 “**IPP**” shall mean an independent power producer which is a generating company not owned/controlled by the Central/State Government.
- 1.1.34 “**IST**” shall mean Indian Standard Time.
- 1.1.35 “**Last Round**” shall have the meaning ascribed to such term in Clause 3.6.2.6.

- 1.1.36 “**Link Quantity**” shall mean the quantity of coal from a particular Lot for which the Eligible Bidder has submitted a Bid in accordance with this Scheme Document.
- 1.1.37 “**Lot**” shall mean a specified quantity of coal which is to be offered from a particular Source the details of which are specified in **Annexure VI**.
- 1.1.38 “**MoC**” shall mean the Ministry of Coal, Government of India.
- 1.1.39 “**MoP**” shall mean the Ministry of Power, Government of India.
- 1.1.40 “**MoP Methodology**” shall have the meaning ascribed to such term in Clause 2.1.4.
- 1.1.41 “**MT**” shall mean million tonnes.
- 1.1.42 “**Normative Coal Requirement**” shall have the meaning ascribed to such term in Clause 3.3.3.
- 1.1.43 “**Notice Inviting Registration**” shall mean the notice inviting registration of the Specified End Use Plant for the Auction, issued by CIL on August 01, 2022 on the Electronic Platform.
- 1.1.44 “**Notice**” shall have the meaning ascribed to such term in Clause 2.1.6.
- 1.1.45 “**Notified Price**” shall mean the price of the relevant grade(s) of coal notified by CIL and/or its Subsidiaries as the case may be, from time to time.
- 1.1.46 “**Penultimate Round**” shall have the meaning ascribed to such term in Clause 3.6.2.6.
- 1.1.47 “**Performance Security**” shall have the meaning as intended at Clause 5.4.
- 1.1.48 “**Person**” shall mean and include any individual, Company, entity, society or trust, whether incorporated or not.
- 1.1.49 “**Policy**” shall have the meaning ascribed to such term in Clause 2.1.1.
- 1.1.50 “**Power Producer**” shall mean a power producer which is a generating company owned/controlled by the Central/State Government.
- 1.1.51 “**PPA**” shall mean the medium term (exceeding 1 year but up to 7 years) and/or long term (7 years and above) power purchase agreement between the power generating source and the power procurer(s), i.e., DISCOM(s)/SDA either directly or through PTC(s) who has/have signed back to back PPA(s) with DISCOMs/SDA. However, the same shall not be applicable for the portion which is sold under market driven price.
- 1.1.52 “**PTC**” shall mean a power trading company, which is an electricity trader who has been granted a license to undertake trading in electricity under Section 12 of the Electricity Act, 2003.
- 1.1.53 “**Pre-Auction Consumer Conference**” shall have the meaning ascribed to such term in Clause 3.4.1.
- 1.1.54 “**Process Fee**” shall have the meaning ascribed to such term in Clause 5.1.1.
- 1.1.55 “**Prospective Bidder**” shall mean any Power Producer/IPP, prospective bidder, Bidder,

- Person, party, participant, applicant or interested party.
- 1.1.56 “**Quarter**” shall mean the three months period from July 1, 2022, to September 30, 2022.
- 1.1.57 “**Registration Fee**” shall have the meaning ascribed to such term in Clause 3.1.1.
- 1.1.58 “**Reserve Price**” shall have the meaning ascribed to such term in Clause 3.6.2.2.
- 1.1.59 “**Restrictive Practice**” shall have the meaning ascribed to such term in Clause 7.3.5.
- 1.1.60 “**SCCL**” shall mean the Singareni Collieries Company Limited.
- 1.1.61 “**Scheme Document**” shall mean this document, including its Annexures, appendices, schedules, amendment(s), addenda or corrigendum to this Scheme Document and/or any other document issued pursuant hereto.
- 1.1.62 “**SDA**” shall mean any agency appointed / designated by a State for the purpose of power procurement.
- 1.1.63 “**Selected Round**” shall have the meaning ascribed to such term in Clause 3.6.2.6.
- 1.1.64 “**Service Provider**” shall mean the entity that provides the Electronic Platform.
- 1.1.65 “**Source**” shall mean details of source of supply of coal, for the purposes of the Auction, more particularly - specified in **Annexure VI**.
- 1.1.66 “**Specified End Use**” shall have the meaning ascribed to such term in Clause 2.3.1.
- 1.1.67 “**Specified End Use Plant**” shall mean 1 (one) or more power generating units (but does not mean and include a captive power plant as defined under Rule 3 of the Electricity Rules, 2005) situated in a single location within the same boundary located in India and owned by the Bidder.
- 1.1.68 “**Subsidiary**” shall mean a subsidiary of CIL - listed in **Annexure VI**.
- 1.1.69 “**Successful Bidder**” shall have the meaning ascribed to such term in Clause 3.6.2.6.
- 1.1.70 “**Transport Factor**” shall have the meaning ascribed to such term in Clause 3.6.2.7(a).
- 1.1.71 “**Undesirable Practice**” shall have the meaning ascribed to such term in Clause 7.3.4.
- 1.1.72 “**Winning Premium**” shall mean:
- (a) for the purposes of the Auction, the relevant premium of the Selected Round expressed in absolute number terms; and
  - (b) for the purposes of Clause 2.3, Clause 5.3 and the FSA and the Annexures to this Scheme Document, the relevant premium of the Selected Round expressed as a percentage of the Notified Price.



## 2. Introduction

### 2.1 Background

- 2.1.1 The Ministry of Coal (“**MoC**”) has, *vide* its letter (23011/15/2016-CPD/CLD) dated May 22, 2017 provided the “*Signing of Fuel Supply Agreement (FSA) with Letter of Assurance (LoA) holders of Thermal Power Plants - Fading Away of the existing LoA-FSA Regime and Introduction of a New More Transparent Coal Allocation Policy for Power Sector, 2017 - SHAKTI (Scheme for Harnessing and Allocating Koyala (Coal) Transparently in India)*” as amended *vide* letter (CLD -23028/10/2018-CLD- Part (1) dated March 25, 2019 (“**Policy**”). The relevant provisions of the Policy shall be applicable to the Auction under this Scheme Document.
- 2.1.2 Paragraph B(iii) of the Policy *inter alia* provides that CIL/SCCL may grant future coal linkages on auction basis for Power Producers/IPPs without PPAs that are either commissioned or to be commissioned. Paragraph B(iii) of the Policy also provides that the methodology for bidding of linkages shall be similar to the bidding methodology in the policy on auction of linkages of Non-Regulated Sector dated February 15, 2016.
- 2.1.3 Paragraph B(viii)(a) of the Policy *inter alia* provides that all such power plants including private generators which do not have PPAs, shall be allowed Coal linkage under B(iii) of Shakti Policy for a period of minimum 3 months up to a maximum of 1 year, provided further that the power generated through that linkage is sold in Day Ahead Market (DAM) through power exchanges or in short term through a transparent bidding process through Discovery of Efficient Energy Price (DEEP) portal and that a methodology in this regard shall be formulated by Ministry of Power in consultation with Ministry of Coal.
- 2.1.4 Subsequently, the Ministry of Power (“**MoP**”) *vide* its letter No. 23/30/2019-R&R dated December 2, 2019 issued the methodology (namely the Methodology for allocation of coal as per provisions of Para B(viii)(a) covering Para B(iii) of SHAKTI Policy of Ministry of Coal amended as per Para 2.1(a) of HLEC Recommendations) for auction of coal linkages every quarter such that the coal linkage granted pursuant to such auction corresponds to the consumption of coal for 3 (three) months as amended *vide* MoP’s letter No. 23/30/2019-R&R dated May 12, 2020. (“**MoP Methodology**”).
- 2.1.5 Thereafter, CEA has issued the Guidelines for Auction of Coal Linkage under Para B(viii)(a) of the Policy covering Para B(iii) of the Policy dated January 14, 2020, as amended *vide* letter No. 294/SHAKTI B(viii) (a)/TPP&D/CEA/2020/ dated May 26, 2020 (the “**Guidelines**”).
- 2.1.6 Nine tranches of auction of Coal Linkage under Para B(viii)(a) of the Policy covering Para B(iii) of the Policy has been successfully concluded.
- 2.1.7 It is now proposed to conduct the tenth tranche of auction of Coal Linkage under Para B(viii)(a) of the Policy covering Para B(iii) of the Policy. Accordingly, CEA has published a notice (No. 294/SHAKTI B(viii) (a)/TPP&D/CEA/2022) dated April 15, 2022, inviting requisition from interested bidders for the Auction (the “**Notice**”).
- 2.1.8 CIL intends to provide Coal Linkages for the Quarter, as per Paragraph B(viii)(a) of the Policy covering Paragraph B(iii) of the Policy in accordance with the MoP Methodology and the Guidelines, pursuant to a non-discriminatory ascending clock auction process to be conducted on the Electronic Platform (“**Auction**”).

2.1.9 This Scheme Document is being issued by CIL for the Auction.

## 2.2 The Policy

The Auction is subject to the Policy, the MoP Methodology and the Guidelines and accordingly the Prospective Bidders are encouraged to familiarise themselves with the Policy, the MoP Methodology and the Guidelines. As on the date of this Scheme Document, the Policy, the MoP Methodology and the Guidelines are available at:

<https://coal.gov.in/sites/default/files/2019-10/220517.pdf>

<https://coal.gov.in/sites/default/files/2020-01/25-03-2019.pdf>

[https://powermin.gov.in/sites/default/files/Amendment\\_on\\_Methodology\\_for\\_allocation\\_of\\_coal\\_as\\_per\\_provisions\\_amended\\_as\\_per\\_Para\\_of\\_HLEC\\_Reco.pdf](https://powermin.gov.in/sites/default/files/Amendment_on_Methodology_for_allocation_of_coal_as_per_provisions_amended_as_per_Para_of_HLEC_Reco.pdf)

[https://cea.nic.in/wp-content/uploads/2020/04/CEA\\_Guidelines\\_for\\_coal\\_linkage\\_auction\\_under\\_SHAKTI\\_Bviiiia.pdf](https://cea.nic.in/wp-content/uploads/2020/04/CEA_Guidelines_for_coal_linkage_auction_under_SHAKTI_Bviiiia.pdf)

[https://cea.nic.in/wp-content/uploads/tpp\\_d/2020/07/Rev%20Amendment%20in%20Guidelines%20for%20coal%20aution.pdf](https://cea.nic.in/wp-content/uploads/tpp_d/2020/07/Rev%20Amendment%20in%20Guidelines%20for%20coal%20aution.pdf)

## 2.3 Coal Linkages

2.3.1 Each Lot identified in **Annexure VI** is being auctioned strictly for prospective consumption at the registered Specified End Use Plant(s) of the Bidders for generation of power through the Allocated Quantity to be sold in DAM through power exchanges or in short term through a transparent bidding process through DEEP Portal (“**Specified End Use**”); and any transfer, and/or sale of any Allocated Quantity, shall not be permitted, in any manner whatsoever. Any swapping and/or rationalisation of the Allocated Quantity shall be in accordance with extant applicable policy.

The net surplus, after meeting operating expenses, generated pursuant to the Specified End Use of the Allocated Quantity in the aforesaid manner, shall be entirely used for servicing debt in the first place, in accordance with the mechanism prescribed by the MoP *vide* Office Memorandum (No. L-2/2018-IPC(Part-4)) dated August 5, 2019 and Office Memorandum (No. L-2/2018-IPC(Part-6)) dated August 20, 2019, as amended from time to time. As on the date of this Scheme Document, the Office Memoranda mentioned above are available at:

[https://powermin.gov.in/sites/default/files/Mechanism\\_dated\\_05\\_08\\_2019.pdf](https://powermin.gov.in/sites/default/files/Mechanism_dated_05_08_2019.pdf)

[https://powermin.gov.in/sites/default/files/Corrigendum\\_dated\\_to\\_Mechanism\\_0.pdf](https://powermin.gov.in/sites/default/files/Corrigendum_dated_to_Mechanism_0.pdf)

### **3 Auction Process**

#### **3.1 Registration**

3.1.1 Pursuant to the Notice Inviting Registration, a Power Producer/IPP, meeting the Eligibility Conditions set out in Clause 4 and which is desirous of participating in the Auction through its Specified End Use Plant(s), is required to register such Specified End Use Plant(s) on the website of the Service Provider (M/s MSTC Ltd) (“**Electronic Platform**”), irrespective of the Specified End Use Plant(s) already registered on the Electronic Platform during previous tranches of Auction, within the timeline as has been prescribed in the Notice Inviting Registration, against payment of a non-refundable fee of Rs. 10,000/- plus applicable taxes (“**Registration Fee**”). The Registration Fee of the Bidders already registered on the Electronic Platform during previous tranches of Auction shall be waived. An IPP/Power Producer which registers its Specified End Use Plant(s) on the Electronic Platform in accordance with this Clause 3.1 shall be referred to as a “**Bidder**”. The link for the registration, as already provided in the Notice Inviting Registration, is provided below:

<https://www.mstcecommerce.com/auctionhome/shaktib3short/index.jsp>

3.1.2 Each registration shall be linked to a Specified End Use Plant and each Specified End Use Plant may be registered only once. It is clarified that in the event a Bidder registers more than 1 (one) Specified End Use Plant on the Electronic Platform, such Bidder shall be considered a separate Bidder in respect of each Specified End Use Plant and shall be given a separate unique registration number in respect of each such registered Specified End Use Plant. In the event that the Specified End Use Plant registered under this Clause 3.1 by a Bidder combines 1 (one) or more units, for the purposes of the entire Auction, the Bidder shall not be permitted to (a) split such units and (b) submit separate Bid(s) in respect of such unit(s), at any subsequent stage.

3.1.3 The technical details and other information with respect to access to the Electronic Platform and bidding thereon are provided in **Annexure V**.

3.1.4 In case of any technical clarification regarding access to the Electronic Platform or conduct of the Auction, the Bidder may contact the Service Provider directly at the contact details provided in **Annexure V**.

#### **3.2 Submission of Requisition**

3.2.1 Pursuant to the Notice, each Bidder is required to submit the details, documents and/or information to CEA as requisitioned in and no later than the timeline, as has been prescribed in the Notice.

3.2.2 The information submitted by a Bidder in response to the Notice shall be verified by the CEA, on the basis of the documentation/information submitted by each such Bidder. In case any additional information is required from a Bidder, the same shall be provided by the Bidder within the specified timeframe.

#### **3.3 Normative Coal Requirement**

3.3.1 CEA shall (i) verify and confirm the eligibility of the Bidders as per the Eligibility Conditions set out in Clause 4.1.1; and (ii) calculate (on the basis of the formula set out

below in Clause 3.3.3) and provide the Normative Coal Requirement (*as defined hereinafter*) of each of such Bidders, who have submitted their details pursuant to the Notice.

3.3.2 Each registered Bidder, who meets the Eligibility Conditions (as verified by the CEA) and for whom the Normative Coal Requirement (as calculated by the CEA) is set out on the Electronic Platform as per Clause 3.3.3, shall be referred to as an “**Eligible Bidder**”.

3.3.3 The normative coal requirement for each Specified End Use Plant of the Eligible Bidders for the Quarter shall be calculated as follows and the figure so calculated shall be referred to as the “**Normative Coal Requirement**”:

$$\text{Normative Coal Requirement (MT) in G13 grade equivalent} = \frac{\text{[Normative Energy Requirement (in kcal for the Quarter)]}}{\text{divided by [(10}^9\text{) multiplied by (the gross calorific value of G13 grade of coal as specified in Annexure VII)]}}$$

**Where:**

$$\text{Normative Energy Requirement (in kcal) for the Quarter} = [100\% \times \{\text{energy requirement (calculated in kcal on the basis of the consumption norms set out in Annexure VII) of the Specified End Use Plant for the Quarter and for the capacity}^{\#}\text{ against which the Bidder does not have a PPA less the energy requirement for the Quarter for sale of power on merchant basis met through the captive coal mine/coal block}\}]$$

<sup>#</sup>For the purpose of computation of Normative Coal Requirement, capacity shall be gross capacity at generation end.

All the calculations shall be done on the basis of the lower limits of that particular grade’s GCV range.

It is further clarified that, for the purposes of computation of the Normative Energy Requirement basis the abovementioned formula, at any stage of the Auction Process, if the energy requirement of the Specified End Use Plant for the Quarter met through any allocation of coal linkage(s) pursuant to the Auction of any Lot conducted by CIL and/or by SCCL under Paragraph B(viii)(a) of the Policy covering Paragraph B(iii) of the Policy shall be deducted, irrespective of the status of issuance of the Intimation Letter or signing of the FSA.

3.3.3.1 Upon submission of the details, documents and information in response to the Notice as specified in Clause 3.5.1, the Normative Coal Requirement for various grades of coal with respect to a Specified End Use Plant of Eligible Bidders shall be set out on the Electronic Platform. The Normative Coal Requirement shall be subject to reduction on a progressive

basis depending on the allocations made to the Eligible Bidder during the Auction Process and the Eligible Bidder shall be informed of the same on the Electronic Platform.

3.3.3.2 The Eligible Bidders shall, based on the Normative Coal Requirement related information provided on the Electronic Platform, decide the Link Quantity across various Lots for the purposes of computing the Bid Security and the Process Fee payable by them.

**Example 1:**

For the purposes of Clause 3.3.3.1, suppose the Normative Coal Requirement of the Eligible Bidder for the Quarter in G13 grade as computed by CEA is 1 MT, then the Electronic Platform shall display the Normative Coal Requirement of the Eligible Bidder and the corresponding Bid Security and Process Fee as under, which is to be deposited as per Clause 5:

Grade	Normative Coal Requirement (MT)	Bid Security and Process Fee (Rs Cr)
G1	0.49	5.83
G2	0.51	6.08
G3	0.53	6.37
G4	0.56	6.68
G5	0.59	7.03
G6	0.62	7.42
G7	0.65	7.85
G8	0.69	8.33
G9	0.74	8.87
G10	0.79	9.49
G11	0.85	10.20
G12	0.92	11.03
G13	1.00	12.00
G14	1.10	13.16
G15	1.21	14.57
G16	1.36	16.32
G17	1.55	18.54

With respect to Clause 3.3.3.2, if the Eligible Bidder submits Rs 9.6 crores collectively as bid security and process fee, such Eligible Bidder can bid up to the maximum of 0.8 MT subject to the Normative Coal Requirement across various grades as under:

Grade	Normative Coal Requirement (MT)	Maximum Quantity Bidder can Bid across various grades (MT)
G1	0.49	0.49
G2	0.51	0.51
G3	0.53	0.53
G4	0.56	0.56
G5	0.59	0.59
G6	0.62	0.62

Grade	Normative Coal Requirement (MT)	Maximum Quantity Bidder can Bid across various grades (MT)
G7	0.65	0.65
G8	0.69	0.69
G9	0.74	0.74
G10	0.79	0.79
G11	0.85	0.80
G12	0.92	0.80
G13	1.00	0.80
G14	1.10	0.80
G15	1.21	0.80
G16	1.36	0.80
G17	1.55	0.80

With respect to Clause 3.3.3.1, if the Eligible Bidder is successful in the Lot of G8 grade of coal for a quantity of 2,00,000 tonne, the Normative Coal Requirement for say Lot with G9 grade coal would be as under:

Particulars	Unit		
<b>Normative Coal Requirement (based on G8 grade)</b>	<b>Tonne</b>	<b>(A)</b>	6,93,878
Allocated Quantity in Lot with G8 grade	Tonne	(B)	2,00,000
Available Normative Coal Requirement (based on G8 grade)	Tonne	(C=A-B)	4,93,878
Average GCV of G8 grade of coal		(D)	4,900
Average GCV of G9 grade of coal		(E)	4,600
<b>Normative Coal Requirement (based on G9 grade)</b>	<b>Tonne</b>	<b>(F=C*D/E)</b>	5,26,087
<b>Normative Coal Requirement (based on G9 grade)</b>	<b>MT</b>	<b>(G=F/10<sup>6</sup>)</b>	<b>0.526087</b>

### 3.4 Pre-Auction Consumer Conference

- 3.4.1 Pre-auction consumer conference(s) may be convened at a time and place specified by CIL (“**Pre-Auction Consumer Conference(s)**”). A maximum of 2 (two) authorised representatives of each Prospective Bidder/Bidder shall be allowed to participate in the Pre-Auction Consumer Conference(s) on production of identity proofs. During the course of Pre-Auction Consumer Conference(s), the Prospective Bidders/Bidders will be free to seek clarifications and make suggestions for the consideration of CIL.
- 3.4.2 CIL shall endeavour to provide clarifications and such further information as it may, in its sole discretion, consider appropriate for facilitating a fair, transparent and competitive Auction Process. Each query should contain complete details of facts, information and Applicable Law germane to the query and also the particulars of the Person posing the query. CIL reserves the right to not answer any query, including any query which is incomplete or anonymous.

- 3.4.3 CIL may also on its own motion, if deemed necessary, issue interpretations and clarifications to all Prospective Bidders/Bidders. All clarifications and interpretations issued by CIL shall be deemed to be part of this Scheme Document. However, any non-written clarifications and information provided by CIL, its employees or representatives in any manner whatsoever shall not in any way or manner be binding on CIL.

### 3.5 Conditions to Auction

Subject to satisfaction of the following conditions, the Eligible Bidder shall be entitled to participate in the Auction, the procedure of which is set out in Clause 3.6:

- 3.5.1 the Eligible Bidder has submitted the necessary details in response to the Notice and the other documents/information in accordance with Clause 3.2.
- 3.5.2 the Eligible Bidder shall submit all documents/information in support thereof as specified in Clause 4.1.6 and shall submit the relevant information required under **Annexure V**. The documents/information specified in Clause 4.1.6 shall be submitted in original (with each page duly signed and stamped by the Authorised Signatory) in sealed envelopes within the Due Date to the Service Provider at the address specified in **Annexure V**. The sealed envelopes should clearly bear the following identification: “*Original Documents for SHAKTI B(iii) Short Term Scheme Auction*” and must also mention the name, registration no. provided by the Service Provider and the address of the Eligible Bidder; and
- 3.5.3 the Eligible Bidder shall submit the Process Fee in accordance with Clause 5.1 and the Bid Security in accordance with Clause 5.2 within the specified timeframe.

### 3.6 Auction

- 3.6.1 The Coal Linkages shall be auctioned Lot wise as per the sequence and schedule set out in **Annexure VI**. In case the Auction of Coal Linkages of any Lot spills over to the time of the next Lot(s), then the Auction of such Lot(s) will be deferred and will be conducted at the end of Auction of the Coal Linkages from the last Lot as per the auction sequence specified in **Annexure VI**.

#### ***Example 2:***

*There are 15 Lots (numbered L1 to L15) with a proposed auction sequence of 3 Lots per day at 12:00 HRS, 15:00 HRS and 18:00 HRS respectively. In case the Auction of the Coal Linkages from Lot 1 continues till 18:01 HRS on Day 1, Auction of Coal Linkages from Lot 2 and Lot 3 will be deferred and will be conducted after the Auction of the Coal Linkages from Lot 15.*

- 3.6.2 The Auction Process for Auction of Coal Linkages shall be conducted in the following manner:
- 3.6.2.1 The Auction for Coal Linkages from every Lot will be conducted in multiple rounds.
- 3.6.2.2 The floor price for the Auction in the first round of the Auction Process shall be the Notified Price (“**Reserve Price**”) and the Eligible Bidders shall submit its Bid for a particular Link Quantity in accordance with the provisions hereunder.

- 3.6.2.3 In round 1 of the Auction, the premium shall be Rs. zero/tonne against which the Eligible Bidders will be required to indicate their Link Quantity.
- 3.6.2.4 At the end of each round of bidding with respect to a Coal Linkage, the Demand Supply Ratio will be assessed by the Electronic Platform and the premium for the next round of the Auction will be determined based on the Demand Supply Ratio of the immediately preceding round in the manner specified below. In each round of the Auction, the Eligible Bidders may offer to purchase the Link Quantity against the Reserve Price plus premium for such round:
- (a) if Demand Supply Ratio at the end of a particular round is greater than 100% (one hundred per cent.) and less than or equal to 125% (one hundred and twenty five per cent.), then the premium will be Rs. 10 (Indian Rupees Ten) per tonne plus the premium of the previous round;
  - (b) if Demand Supply Ratio at the end of a particular round is greater than 125% (one hundred and twenty five per cent.) and less than or equal to 200% (two hundred per cent.), then the premium will be Rs. 25 (Indian Rupees Twenty Five) per tonne plus the premium of the previous round;
  - (c) if Demand Supply Ratio at the end of a particular round is greater than 200% (two hundred per cent.) and less than or equal to 300% (three hundred per cent.), then the premium will be Rs. 50 (Indian Rupees Fifty) per tonne plus the premium of the previous round; and
  - (d) if Demand Supply Ratio at the end of a particular round is greater than 300% (three hundred per cent.) then the premium will be Rs. 100 (Indian Rupees One Hundred) per tonne plus the premium of the previous round.
- 3.6.2.5 Each Bid submitted by an Eligible Bidder during any of the Auction rounds shall be considered a valid and binding offer to purchase the Link Quantity at the Reserve Price plus premium applicable for the relevant round.
- 3.6.2.6 The Auction Process shall stop when the Demand Supply Ratio is less than or equal to 100% (one hundred per cent.) in a particular round. The round at which the Auction stops (“**Last Round**”), and the penultimate round of the Auction (“**Penultimate Round**”) will be compared and the quantity of coal to be allocated to each Eligible Bidder in each of the said rounds shall be computed as follows:
- (a) if the Demand Supply Ratio in any of the above mentioned rounds is less than or equal to 100% (one hundred per cent.), each Eligible Bidder would be entitled to be allocated its full Link Quantity in that round; or
  - (b) if the Demand Supply Ratio in any of the above mentioned rounds is more than 100% (one hundred per cent.), then each Eligible Bidder would be entitled to be allocated its pro rata share of the Coal Linkage quantity in that round.

In the event that the entitlement of an Eligible Bidder pursuant to Clause 3.6.2.6(b) above, is not an integer multiple of the Transport Factor, such entitlement shall be decreased and rounded off (downwards) to the nearest integer multiple of the Transport Factor (such downward adjustment in the coal entitlement may hereinafter referred to as the



“Adjustment”).

CIL shall, compute the actual coal entitlement of each Eligible Bidder for the Last Round and the Penultimate Round post the Adjustment, if any, and shall thereafter compare the expected revenue from the Last Round and the Penultimate Round. The round generating the maximum revenue for CIL pursuant to the above computations and adjustments will be selected as the round for determination of the Successful Bidder(s) (“Selected Round”).

**Example 3:**

*In the event the Lot size is 0.2 MT:*

Round	Demand/ Supply Ratio	Round Premium (Rs. /Tonne)	
		Step up in Round Premium	Total Round Premium
1	324.00%	-	-
2	274.00%	100.00	100.00
3	204.00%	50.00	150.00
4	174.00%	50.00	200.00
5	150.00%	25.00	225.00
6	130.00%	25.00	250.00
7	126.00%	25.00	275.00
8	124.00%	25.00	300.00
9	122.00%	10.00	310.00
10	120.00%	10.00	320.00
11	106.00%	10.00	330.00
12	102.00%	10.00	340.00
13	102.00%	10.00	350.00
14	98.00%	10.00	360.00

*Thus, the Auction will stop at round 14 where the Demand Supply Ratio falls below 100% (one hundred per cent.). At this stage, CIL will compare the expected revenue from round 14 (i.e., the Last Round) and round 13 (i.e., the Penultimate Round). The round generating the maximum revenue will be selected. For calculating the revenue generated from the aforesaid rounds where Demand Supply Ratio is greater than 100% (i.e., round 13 in this example), the Allocated Quantity, after factoring in the rounding off due to Transport Factor limitations will be considered. An example (Example 4) is worked out below:*

**Example 4:**

*The revenue from round 14 (i.e., the Last Round) and round 13 (i.e., the Penultimate Round) of the Example 3 above, is as follows:*

Allocation and revenue Calculations for Round 13			
Description	Eligible Bidder 1	Eligible Bidder 2	Eligible Bidder 3
Link Quantity (Tonne)	52,900	47,100	1,04,000

<b>Allocation and revenue Calculations for Round 13</b>			
<b>Description</b>	<b>Eligible Bidder 1</b>	<b>Eligible Bidder 2</b>	<b>Eligible Bidder 3</b>
Pro-rata allocated quantity (Tonne)	51,863	46,176	1,01,961
<b>Final Allocated Quantity post Adjustment (Tonne)</b>	<b>51,800</b>	<b>46,100</b>	<b>1,01,900</b>
<b>Total Quantity Available for Sale</b>	<b>1,99,800 TPA</b>		
Reserve Price (assuming G8 grade)	Rs. 1,475 per tonne		
Applicable Round Premium	Rs. 350 per tonne		
Total Applicable Price	Rs. 1,825 per tonne		
<b>Total Revenue</b>	<b>Rs. 36.46 Crore</b>		

<b>Allocation and revenue Calculations for Round 14</b>			
<b>Description</b>	<b>Eligible Bidder 1</b>	<b>Eligible Bidder 2</b>	<b>Eligible Bidder 3</b>
Link Quantity (Tonne)	48,700	45,300	102,000
<b>Final Allocated Quantity (Tonne)</b>	<b>48,700</b>	<b>45,300</b>	<b>102,000</b>
<b>Total Quantity Available for Sale</b>	<b>1,96,000 TPA</b>		
Reserve Price (assuming G8 grade)	Rs. 1,475 per tonne		
Applicable Round Premium	Rs. 360 per tonne		
Total Applicable Price	Rs. 1,835 per tonne		
<b>Total Revenue</b>	<b>Rs. 35.97 Crore</b>		

*Since revenue under Round 13 is more than under Round 14, CIL may choose this Round and allocate each Eligible Bidder their pro-rata share with a premium of Rs. 350 per tonne.*

Each Eligible Bidder who has submitted Bids in the Selected Round shall hereinafter be referred to as a “**Successful Bidder**” and the quantity of coal to which the Successful Bidder would be entitled to in the Selected Round (as computed under Clause 3.6.2.6(a) or Clause 3.6.2.6(b) above) post Adjustment, if any, shall be referred to as the “**Allocated Quantity**”.

It is clarified that each Successful Bidder shall be entitled to receive only the Allocated Quantity subject to fulfilment of the conditions set out in this Scheme Document and that the Allocated Quantity shall be used by the Successful Bidder only for the Specified End Use.

In case Demand Supply Ratio is 100% (one hundred per cent) or less in round 1 of the Auction, each Eligible Bidder shall be allocated their Link Quantity for that round at the Reserve Price.

3.6.2.7 The Eligible Bidders will have to abide by the following conditions in each round of the Auction:

- (a) the Link Quantity will be integer multiple of 100 tonnes (one hundred tonnes) (hereinafter referred to as the “**Transport Factor**”); and
- (b) the Link Quantity in a particular round shall be lower than or equal to the Link

Quantity quoted in the previous round.

3.6.2.8 In the event that any coal remains unallocated pursuant to Completion of the Auction Process for any tranche of the Auction, CIL reserves the right to dispose off such coal in any subsequent tranche of the Auction.

### **3.6.3 Issuance of Intimation Letter to Successful Bidders**

Upon Completion of the Auction Process for any tranche of the Auction, a system generated intimation (in the format set out in **Annexure X**) (“**Intimation Letter**”) shall be issued by the Electronic Platform to each of the Successful Bidders in respect of *inter alia* the cumulative Allocated Quantity of such Successful Bidder.

### **3.6.4 Submission by Successful Bidder(s) and Execution of the FSA**

3.6.4.1 Within 21 (Twenty One) days of issuance of Intimation Letter to a Successful Bidder pursuant to Clause 3.6.3 above, such Successful Bidder shall:

- (a) submit a Performance Security as specified in Clause 5.4 and an affidavit confirming availability of necessary documents and information (in the format specified in **Annexure VIII**), to the relevant Subsidiary; and
- (b) execute a FSA (in the format specified in **Annexure I**) with the relevant Subsidiary in respect of the Allocated Quantity from a particular Lot.

3.6.4.2 The FSA shall be executed between the Successful Bidder and the relevant Subsidiary in respect of the Allocated Quantity from a particular Lot, upon CIL/the relevant Subsidiary being satisfied of the fulfilment of all the conditions set out in this Scheme Document including the condition set out in Clause 3.6.4.1(a).

3.6.4.3 The Successful Bidder shall not be entitled to seek any deviation, modification or amendment in the FSA, except with the prior written approval of the relevant Subsidiary. The terms of this Scheme Document shall be deemed to be incorporated in the executed FSA by reference and to form a part of the executed FSA and the relevant Subsidiary shall be entitled to exercise all its rights and remedies as stipulated in this Scheme Document. In the event of any inconsistency or difference in the provisions of the Scheme Document and those of the executed FSA, the provisions of the executed FSA shall prevail.

### **3.6.5 Tests of Responsiveness**

3.6.5.1 CIL may at any time prior to issuance of Intimation Letter and the relevant Subsidiary may at any time prior to or post issuance of Intimation Letter, determine whether the documents, information submitted and/or payments made by the Bidder are in accordance with the requirements of this Scheme Document. CIL or the relevant Subsidiary, as the case may be, reserves the right to disqualify any Bidder, and withdraw the entitlement to the Allocated Quantity, terminate the FSA and forfeit the Bid Security and/or Process Fee, as the case may be, and in such event the Intimation Letter shall stand revoked, if CIL and/or the relevant Subsidiary is of the opinion that the Conditions to Auction or any other requirements for subsequent submissions have not been duly satisfied and no request for alteration, modification, substitution or withdrawal shall be considered or permitted by CIL or the relevant Subsidiary, as the case may be, in respect of the documents/information

submitted pursuant to the Scheme Document. While making any determination with respect to responsiveness of any documents, information and/or payments submitted or received from a Bidder, CIL or the relevant Subsidiary, as the case may be, may consider such parameters as it may deem relevant including considerations that the same:

- (a) are as per the prescribed formats and have been submitted or paid in the manner stipulated in this Scheme Document;
- (b) have been submitted by the Due Date including any extension thereof;
- (c) contain all the information (complete in all respects) as requested in this Scheme Document;
- (d) are not incorrect, false or misleading etc.;
- (e) do not contain any inconsistency, error, omission, condition and/or qualification;
- (f) have been provided in relation to each Specified End Use Plant;
- (g) are generally not considered to be non-responsive in terms of any other parameters as may be considered relevant by CIL;
- (h) are strictly in compliance with this Scheme Document and the provisions contained herein; and
- (i) are not liable to be disqualified pursuant to any disqualification event(s) set out at Clause 6.6.

3.6.5.2 Save and except as provided in this Scheme Document, CIL or the relevant Subsidiary, as the case may be, shall not entertain any correspondence with any Bidder in relation to disqualification of a Bidder in accordance with this Clause 3.6.5.

### **3.6.6 Schedule of the Auction Process**

The schedule of the Auction Process shall be as per the estimated timelines to be specified separately. The said timelines are merely indicative and tentative in nature. The same are subject to change as per the sole discretion of CIL. Any change in the said timelines will be set out on the Electronic Platform, through an addendum and/or corrigendum to this Scheme Document. Bidders are advised to regularly check the Electronic Platform in order to be informed of the same.

## **4 Eligibility Conditions**

4.1 A Bidder would be required to comply with the following eligibility conditions:

4.1.1. As on the last date for submission of details specified in the Notice, the Specified End Use Plant of the Bidder should have an untied commissioned capacity. Where ‘untied commissioned capacity’ of a Specified End Use Plant shall be the capacity which is already commissioned and in respect of which the Bidder does not have a PPA.

4.1.2. It is hereby clarified that any Bidder having existing linkage/letter of assurance/FSA/Coal Block in respect of its Specified End Use Plant may participate in the Auction if it qualifies under Clause 4.1.1.

4.1.3. It is hereby further clarified that a Bidder which was a successful bidder in respect of its Specified End Use Plant under the auction conducted by CIL under Paragraph B(iii) of the Policy may participate in the Auction if it qualifies under Clause 4.1.1.

4.1.4. The Bidder should be the owner of the Specified End Use Plant registered under Clause 3.1.

4.1.5. The Bidder should not have been convicted for wrongful utilization of coal by the Central Bureau of Investigation or any other governmental authority or statutory or judicial body.

### **4.1.6. Power of Attorney, Affidavit and Undertaking**

4.1.6.1. The Eligible Bidder will be required to upload scanned copies of the following documents on the Electronic Platform and also submit the documents (to the Service Provider at the address specified in **Annexure V**) in original, in accordance with the Applicable Law, as part of the Conditions to Auction specified in Clause 3.5.2:

- (a) an undertaking in the format set out in **Annexure II**, wherein the Eligible Bidder shall undertake to *inter alia* comply with all Applicable Laws including environmental laws;
- (b) power of attorney in the format set out in **Annexure III** in favour of the Authorised Signatory, along with a certified true copy of the relevant authorizations in support thereof e.g. letter of authority, resolution of the board of directors, resolution of the shareholders etc. authorising such person to issue a power of attorney in favour of the Authorised Signatory to act on behalf of the Bidder; and
- (c) an affidavit in the format set out in **Annexure IV** certifying *inter alia* that it meets all the Eligibility Conditions required for participation in the Auction Process hereunder.

## 5 Payments

### 5.1 Process Fee

5.1.1 The Eligible Bidder shall be required to submit a process fee, within the timelines to be stipulated in this regard, as per the following formula (“**Process Fee**”):

*Rs. 20/- (Indian Rupees Twenty) per tonne (inclusive of goods and services tax) multiplied by the Link Quantity across various Lots.*

5.1.2 The Eligible Bidder shall ensure that the Process Fee shall, at all times during the Auction, correspond to its Link Quantity. In case an Eligible Bidder decides to change the bidding strategy by opting to Bid for a different Link Quantity in a specific Lot, which requires additional Process Fee to be paid, the Eligible Bidder shall be required to top-up the Process Fee no later than 1 (one) business day prior to the scheduled Auction of the Coal Linkages from the relevant Lot.

5.1.3 The payments made by Eligible Bidders towards the Process Fee shall be deposited into a designated bank account, the details of which are provided in **Annexure V**.

5.1.4 The Process Fee pertaining to the Allocated Quantities of each Successful Bidder shall be debited towards transaction expenses for running the Auction Process and the balance Process Fee shall be refunded from the bank account (details of which are provided in **Annexure V**), without interest, to the relevant Successful Bidder after Completion of the Auction Process. In the event that an Eligible Bidder does not qualify as a Successful Bidder, the entire amount of the Process Fee, without any interest, shall be refunded to such Eligible Bidder after Completion of the Auction Process.

5.1.5 The Process Fee shall be forfeited and appropriated *inter alia* in any of the following events or event(s) elsewhere in this Scheme Document:

5.1.5.1 the Bid, information, documents, and/or payments with respect to the Conditions to Auction are determined to be non-responsive in terms of Clause 3.6.5;

5.1.5.2 if a Bidder engages in Corrupt Practice, Fraudulent Practice, Coercive Practice, Undesirable Practice or Restrictive Practice as specified in Clause 7 of this Scheme Document;

5.1.5.3 in case a Successful Bidder, fails to, or does not fulfil, the conditions set out at Clause 3.6.4 in the manner prescribed therein;

5.1.5.4 any assignment/transfer which is not in accordance with Clause 6.3;

5.1.5.5 the Bidder has been disqualified for any reason set out in Clause 6.6;

5.1.5.6 the Bidder has participated in the Auction, other than in accordance with the Scheme Document; and/or

5.1.5.7 the Bidder has breached confidentiality in terms of Clause 8.5.

### 5.2 Bid Security

5.2.1 Each Eligible Bidder shall furnish, as part of the Conditions to Auction, a bid security, within the timelines to be stipulated in this regard as per the following formula (“**Bid Security**”):

*Rs. 100 (Indian Rupees One Hundred) per tonne of the Link Quantity across various Lots.*

5.2.2 The Eligible Bidder shall ensure that the Bid Security shall, at all times during the Auction, correspond to its Link Quantity. In case an Eligible Bidder decides to change the bidding strategy by opting to Bid for a different Link Quantity in a specified Lot, which requires payment of additional Bid Security, the Eligible Bidder shall be required to top-up the Bid Security at least 1 (one) business day prior to the scheduled Auction of Coal Linkages pertaining to the Lot.

5.2.3 The payments made by the Eligible Bidders towards the Bid Security will be deposited into a designated bank account, the details of which are specified in **Annexure V**. The payments made towards Bid Security in the above mentioned bank account shall be transferred to the relevant Subsidiaries or shall be refunded in accordance with the provisions of Clause 5.2.4. The Successful Bidders may get their Bid Security converted into a bank guarantee of an Acceptable Bank after issuance of Intimation Letter in accordance with Clause 3.6.3, subject to verification of such bank guarantee by the issuing branch of the Acceptable Bank.

5.2.4 The refund of the Bid Security submitted by an Eligible Bidder(s) shall be as under:

5.2.4.1 The Bid Security for the Allocated Quantity of the Successful Bidder will either be (a) returned by the relevant Subsidiary to the Successful Bidder, without any interest, post submission of executed copies of FSA to the relevant Subsidiary; or (b) adjusted against the Periodic Payments to be made by the Successful Bidder in accordance with Clause 5.3, upon receipt of a request from Successful Bidder prior to execution of the FSA; and

5.2.4.2 the balance Bid Security of the Successful Bidder (net of amounts retained under Clause 5.2.4.1 above), if any, and the Bid Security of other Eligible Bidder(s) (who is not a Successful Bidder) shall be returned by the Service Provider to the Successful Bidder or Eligible Bidder(s), as the case may be, without any interest, after Completion of the Auction Process.

5.2.5 The Bid Security shall be liable to be forfeited and appropriated *inter alia* in any of the events specified in Clause 5.2.6 or elsewhere in this Scheme Document. The Eligible Bidder, by participating in the Auction Process pursuant to this Scheme Document, shall be deemed to have acknowledged and confirmed that CIL and the relevant Subsidiary will suffer loss and damage on account of any default by the Eligible Bidder during the period of Auction. No relaxation of any kind on the Bid Security shall be given to any Eligible Bidder.

5.2.6 The Bid Security shall be forfeited as damages without prejudice to any other right or remedy that may be available to CIL and/or the relevant Subsidiary under the Scheme Document and/or under the FSA, or otherwise, under, *inter alia*, the following conditions:

5.2.6.1 the Bid, information, documents, and/or payments with respect to the Conditions to Auction are determined to be non-responsive in terms of Clause 3.6.5 ;

5.2.6.2 if a Bidder engages in Corrupt Practice, Fraudulent Practice, Coercive Practice,

Undesirable Practice or Restrictive Practice as specified in Clause 7 of this Scheme Document;

- 5.2.6.3 in case a Successful Bidder, fails to, or does not fulfil, the conditions set out at Clause 3.6.4 in the manner prescribed therein;
- 5.2.6.4 any assignment/transfer which is not in accordance with Clause 6.3;
- 5.2.6.5 the Bidder has been disqualified for any reason set out in Clause 6.6;
- 5.2.6.6 the Bidder has participated in the Auction, other than in accordance with the Scheme Document; and/or
- 5.2.6.7 the Bidder has breached confidentiality in terms of Clause 8.5.

### **5.3 Periodic Payments by the Successful Bidder(s)**

- 5.3.1 In addition to the payments specified in this Scheme Document, the Successful Bidder(s) shall be required to make periodic payments for the coal supplied under the FSA on the basis of the following formula:

*[(Aggregate of the Notified Price) and (the Winning Premium multiplied by the Notified Price) ) multiplied by (the Allocated Quantity supplied under the FSA)].*

- 5.3.2 The Winning Premium shall remain constant during the tenure of the FSA and shall be payable by the Successful Bidder corresponding to the grade of coal actually supplied by the relevant Subsidiary. The Notified Price may be reviewed by CIL semi-annually, and it may make such modifications as may be deemed appropriate. The price pursuant to any such modification shall be notified by CIL and such modification shall be regarded as an indexation. The Notified Price shall be payable in the manner contemplated in Clause 5.3.1 above over the tenure of the FSA.

#### ***Example 5***

Notified Price (Rs. /tonne) <b>(A)</b>	1,475
Premium (Rs. /tonne) <b>(B)</b>	200
Total Price Payable by Successful Bidder (Rs. /tonne) <b>(C=A+B)</b>	1,675
% Premium over Notified Price (to remain constant) <b>(D=B/A)</b>	13.56%
<b>SCENARIO 1</b>	
Upward Revised Notified Price (Rs. /tonne) <b>(E)</b>	1,700
Premium Payable @ 13.56% of Rs. 1,700 / tonne <b>(F=D*E)</b>	230.51
Total Price Payable by Successful Bidder after Price Revision (Rs. /tonne) <b>(G=E+F)</b>	1,930.51
<b>SCENARIO 2</b>	
Downward Revised Notified Price (Rs. /tonne) <b>(H)</b>	1,200
Premium Payable @ 13.56% of Rs. 1,200 / tonne <b>(I=D*H)</b>	162.71
Total Price Payable by Successful Bidder after Price Revision (Rs. /tonne) <b>(J=H+I)</b>	1,362.71

- 5.3.3 The Successful Bidder(s) shall also be *inter alia* liable to pay the following pursuant to the FSA:



- 5.3.3.1 all royalties, taxes, duties, cesses and such statutory levies due to the State Government, Central Government and/or to any other statutory authority in connection with the supply, dispatch or delivery of the specified grade of coal; and
- 5.3.3.2 sizing charges, transportation charges up to the relevant delivery point, loading charges and such other charges as may be specified in the FSA.

#### 5.4 Performance Security

- 5.4.1 The Successful Bidder shall provide (in accordance with the timelines in Clause 3.6.4) to the relevant Subsidiary, a performance security in the form of i) an irrevocable and unconditional performance bank guarantee (in the format provided in **Annexure IX** hereof) issued by an Acceptable Bank in favour of the relevant Subsidiary/CIL or ii) a non-interest bearing security deposit, for the performance of such Successful Bidder's obligations under the FSA ("**Performance Security**"). The amount of Performance Security shall be computed as follows:

*Performance Security = {[Allocated Quantity of the Successful Bidder] multiplied by [X]}.*  
*Where, X is (i) the difference between the notified price of the relevant grade of coal for regulated sector and the corresponding notified price of the relevant grade of coal for the non-regulated sector; or (ii) 6% of the notified price of the relevant grade of coal for the regulated sector, whichever is higher.*

##### **Example 6**

Notified Price (Rs. /tonne) for regulated sector for G10 grade <b>(A)</b>	1,034
Notified Price (Rs. /tonne) for non-regulated sector for G10 grade <b>(B)</b>	1,238
Difference between the notified price for regulated sector and non-regulated sector for G10 grade <b>C=(B-A)</b>	204
6% of the notified price for regulated sector for G10 grade <b>(D)</b>	62.04
<b>X=Higher of C or D</b>	<b>204</b>
<b>SCENARIO 1</b>	
Upward Revised Notified Price (Rs. /tonne) for regulated sector <b>(E)</b>	1,700
Upward Revised Notified Price (Rs. /tonne) for non-regulated sector <b>(F)</b>	2040
Difference between the notified price for regulated sector and non-regulated sector <b>G=(F-E)</b>	340
6% of the notified price for regulated sector <b>(H)</b>	102
<b>X=Higher of G or H</b>	<b>340</b>
<b>SCENARIO 2</b>	
Downward Revised Notified Price (Rs. /tonne) for regulated sector <b>(I)</b>	1,000
Downward Revised Notified Price (Rs. /tonne) for non-regulated sector <b>(J)</b>	1,200
Difference between the notified price for regulated sector and non-regulated sector <b>K=(J-I)</b>	200
6% of the notified price for regulated sector <b>(L)</b>	60
<b>X=Higher of K or L</b>	<b>200</b>

- 5.4.2 The Successful Bidder, if desires, can replace the non-interest bearing security deposit with an irrevocable and unconditional performance bank guarantee (in the format provided in

**Annexure IX** hereof) issued by an Acceptable Bank in favour of the relevant Subsidiary/CIL at a later stage and upon submission of the performance bank guarantee, Successful Bidders shall have the option to get the refund of security deposit or adjust the security deposit against the periodic payments for the coal supplied under the FSA as per Clause 5.3.

- 5.4.3 The Performance Security shall be provided to the relevant Subsidiary to the extent of the Allocated Quantity from such Subsidiary. The Performance Security shall remain valid till 9 (nine) months from the date of execution of the FSA. Subject to the provisions of Clause 5.4.7, the Performance Security, if provided in the form of a non-interest bearing security deposit, shall be refunded to the Successful Bidder 9 (nine) months after the date of execution of the FSA.
- 5.4.4 The amount of Performance Security stipulated in Clause 5.4.1 shall be suitably revised in case of any change in Notified Price in accordance with Clause 5.3.2. That is, upon such revision in the Notified Price, the Successful Bidder shall: (a) replace the Performance Security already submitted with Performance Security of a value based on the revised Notified Price; or (b) provide an additional Performance Security in terms of Clause 5.4.1 for an amount corresponding to the increase in the Notified Price.
- 5.4.5 The Performance Security shall be replaced or the additional Performance Security shall be provided within a period of 7 (seven) days of notification of change in the Notified Price.
- 5.4.6 In case the Performance Security was provided in the form of a security deposit, upon such revision;
- a) the Successful Bidder shall deposit additional amount towards the security deposit, in case of an increase in the Notified Price, or
  - b) the relevant Subsidiary shall refund the excess value of the security deposit, in case of a decrease in the Notified Price.
- 5.4.7 **Forfeiture of Performance Security:** The Performance Security may be forfeited by the relevant Subsidiary in the manner specified in the FSA. Without limiting the generality of the foregoing, the Performance Security shall be proportionately forfeited in case any portion of the Allocated Quantity is not certified, by CEA, as being utilized by the Specified End Use Plant.

## **6 Instructions to Bidders**

### **6.1 General Terms of Bidding**

- 6.1.1 Notwithstanding anything to the contrary contained in this Scheme Document, in the event of a conflict, the relevant provisions of the FSA when executed, shall have overriding effect.
- 6.1.2 Notwithstanding anything contained herein, in the event any non-compliance with respect to this Scheme Document comes to the knowledge or information of CIL/its Subsidiary(ies) upon or after the execution of the FSA, the rights and remedies envisaged under this Scheme Document shall subsist and shall be available to CIL/its Subsidiary(ies), in case such rights and remedies are not available to CIL/its Subsidiary(ies) under the FSA.
- 6.1.3 The Bid and all communications in relation to or concerning the Scheme Document, the Bid and the Auction are required to be in the English language.
- 6.1.4 The documents, including this Scheme Document and all attached documents, provided by CIL, are and shall remain or become the properties of CIL and are transmitted to the Bidders solely for the purpose of preparation and the submission of a Bid in accordance herewith. Bidders are required to treat all such information as strictly confidential and shall not use it for any purpose other than for preparation and submission of their Bid. The provisions of this Clause 6.1.4 shall also apply *mutatis mutandis* to the Bids and all other documents submitted by the Bidders in relation to the Bid, and CIL will not return to the Bidders any Bid, document or any information provided along therewith.
- 6.1.5 Any issuance of Intimation Letter and execution of the FSA pursuant to this Scheme Document shall be subject to the terms hereof and any documents issued pursuant to this Scheme Document and/or any other document referred herein.
- 6.1.6 In the event of an enactment, promulgation, amendment or repeal of any statute, policy, decree, notice, rule or direction by any government instrumentality that would have an impact on the Auction Process, the Intimation Letter and/or the FSA, CIL/its Subsidiary shall be free to amend or repeal this Scheme Document, the Intimation Letter and/or the FSA without any liabilities or damages, whatsoever, payable to any Bidder.

### **6.2 Conduct of Auction**

6.2.1 The Auction shall be conducted as follows:

- (a) CIL shall notify the date and time of the Auction to the Bidders;
- (b) The Eligible Bidder shall only be required to participate in the Auction Process under the digital signature of the Authorised Signatory(ies) of such Eligible Bidder; and
- (c) The Bidder shall not, directly or indirectly or through an agent, engage or indulge in any Corrupt Practice, Fraudulent Practice, Coercive Practice, Undesirable Practice and/or Restrictive Practice during the Auction Process.

### **6.3 Assignment/Transfer**

The Bidder shall not, without the express prior written consent of CIL, assign to any Person, any right, benefit, obligation or interest arising under or in respect of this Scheme Document.

### **6.4 Cost of Bidding**

The Bidders shall be responsible for all of the costs associated with the preparation of their Bids and their participation in the Auction Process. CIL will not be responsible, or in any way be liable, for such costs, regardless of the conduct or outcome of the Auction Process.

### **6.5 Verification of information by the Bidders**

It shall be deemed that by participating in the Auction Process, the Bidder has:

- 6.5.1 made a complete and careful examination of the Scheme Document (including the Policy, the MoP Methodology and the Guidelines and any other policy document or Office Memoranda mentioned herein) and unconditionally and irrevocably accepted the terms thereof;
- 6.5.2 reviewed all relevant information provided by CIL, as may be relevant to the Auction Process;
- 6.5.3 satisfied itself about all matters regarding the Auction Process and this Scheme Document required for submitting an informed Bid in accordance with this Scheme Document and performance of all of its obligations hereunder;
- 6.5.4 acknowledged and agreed that inadequacy, lack of completeness or incorrectness of information provided in the Scheme Document or ignorance of any of the matters related to the Auction Process or the Lots hereinabove shall not be a basis for any claim for compensation, damages, extension of time for performance of its obligations, loss of profits etc., from CIL, or a ground for termination of the FSA by the Successful Bidder; and
- 6.5.5 agreed to be bound by the terms of this Scheme Document and the undertakings provided by it under and in terms hereof.
- 6.5.6 acknowledged and agreed that CIL shall not be liable for any omission, mistake or error in respect of any of the information provided or on account of any matter or thing arising out of or concerning or relating to the Scheme Document or the Auction Process, including any error or mistake therein or in any information or data given by CIL.

### **6.6 Verification and Disqualification**

- 6.6.1 CIL and the relevant Subsidiary reserve the right to verify all statements, information and documents submitted by the Bidder and/or request for additional information/documents to be submitted by the Bidder in response to the Notice and/or the Scheme Document and the Bidder shall, when so required by CIL or the relevant Subsidiary, make available all such information, evidence and documents as may be requested. Any such verification or lack

of such verification by CIL or the relevant Subsidiary shall not relieve the Bidder of its obligations or liabilities hereunder nor will it affect any rights of CIL or the relevant Subsidiary thereunder. It is hereby clarified that, since the bidder was found eligible by CEA for participation in the Auction, for the purpose of execution of FSA, CIL and the relevant Subsidiary shall rely on the Affidavit (in the format set out in **Annexure VIII**) submitted by the Successful Bidder. However, CIL/the relevant Subsidiary reserve the right to seek any information/document as deemed appropriate by it, including documents/information as included or relied upon in the said Affidavit and such information / document may be sought for any reason including any discrepancy or complaint by a statutory authority, etc. In case the issue pertains to the eligibility of the Bidder, the same shall be referred to CEA/or such other relevant Authority. The information to be provided by the Bidder shall be submitted via electronic mode at an address to be specified by the relevant Subsidiary on the specified portal within the timeframe stipulated by the relevant Subsidiary. In the event of any breach or non-compliance of Auction terms (including on account of submission of incorrect information or documents), the Coal Linkage and/or the Allocated Quantity may be suspended or withdrawn, related FSA may be terminated, and the Process Fee and/or the Performance Security may be forfeited.

- 6.6.2 Without prejudice to any other right or remedy that may be available to CIL or the relevant Subsidiary under the Scheme Document and/or the FSA, CIL and the relevant Subsidiary reserve the right to disqualify a Bidder, revoke the Intimation Letter and withdraw the entitlement to the Allocated Quantity and/or terminate the FSA, as the case may be, and to appropriate/forfeit the entire Bid Security or Process Fee, as the case may be, if:
- 6.6.2.1 at any time, a misrepresentation, fraud, inconsistency, error and/or omission on part of the Bidder is made or uncovered;
  - 6.6.2.2 the Bidder does not provide, within the time specified by CIL or the relevant Subsidiary, the documents/information sought by CIL or the relevant Subsidiary;
  - 6.6.2.3 the documents, information and/or payments submitted by the Bidder are not as per the prescribed formats, or do not contain all the information (complete in all respects) as requested in this Scheme Document and have not been submitted or paid in the manner stipulated in this Scheme Document;
  - 6.6.2.4 any act or omission of the Bidder results in breach of, violation of or non-compliance with the Policy, the Intimation Letter, the FSA, this Scheme Document and/or any other document referred therein or issued pursuant thereto or any Applicable Law relevant for the Auction Process;
  - 6.6.2.5 the Bidder has, directly or indirectly or through an agent, engaged or indulged in any Corrupt Practice, Fraudulent Practice, Coercive Practice, Undesirable Practice and/or Restrictive Practice as specified in Clause 7 of this Scheme Document during the Auction Process;
  - 6.6.2.6 the Bid, information, documents and/or payments with respect to the Conditions to Auction are determined to be non-responsive in terms of Clause 3.6.5;
  - 6.6.2.7 the Successful Bidder, fails to or does not fulfil any of the conditions of Clause 3.6.4 , in the manner prescribed therein;

- 6.6.2.8 any assignment/transfer which is not in accordance with Clause 6.3;
- 6.6.2.9 at any time, any misrepresentation, fraud, inconsistency, error and/or omission in respect of the documents and/or information set out or provided in connection with the Notice and/or thereafter is made or uncovered; and/or
- 6.6.2.10 the Bidder has breached confidentiality in terms of Clause 8.5.
- 6.6.3 In the event of any exercise of its rights by CIL under Clause 6.6.2, CIL may also, in its sole discretion, disqualify the Bidder from participating in any subsequent tranche of the Auction.

## **6.7 Amendment of the Scheme Document**

- 6.7.1 At any time prior to the Due Date, CIL may for any reason, whether at its own initiative or in response to clarifications requested by a Bidder, modify the Scheme Document by the issuance of an addendum and/or corrigendum and/or updated Scheme Document.
- 6.7.2 Any addendum and/or corrigendum and/or updated Scheme Document issued hereunder will be in writing and shall be accessible to all the Bidders and shall be deemed to be part of this Scheme Document.
- 6.7.3 In order to afford the Bidders a reasonable time for taking an addendum and/or corrigendum into account, or for any other reason, CIL may, in its sole discretion, extend the Due Date in accordance with Clause 6.8.

## **6.8 Due Date and Extension**

- 6.8.1 The information, documents and payments pertaining to Conditions to Auction shall be submitted/uploaded by the Bidder at least 1 (one) business day prior (till 17:00 hours IST) to the date of the Auction of the Lot for which the Bidder intends to participate in accordance with the process specified in **Annexure V (“Due Date”)**.
- 6.8.2 CIL may, in its sole discretion, extend the Due Date by issuing an addendum and/or corrigendum in accordance with Clause 6.7, uniformly accessible for all Bidders.
- 6.8.3 Any submission of information, documents and payments pertaining to the Conditions to Auction after the Due Date shall not be eligible for consideration and shall be summarily rejected.

## **6.9 Rejection**

- 6.9.1 Notwithstanding anything contained in this Scheme Document, CIL reserves the right to reject any Bid and/or to annul the Auction Process relating to one or more Lots and reject all Bids at any time without any liability or any obligation for such acceptance, rejection or annulment and without assigning any reasons thereof.
- 6.9.2 CIL reserves the right not to proceed with the Auction Process at any time, without notice or liability, and to reject any Bid without assigning any reasons.
- 6.9.3 Without prejudice to the generality of the foregoing, CIL reserves the right to reject any Bid or any Bidder’s participation in the Auction on any criteria specified in this Scheme

Document, including without limitation, the following:

- 6.9.3.1 Bidder has not submitted all the documents, information, payments and/or details listed in this Scheme Document in the manner prescribed in the Scheme Document;
- 6.9.3.2 the information, documents and/or payments with respect to the Conditions to Auction are determined to be non-responsive in terms of Clause 3.6.5;
- 6.9.3.3 Bidder has not submitted the Bid Security and/or the Process Fee;
- 6.9.3.4 Bidder has participated in the Auction, other than in accordance with the Scheme Document;
- 6.9.3.5 Bidder has, directly or indirectly through an agent, resorted to any unfair means and/or engaged in a Corrupt Practice, Fraudulent Practice, Coercive Practice, Undesirable Practice or Restrictive Practice as specified in Clause 7 of this Scheme Document; and/or
- 6.9.3.6 Bidder has breached confidentiality in terms of Clause 8.5.

## **7 Fraud and Corrupt Practices**

- 7.1 The Bidders and their respective officers, employees, agents and advisers shall observe the highest standard of ethics during the Auction Process, subsequent to the issuance of Intimation Letter, and during the subsistence of the FSA. Notwithstanding anything to the contrary contained herein or in the Intimation Letter and/or in the FSA, CIL may reject a Bid or any Bidder's participation, have the Intimation Letter revoked and withdraw the entitlement to the Allocated Quantity and/or terminate the FSA, as the case may be, without being liable in any manner whatsoever to the Bidder, the Eligible Bidder, or the Successful Bidder, as the case may be, if CIL determines that the Bidder, the Eligible Bidder, or the Successful Bidder, as the case may be, has, directly or indirectly or through an agent, engaged in Corrupt Practice, Fraudulent Practice, Coercive Practice, Undesirable Practice and/or Restrictive Practice in the Auction Process. In such an event, CIL shall be entitled to forfeit and appropriate the Bid Security and/or the Process Fee, as the case may be, as damages, without prejudice to any other right or remedy that may be available to CIL under the Scheme Document and/or the FSA, or otherwise.
- 7.2 Without prejudice to the rights of CIL under Clause 8 and under the Intimation Letter or the FSA, or otherwise if a Bidder, the Eligible Bidder, or the Successful Bidder, as the case may be, is found to have directly or indirectly or through an agent, engaged or indulged in any Corrupt Practice, Fraudulent Practice, Coercive Practice, Undesirable Practice and/or Restrictive Practice during the Auction Process, or after the issuance of Intimation Letter or the execution of the FSA, such Bidder, Eligible Bidder, or Successful Bidder, as the case may be, shall be disqualified from participating in the subsequent tranche of Auction conducted by CIL.
- 7.3 For the purposes of this Clause 7, the following terms shall have the meaning hereinafter respectively assigned to them:
- 7.3.1 “**Corrupt Practice**” means (i) the offering, giving, receiving, or soliciting, directly or indirectly, of anything of value to influence the actions of any Person connected with the Auction Process (for avoidance of doubt, offering of employment to or employing or engaging in any manner whatsoever, directly or indirectly, any official of CIL/its subsidiaries who is or has been associated in any manner, directly or indirectly, with the Auction Process or the Intimation Letter or has dealt with matters concerning the FSA or arising therefrom, before or after the execution thereof, at any time prior to the expiry of 1 (one) year from the date such official resigns or retires from or otherwise ceases to be in the service of CIL/its subsidiaries, shall be deemed to constitute influencing the actions of a Person connected with the Auction Process); (ii) save and except as permitted under this Scheme Document, engaging in any manner whatsoever, whether during the Auction Process or after the issuance of Intimation Letter or after the execution of the FSA, as the case may be, with any Person in respect of any matter relating to the Auction Process or the Intimation Letter or the FSA, who at any time has been or is a legal, financial or technical adviser of CIL in relation to any matter concerning the Auction Process; or (iii) resorting to any unfair means whether during the Auction Process or after the issuance of Intimation Letter or after the execution of the FSA, as the case may be, to derive any undue benefit or advantage for any Person that would not have otherwise been available in accordance with the terms of the Scheme Document;
- 7.3.2 “**Fraudulent Practice**” means a misrepresentation or omission of facts or suppression of



facts or disclosure of incomplete facts, in order to influence the Auction Process;

- 7.3.3 “**Coercive Practice**” means impairing or harming, or threatening to impair or harm, directly or indirectly, any person or property to influence any Person’s participation or action in the Auction Process;
- 7.3.4 “**Undesirable Practice**” means (i) establishing contact with any Person connected with or employed or engaged by CIL with the objective of canvassing, lobbying or in any manner influencing or attempting to influence the Auction Process; (ii) having a conflict of interest; or (iii) violating of any Applicable Law; and
- 7.3.5 “**Restrictive Practice**” means forming a cartel or arriving at any understanding or arrangement among Bidders with the objective of restricting or manipulating a full and fair competition in the Auction Process, including but not limited to anti-competitive practices such as collusion, bid rigging and/or cartelization.

## **8 Other Provisions**

- 8.1 The Auction Process shall be governed by, and construed in accordance with, the laws of India and any dispute arising out of or in connection with this Scheme Document shall be subject to the exclusive jurisdiction of the courts in Kolkata, India.
- 8.2 CIL, in its sole discretion and without incurring any obligation or liability, reserves the right, at any time, to:
- 8.2.1 suspend and/or cancel the Auction Process with respect to Coal Linkages from one or more Lots and/or amend and/or supplement the Auction Process or modify the dates or other terms and conditions relating thereto;
- 8.2.2 consult with any Bidder in order to receive clarification or further information;
- 8.2.3 retain any information and/or evidence submitted to CIL by, on behalf of, and/or in relation to any Bidder; and/or
- 8.2.4 independently verify, disqualify, reject and/or accept any and all submissions or other information and/or evidence submitted by or on behalf of any Bidder.
- 8.3 It shall be deemed that by participating in the Auction, the Bidder agrees and releases CIL, its employees, subsidiaries, agents and advisers, irrevocably, unconditionally, fully and finally from any and all liability for claims, losses, damages, costs, expenses or liabilities in any way related to or arising from the exercise of any rights and/or performance of any obligations hereunder, pursuant hereto and/or in connection with the Auction Process and waives, to the fullest extent permitted by Applicable Laws, any and all rights and/or claims it may have in this respect, whether actual or contingent, whether present or in future.

### **8.4 Proprietary data**

All documents and other information supplied by a Bidder to CIL shall remain or become the property of CIL. It will not return any Bid or any information provided by the Bidder.

### **8.5 Confidentiality**

- 8.5.1 Any document/information relating to this Scheme Document and/or any document/information provided to the Bidder(s) pursuant to this Scheme Document, including but not limited to, the Bid(s) or any document/information relating to the examination, clarification, evaluation and recommendation of the Bidder(s), shall not be disclosed by any Bidder to any other Person. The Bidder shall treat all documents, information and/or material as confidential and shall ensure and require that all those who have access to such documents, information and/or material to treat the same as confidential.
- 8.5.2 Each Bidder is expressly prohibited from communicating, directly or indirectly, with any other Bidder and/or any other Person in respect of or in relation to this Scheme Document and/or the Auction Process, at all times prior to, during or after the Auction Process.
- 8.5.3 Any breach, violation or non-compliance with the provisions of this Clause 8.5 shall entitle CIL to disqualify such Bidder, forfeit the Bid Security and/or the Process Fee in accordance with the terms of this Scheme Document and seek other remedies in accordance with Applicable Law.

**Annexure I**  
**Model Form of the FSA**

*(To be uploaded separately)*

## **Annexure II** **Format of Undertaking**

(On the letterhead of the Bidder)

Date:

**Sub: Undertaking**

**[insert name and Service Provider Registration No. of Bidder]**

Ref: Scheme Document dated [insert date] (“Scheme Document”)

Dear Sir,

With reference to the Scheme Document dated [insert] (“Scheme Document”) we hereby certify, undertake and confirm as follows:

1. I, Mr./Ms. [·], the undersigned, are duly authorised to represent and act on behalf of [insert name of the Bidder] and having reviewed and fully understood all information provided in the Scheme Document, the Notice and the Notice Inviting Registration and having considered all relevant information, wish to hereby express our continued interest in the Auction;
2. we satisfy and shall continue to satisfy all the Eligibility Conditions prescribed in Clause 4 of the Scheme Document;
3. all information provided by us to CEA and/or CIL is and shall be true and correct and nothing has been omitted which renders such information misleading. If we submit or produce any document and it is discovered subsequently that such document or any declaration given herein was false, misleading, or incorrect, then we shall be liable under Applicable Laws for the time being in force and subject to the consequences envisaged in the Scheme Document including *inter alia* disqualification from further participation in the Auction;
4. the Bid shall be unconditional and unqualified and shall be without any deviations, conditions or assumptions in all respects;
5. we undertake that in case due to any change in facts or circumstances or the Applicable Laws during the Auction we are attracted by the provisions of disqualification, we shall intimate CIL of the same immediately;
6. we have reviewed the terms of the Scheme Document and hereby unconditionally and irrevocably accept, agree and acknowledge the terms thereof including of any addendum and/or corrigendum to the Scheme Document issued by CIL;
7. we acknowledge that CIL will be relying on the information and documentation provided by us during the Auction Process for determination of the Successful Bidder;
8. all documents submitted by us (other than originals submitted by us) are true copies of their respective originals and are complete, accurate and correct;

9. we acknowledge that the information provided by us pursuant to the Notice is true and correct and may be duly verified by CEA and on the basis of the same, the Normative Coal Requirement shall be computed;
10. we acknowledge that the Normative Coal Requirement shall be binding and acceptable to us;
11. we shall make available to CIL any additional information it may find necessary or require to supplement or to authenticate our Bid or eligibility to submit the Bid;
12. CIL may, in its sole, absolute and unfettered discretion, reject or accept our Bid. CIL shall have the right to reject our Bid without assigning any reason or otherwise and we hereby waive, to the fullest extent permitted by Applicable Law, our right to challenge the same on any account whatsoever;
13. we have not and shall not be engaged in or indulge in, either directly or indirectly or through an agent, any Corrupt Practice, Fraudulent Practice, Coercive Practice, Undesirable Practice or Restrictive Practice, as defined in Clause 7 of the Scheme Document and have taken steps to ensure that in conformity with provisions of Clause 7 of the Scheme Document, no person acting for us or on our behalf has engaged or will engage in any Corrupt Practice, Fraudulent Practice, Coercive Practice, Undesirable Practice or Restrictive Practice;
14. we understand that CIL may cancel/modify the Auction Process at any time and that CIL is neither bound to accept any Bid(s) that it may receive nor to invite the Bidders to Bid for Coal Linkages from the Lots, without incurring any liability to the Bidders, in accordance with the Scheme Document;
15. we hereby irrevocably waive any right or remedy which we may have at any stage at law or howsoever otherwise arising to challenge or question any decision taken by CIL in connection with the selection of the Successful Bidder or in connection with the Auction Process itself and the terms and implementation thereof;
16. in the event of our being declared as the Successful Bidder, we agree to enter into the FSA in accordance with the Scheme Document, comply with the terms of such FSA and all Applicable Laws and to pay such amounts and provide such security as required therein;
17. we shall not, in any case, have any claim or right of whatsoever nature if the Link Quantity is not allocated to us or our Bid is not accepted;
18. we will ensure that all documents required to be submitted electronically on the Electronic Platform and the documents required to be submitted physically with CIL under Clause 4.1.6 of the Scheme Document are duly submitted;
19. we do not have a PPA for the capacity of the Specified End Use Plant(s) registered under Clause 3 of this Scheme Document for which we are desirous of participating in the Auction and such untied capacity (capacity in respect of which we do not have a PPA) is already commissioned, as on the last date of submission of Notice;
20. we understand that the Scheme Document is governed by and construed in all respects according to the Applicable Laws being in force in India.

All capitalized terms used but not defined herein shall have the meanings ascribed to them in the Scheme Document.

Yours faithfully,

---

Signature of the Authorised Signatory:

Name and designation of the Authorised Signatory:

Name of the Bidder:

Stamp of the Bidder:

Date:

Place:

**Annexure III**  
**Power of Attorney**

*(To be stamped in accordance with the relevant Stamp Act and notarized)*

Know all men by these presents, We, [●], (*name and address of the registered office*) do hereby irrevocably constitute, nominate, appoint and authorise Mr./Ms [●], son/daughter/wife of [●] and presently residing at [●], who is presently employed with us and holding the position of [●], as our true and lawful attorney (hereinafter referred to as the “**Attorney**”) to do in our name and on our behalf, all such acts, deeds and things as are necessary or required in connection with or incidental to participation in the auction process, in response to documents, including but not limited to, the Notice Inviting Registration dated August 01, 2022 (the “**Notice Inviting Registration**”) issued by Coal India Limited (“**CIL**”), the Notice Inviting Requisition for auction of coal linkages for Power Producers/IPP’s without PPAs dated April 15, 2022 (the “**Notice**”), the Scheme Document dated August 01, 2022 and any other document(s) issued by CIL in this regard (collectively referred to as the “**Documents**”) including but not limited to signing (including through affixation of digital signatures) and submission of all applications, affidavits, bids and other documents and writings, participate in bidders’ and other conferences and providing information/responses to CIL, representing us in all matters before CIL, and generally dealing with CIL in all matters in connection with or relating to or arising out of our bid for the coal linkages and/or upon award thereof to us and/or till the entering into of the fuel supply agreement with the relevant subsidiary.

AND we hereby agree to ratify and confirm and do hereby ratify and confirm all acts, deeds and things done or caused to be done by our said Attorney pursuant to and in exercise of the powers conferred by this power of attorney and that all acts, deeds and things done by our said Attorney in exercise of the powers hereby conferred shall and shall always be deemed to have been done by us.

All capitalized terms used but not defined herein shall have the meanings ascribed to them in the Documents.

IN WITNESS WHEREOF WE, [●], THE ABOVE NAMED PRINCIPAL HAVE EXECUTED THIS POWER OF ATTORNEY ON THIS [●] DAY OF [●], 20[●]

For [●]

(Signature, name, designation and address)

Witnesses:

- 1.
- 2.

Accepted Notarised

(Signature, name, designation and address of the Attorney)

Notes:

- *The power of attorney to be submitted by the Bidder shall substantially be in the format set out above.*

- *The mode of execution of the power of attorney should be in accordance with the procedure, if any, laid down by the Applicable Law and the charter documents of the executant(s) and when it is so required, the same should be under common seal affixed in accordance with the required procedure.*
- *Wherever required, the Bidder should submit for verification the extract of the charter documents and documents such as a board or shareholders' resolution authorizing the execution of this power of attorney.*
- *For a power of attorney executed and issued overseas, the document will also have to be legalised by the Indian Embassy and appropriately notarised in the relevant jurisdiction. However, the power of attorney provided by Bidders from countries that have signed the Hague Legislation Convention, 1961 are not required to be legalised by the Indian Embassy if it carries a conforming apostille certificate.*
- *The power of attorney must be issued in the name of the person whose digital signature would be used to sign the documents on the Electronic Platform.*



**Annexure IV**  
**Format of Affidavit**

*(To be stamped in accordance with the relevant Stamp act and duly sworn before Notary public)*

**Affidavit**

I, [insert], aged [insert] years, resident of [insert] working as [insert] an Authorised Signatory on behalf of [insert] (name of bidder) (“**Bidder**”) hereby state as under:

1. I say that I am the [insert designation of the deponent] of the Bidder. I am conversant with the facts and circumstances surrounding the subject of this Affidavit and have been authorized to depose to the same pursuant to the power of attorney dated [insert].
2. I am filing this Affidavit to place on record verification of facts and documents in connection with the Auction Process.
3. I certify and confirm that all the Eligibility Conditions (specified in Clause 4 of the Scheme Document) required for participation in the Auction Process are satisfied and met and the Undertaking provided by us is true and accurate in all respects.
4. [Insert separate paragraphs for each document brought on record on the website of the Service Provider or physically submitted with CIL, in a chronological sequence].
5. That nothing has been concealed in the information submitted as mentioned above.

Capitalized terms used but not defined herein shall have the meanings assigned to them in the Scheme Document for auction of coal linkages for Power Producers/IPPs without PPAs under Paragraph B(viii)(a) covering Paragraph B(iii) of Policy dated [insert].

Solemnly affirmed and verified on this [insert] day of, [insert], [insert] at [insert place].

\_\_\_\_\_  
Signature of the Authorised Signatory  
Name and designation of the Authorised Signatory:  
Name of the Bidder:  
Stamp of the Bidder:  
Date:  
Place:

**VERIFICATION**

I, [insert], the [insert designation of the deponent] of the Bidder above named, having my office at [insert], do hereby solemnly declare that what is stated above in paragraphs [insert] to [insert] are on the basis of the books and records of the Bidder, and verify that the contents of the above affidavit are true and correct, no part of it is false and nothing material has been concealed therefrom.

Verified on [insert] day of [insert], [insert] at [insert place].

Deponent  
(Signature)  
Name, Designation and Seal

**Annexure V**  
**Technical Details with respect to electronic auction**

**1. Registration Methodology**

In order to participate in the auction of Coal Linkages, a Bidder would be required to register its Specified End Use Plant with the e-auction website of MSTC Limited (“MSTC”). For this, the Bidder should visit the website of MSTC namely <https://www.mstcecommerce.com/auctionhome/shaktib3short/index.jsp> and click on the button “**Registration**”.

It may be noted that Bidders having already registered their Specified End Use Plant(s) under previous tranches of Auction on the abovementioned Electronic Platform, must also register their Specified End Use Plant(s) again on the Electronic Platform. However, the Registration Fee of such Bidders shall be waived.

On the next page, the Bidder shall click on the link “Register as Bidder” and an online Registration Form will appear on the screen and the Bidder would be required to fill up the same. During this process, Bidder would be required to create its “user id” and “password” and keep note of the same. Bidder should ensure that the secrecy of its user id and password is maintained at all time and Bidder shall alone be responsible for any misuse of the user id and password. Bidder may also refer to the “Bidder’s Guide” available online in the above mentioned website for assistance. The Bidder shall ensure that the entries made while filling up the Form are correct including the name of the Specified End Use Plant and should select the correct sub-sector name from the dropdown menu.

The Bidder registration on the Electronic Platform shall be linked to Specified End Use Plant and each Specified End Use Plant may be registered only once on the Electronic Platform. It must be noted that separate registrations are required to be made for individual Specified End Use Plant and not for individual units within the same Specified End Use Plant. Power plant units located within the same plant boundary are allowed to be registered as one Specified End Use Plant. However, once the units are combined and registered as single Specified End Use Plant, they cannot be split subsequently.

Bidder should read carefully the **GENERAL TERMS & CONDITIONS OF e-AUCTION** and **BIDDER SPECIFIC TERMS & CONDITIONS (BSTC)** before submitting the Registration Form.

On successful submission of the online registration Form, Bidder shall receive a confirmation e-mail at the registered email address advising the Bidder to submit the following documents:

1. Self-attested Income Tax PAN Card. In case of a registered Company or Firm, the Firm's PAN card and 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.
2. Self-Attested Certificate mentioning GST Number

3. Copy of the confirmation email Letter received from MSTC after successful completion of on-line registration and containing buyer registration details of the Bidder.
4. A non-refundable registration fee of Rs 10,000/- plus GST to be paid by NEFT to the following bank account.

**Beneficiary Name:** MSTC Limited

**Bank Details:** Punjab National Bank, Tivoli Park Branch, Kolkata

**Account Details:** A/c.No. 0068210300192

**IFSC Code No.:** PUNB0006820

The Bidder shall have to submit all the above documents along with the details of the payment made towards Registration Fee like UTR No, remitting bank name, date of payment and amount to MSTC for verification and activation of their login ids. The Bidder should send scanned copies of the above documents to the designated email id only which is given below.

**coallinkage@mstcindia.co.in**

Once the scanned documents and requisite registration fee are received from the Bidder, MSTC shall activate Bidder's login after verification/ scrutiny of the documents. MSTC reserves the right to call for additional documents from the Bidder if needed and the bidder shall be obliged to submit the same.

On completion of the above stated registration process, a Bidder shall be able to login to MSTC's website.

It may be noted that Bidders need not visit any of the offices of MSTC for submission of the aforementioned documents.

## **2. Payment towards Bid Security and Process Fee**

The Bidders shall have to deposit Bid Security before non-discriminatory ascending clock Auction Process to MSTC. The Bid Security shall be Rs. 100/- per tonne of the Link Quantity that the Bidder is willing to bid for. In addition, the Bidder shall also have to deposit a Process Fee of Rs. 20 per tonne of coal that it intends to bid for. Thus, the Bidders shall have to pay Rs. 120 per tonne of the Link Quantity that it intends to bid for.

To deposit the Bid Security and the Process Fee, the Bidder shall login and click on the link "e-Payment" and fill up the RTGS Application Form. The Bidder should fill up the amount that it wishes to deposit and transfer the amount through RTGS only. Bid Security and Process Fee shall not be acceptable in any other mode. Details of designated bank account for payment of Bid Security and Process Fee are as follows:

**Beneficiary Name:** MSTC Ltd

**Credit Account No.**MSTCER#####

**Center:** Mumbai

**Bank:** HDFC Bank Ltd

**Branch:** Sandoz Branch

**Account Type:** Current

**IFSC Code No.:HDFC0000240**

It is further clarified that the Credit Account No contains and represents bidder's registration number (indicated by #) with MSTC portal for coal linkage auction.

After remitting the amount, the Bidder shall have to send an intimation to MSTC giving details of the payment made including Bidder Registration No, UTR No, amount, date of remittance, remitting bank etc., so that the payment can be traced at the end of MSTC with the identity of the Bidder. Such intimation should be sent to the following email address only.

[coallinkage@mstcindia.co.in](mailto:coallinkage@mstcindia.co.in)

It may be noted that intimation about the payment made must be sent to the above email address at least one Business Day prior to the scheduled auction of the Coal Linkages from the Lot in which the Bidder intends to participate. In the absence of the intimation, payment made shall not be considered.

Bidders are advised to deposit the payment towards Bid Security and the Process Fee well in advance prior to the scheduled auction of the Coal Linkages from the said Lot. It should be noted that the payments received by MSTC in their designated bank account only up to at least one Business Day prior to the scheduled auction of the Coal Linkages from the said Lot will be considered. Payment received on the day of auction for a particular Lot shall not be considered for the same day's auction. Bidders are also advised to ensure that the payment towards Bid Security and Process Fee is submitted by the Bidder from their bank accounts so that the identity of the remitter of the payment is correctly established at the end of MSTC. CIL and/ or MSTC shall not be responsible if the identity of the remitter of the payment can't be established correctly and for any subsequent loss to any Bidder.

**Calculation of Bid Security and Process Fee:**

If a Bidder wishes to bid for Q (tonne) quantity of coal for a Specified End Use Plant, then it must have a balance Bid Security plus Process Fee of Rs. 120 Q before the start of the auction. For example, if a Bidder wishes to bid for 1,00,000 tonnes of coal, it must have a balance Bid Security plus Process Fee amount of Rs. 1,20,00,000/- before the start of auction.

**(i) Submission of Scanned Copies of Documents as per Clause 4.1.6**

Bidders shall upload the scanned copies of the following documents on the Electronic Platform:

- a. an undertaking in the format set out in **Annexure II**;
- b. a power of attorney in the format set out in **Annexure III**;
- c. Certified true copy of the relevant authorizations authorizing the execution of power of attorney e.g., letter of authority, resolution of the board of directors, resolution of the shareholders etc.; and
- d. an affidavit in the format set out in **Annexure IV** .

In order to upload the above documents, the Bidder shall have to click on the link “Upload Documents” provided under their logins and upload the appropriate files against the options given therein.

**(ii) Submission of Documents as per Clause 4.1.6**

The documents set out in Clause 4.1.6 of the Scheme Document are required to be submitted in original in sealed envelopes, setting out on the covering envelope “Original Documents for SHAKTI B(iii) Short Term Scheme Auction”. The Bidders must also mention the name of the Bidder submitting the documents on the left bottom corner of the envelope. The sealed envelope(s) shall be submitted at the following address:

Regional Manager (ERO)  
MSTC Limited  
Plot no.CF-18/2, Street No.175, Action Area 1C, New Town, Kolkata -700156

**3. Bid Submission**

The Bidder who satisfies the Conditions to Auction i.e., submits the required information, documents and makes payment towards Bid Security and Process Fee, can participate in the non-discriminatory ascending clock auction process. For this, the Bidder shall login to the above mentioned website of MSTC and click on the link “Click for Auctions” followed by “Live Auctions”. The Bid Floor shall display inter alia the balance Bid Security plus Process Fee and the maximum quantity of coal that the Bidder can bid for the particular grade of coal. The Bid Floor will also display the start time of e-auction, the number of the auction round, the premium for the auction round, the offered quantity of coal, the grade and other details of offered coal etc. The Bidder shall quote its required quantity of coal (Link Quantity) in the space provided for the same and click on the BID button. The Bidder shall have to sign the bid that it intends to submit with its registered Digital Signature Certificate (DSC). The Link Quantity should be less than or equal to the maximum quantity of coal that the Bidder can bid for the particular grade of coal and the balance Bid Security plus Process Fee of the Bidder should be sufficient for the quantity quoted.

The first round of auction will be of 15 mins followed by subsequent round(s) of 8 mins each. There will be no time gap between two consecutive auction rounds for the same Lot. The Bidder shall have to submit its Bid within the stipulated time of any auction round. Bids received at the server before the expiry of the auction round time, as per server time, only will be considered as valid and will be recorded for further action. Therefore, Bidders are advised to submit their Bids well before the expiry of the stipulated time of the auction round and not wait for the last moment to submit their Bids. CIL and/ or MSTC shall not be responsible for non-recording of any Bid due to delay in submission of Bid by any Bidder or due to delayed receipt of Bid in the server of MSTC. In case of any complaint or dispute regarding this, the data available at the server of MSTC shall be final and binding on the Bidders.

In round 1 of the auction, the premium shall be Rs. zero/ tonne. Thereafter, the premium of the subsequent auction rounds will be decided depending on the demand registered in the previous auction round (as per rule set out in Clause 3.6.2 of the Scheme Document).

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The Bidder may note that it is entitled to submit only one Bid in an auction round. Bid once submitted in an auction round can't be edited/ modified/ amended/ changed/ recalled. Hence, Bidders are advised to exercise extreme caution while bidding so as to avoid making any mistake. Bidders are also advised to protect the secrecy of their login id and password because Bid recorded against any user id or login id will be deemed to have been submitted by the Bidder concerned. No representation/ complaint stating the misuse/ unauthorized usage of login id and password will be entertained at any stage.

Bidders may further note that bidding in subsequent auction rounds is allowed only for such bidders who have quoted a non-zero quantity in the immediately preceding auction round. A Bidder is not allowed to increase its Link Quantity in subsequent auction rounds but can quote the same or less Link Quantity in the subsequent auction rounds. Hence, in their own interest, Bidders may quote their desired maximum quantity (subject to Bid Security plus Process Fee and maximum permissible quantity) in the first auction round itself.

### **Digital Signature Certificate**

A Bidder shall be required to possess a valid Digital Signature Certificate (DSC) of signing type to be able to submit its Bid in the electronic auction on MSTC's website. For this purpose, the authorized person should possess a class III DSC of signing type from any Certifying Authority or their authorized agencies in India.

The Bidder shall have to register its DSC through the link Register/Verify DSC provided under the login of the Bidder. Bidders may note that only one user id will be mapped with a given DSC. One DSC can be used with multiple user ids provided the PAN for all such user ids are same. DSC once mapped with a particular user id of a Bidder will normally not be changed and therefore Bidders are advised to carefully select the DSC before registering the same on the Electronic Platform.

The registered DSC will only be used to digitally sign the Bids that the Bidder will submit online. No Bid will be accepted by the system which is not signed with the registered DSC. Therefore, Bidders are advised to register their DSCs well in advance to avoid any inconvenience during the bidding process.

It will be the sole responsibility of the Bidder to maintain the secrecy of the password for the Digital Signature Certificate. The Bidder and its Authorized Signatory shall be solely responsible for any misuse of the DSC and no complaint / representation in this regard shall be entertained at any stage by MSTC / CIL.

The Bidder may note that the following configurations will be required to be undertaken in their Internet Explorer browsers for smooth functioning of the website and the e-auction portal.

The system requirements are as follows:

#### **System Settings**

- a) Operating System –Windows 7 and above
- b) Web Browser- Preferred 'IE 9' and above.

c) Tools→Compatibility View Settings→Add <https://www.mstcecommerce.com>  
Check the box for ‘Microsoft compatibility list’.

d) Security Settings:

i) Tools→Internet Options→General→Check box for ‘Delete browsing history on exit’, Click on ‘Settings’→ ‘Every time I visit the webpage’→OK.

ii) Tools →Internet Options → Security → Un-check the box for ‘Enable protected mode’→ Custom Level→

- Enable : Access data sources across domains
- Disable “Use Pop-up Blocker”
- Scripting: Enable “Allow Status Bar Update Via Script”
- Tools→ Internet Options → Security →Selected Trusted Sites→Add Website <https://www.mstcecommerce.com> →OK→Trusted Sites→Select ‘Custom Level→ Active X control & plug-ins: Enable all ActiveX Controls
- Disable “Use Pop-up Blocker”
- Tools → Internet Options → Advance→Select boxes for SSL 3.0,TLS (1.0,1.1,1.2)→Apply→OK.

e) Java: JRE 8 Latest update , Configure JAVA→Security, add <https://www.mstcecommerce.com>

‘Exception site list’ and save.

f) Other Settings:

i) View → Toolbars→ “Tick” Status Bar.

g) For new Version of IE or other “Active –X Filtering” under Tools should not be ticked.

Bidders are also advised to refer to the guides available on the website of MSTC for use of DSC.

#### **4. Contact Details**

Please note that [eauction.cil@coalindia.in](mailto:eauction.cil@coalindia.in) with copy to [eauction1.cil@gmail.com](mailto:eauction1.cil@gmail.com) will serve as official e-mail addresses for communication relating to the Auction Process.

The Bidders may contact the following officials of MSTC Limited for seeking assistance on the login or registration process or any clarification regarding the Auction Process:



<b><i>Sl No</i></b>	<b><i>Name</i></b>	<b><i>Email</i></b>	<b><i>Mobile</i></b>
1	Shri Vikash Jaiswal	<a href="mailto:vikash@mstcindia.co.in">vikash@mstcindia.co.in</a>	9903042449
2	Shri Mayank H Jain	<a href="mailto:mhjain@mstcindia.co.in">mhjain@mstcindia.co.in</a>	9721277969
3	Shri Roushan Kumar	<a href="mailto:rkumar@mstcindia.co.in">rkumar@mstcindia.co.in</a>	7255896564
4	Shri Abhinay Guniganti	<a href="mailto:gabhinay@mstcindia.co.in">gabhinay@mstcindia.co.in</a>	09831609441

All capitalized terms used but not defined herein shall have the meaning ascribed to such term in the Scheme Document.

**Annexure VI**  
**Details regarding Link Quantity offered for each Lot and Sequence of Auction**

*(To be uploaded separately on a later date)*

<b>S. No.</b>	<b>Subsidiary Name</b>	<b>Primary Source</b>	<b>Mode</b>	<b>Grade</b>	<b>Quantity Offered (tonnes)</b>	<b>Notified Price (Rs./Tonne)</b>	<b>Secondary Source(s)</b>

## Annexure VII Consumption Norms

### The normative coal requirement for different sizes of power plants

Grade of Coal	GCV of Coal (kcal/kg)	CERC allowed storage loss (kcal/kg)	GCV considered (kcal/kg)	Subcritical units				Supercritical units \$	
				Less than 100 MW	100 MW to less than 200 MW	200 MW to less than 250 MW *	250 MW and above \$		
				Unit Heat Rate (kcal/kWh)					
				2600	2600	2500	2375		2250
Annual coal consumption at 85% PLF (Tonnes per MW per Annum)									
G1	7000	85	6915	2800	2800	2692	2557	2423	
G2	6700	85	6615	2927	2927	2814	2673	2533	
G3	6400	85	6315	3066	3066	2948	2800	2653	
G4	6100	85	6015	3219	3219	3095	2940	2785	
G5	5800	85	5715	3388	3388	3257	3094	2931	
G6	5500	85	5415	3575	3575	3438	3266	3094	
G7	5200	85	5115	3785	3785	3639	3457	3275	
G8	4900	85	4815	4021	4021	3866	3673	3479	
G9	4600	85	4515	4288	4288	4123	3917	3711	
G10	4300	85	4215	4593	4593	4416	4196	3975	
G11	4000	85	3915	4945	4945	4755	4517	4279	
G12	3700	85	3615	5355	5355	5149	4892	4634	
G13	3400	85	3315	5840	5840	5615	5335	5054	
G14	3100	85	3015	6421	6421	6174	5865	5557	
G15	2800	85	2715	7131	7131	6856	6514	6171	
G16	2500	85	2415	8016	8016	7708	7323	6937	
G17	2200	85	2115	9153	9153	8801	8361	7921	

**Note(s):**

# CERC had notified the Central Electricity Regulatory Commission (Terms and Conditions of Tariff) Regulations, 2019 on 7<sup>th</sup> March 2019 which would be applicable for the period 2019-24. Proviso 43(2) of the regulations provides for calculation of Energy charge rate (ECR) in Rupees per kWh on ex-power plant basis. In determination of ECR, Weighted Average Gross calorific value of coal as received, in kcal per kg for coal based stations less 85 kcal/kg on account of variation during storage at generating station is being considered by the Commission. Accordingly, less 85kcal/kg has been considered GCV while arriving at the annual coal consumption.

\* In case of main stem pressure is 150 ata or above the Unit Heat Rate shall be reduced by 100 kcal/kWh

\$ In case of units of 500 MW and above size including Supercritical units having Motor Driven Boiler Feed Pump (MDBFP), the unit heat rate shall be reduced by 50 kcal/kwh.

- a) Following formula may be used for conversion of coal consumption to MTPA per 1000 MW:

MTPA per 1000 MW = Tonnes per MW per Annum / 1000

- b) The transit and handling losses shall be as per norms prescribed in Central Electricity Regulatory Commission (Terms and Conditions of Tariff) Regulations, 2019 which is 0.2% for pithead and 0.8% for non-pithead stations.
- c) These norms will be applicable for Captive Power Plants also.

**Annexure VIII**  
**Format of Affidavit**  
**To be submitted to the relevant Subsidiary prior to execution of the FSA**

*(To be stamped in accordance with the relevant Stamp act and duly sworn before Notary public)*

I, [insert], aged [insert] years, resident of [insert] working as [insert] an Authorised Signatory on behalf of [insert name of successful bidder] (“**Successful Bidder**”) hereby state as under:

1. I say that I am the [insert designation of the deponent] of the Successful Bidder. I am conversant with the facts and circumstances surrounding the subject of this Affidavit and have been authorized to depose to the same pursuant to the power of attorney dated [insert].

*[In case the Successful Bidder wants a different person (different from the one who participated in the online auction on behalf of the Bidder) to enter into the FSA, a PoA authorizing such person to enter into the FSA on behalf of the Bidder has to be submitted in the format as provided in **Annexure III** of this Scheme Document.].*

2. I am filing this Affidavit to place on record verification of facts and documents in connection with the execution of a FSA in terms of the Allocated Quantity intimated to [insert name of successful bidder].
3. I hereby undertake and confirm that each of the following documents, issued to or in the name of [insert name of successful bidder] and/or in respect of the [insert details of the Specified End Use Plant], are available with the Successful Bidder and that a true, correct and valid copy of such documents will be submitted by the Successful Bidder, as may be required by and in accordance with timelines that may be prescribed by CIL/[insert name of relevant Subsidiary]; and I hereby certify and confirm the accuracy and validity of each of the following documents and that the same shall remain valid till the expiry of the term of the FSA or the lifting of Allocated Quantity under the FSA, whichever is later:
  - 3.1. Relevant Corporate Authorizations of the Successful Bidder for execution and performance of his obligations under the FSA such as:
    - (a) Notarised Power of Attorney (PoA); and
    - (b) Certified true copy of Board Resolution or Certified true copy of Shareholders Resolution etc.
  - 3.2. Factory License No. [·] dated [·] issued by Inspector of Factories, [·] with respect to the Specified End Use Plant or application dated [·] filed for renewal of Factory License No. [·] dated [·] issued by [·] with respect to the Specified End Use Plant, in case the Factory License has recently expired.
  - 3.3. Consent to Operate No. [·] dated [·] issued by State Pollution Control Board with respect to the Specified End Use Plant issued under the relevant pollution control laws or application filed for renewal of Consent to Operate No. [·] dated [·] issued by State Pollution Control Board with respect to the Specified End Use Plant, in case the Consent to Operate has recently expired. Alternatively, a valid no-objection certificate from the relevant State Pollution Control Board may be submitted. Wherever, the relevant State

Pollution Control Board does not specify the validity of the certificate issued by them to the Specified End Use Plant, such a certificate will be considered acceptable and an intimation will be sent by relevant Subsidiary to the authority responsible for the issuance of the certificate.

- 3.4. GSTIN and PAN card of the Successful Bidder.
- 3.5. Certificate of Incorporation and Certificate of Business Certificate.
- 3.6. In-principle water allocation approval from state water supply authority.
- 3.7. Certificate of Date of Commercial Operation (COD) issued by CEA.
- 3.8. Certificate of commissioning in respect of the Specified End Use Plant.
- 3.9. Documentation with respect to existing coal linkages, assurance of linkages and/or allocation of mine.
- 3.10. Boiler license(s) No. [·] dated [·] issued by with respect to the Specified End Use Plant or copy of application filed for its renewal, in case the same has recently expired.
- 3.11. Balance life of each Unit of the Specified End Use Plant as certified by CEA.
- 3.12. Any other relevant information/documentation as may be requested for by CIL/its Subsidiary.
4. I hereby certify and confirm that the Allocated Quantity shall be used by the Successful Bidder in the Specified End Use Plant for Specified End Use only.
5. I hereby certify and confirm that [*insert name of successful bidder*] has been in compliance with all Applicable Laws in respect of the Specified End Use Plant; and I hereby acknowledge and agree that, without prejudice to any other right available to CIL and to the [*insert name of relevant Subsidiary*], the Coal Linkage and/or the Allocated Quantity may be suspended or withdrawn, the FSA may be terminated, the Process Fee and/or the Performance Security may be forfeited in case of any breach or non-compliance of Applicable Laws.
6. That nothing has been concealed in the information submitted as mentioned above. Capitalized terms used but not defined herein shall have the meanings assigned to them in the Scheme Document for auction of coal linkages for Power Producers/IPPs without PPAs under Paragraph B(viii)(a) covering Paragraph B(iii) of Policy dated [*insert*].

Solemnly affirmed and verified on this [*insert*] day of, [*insert*], [*insert*] at [*insert place*].

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Signature of the Authorised Signatory  
Name and designation of the Authorised Signatory:  
Name of the Successful Bidder:  
Stamp of Successful the Bidder:  
Date:

---

Place:

**VERIFICATION**

I, [insert], the [insert designation of the deponent] of the Successful Bidder above named, having my office at [insert], do hereby solemnly declare that what is stated above in paragraphs [insert] to [insert] are on the basis of the books and records of the Successful Bidder, and verify that the contents of the above affidavit are true and correct, no part of it is false and nothing material has been concealed therefrom.

Verified on [insert] day of [insert], [insert] at [insert place].

Deponent  
(Signature)  
Name, Designation and Seal



## Annexure IX – Format of Performance Security

[Reference number of the bank]

[date]

To

[insert name and address of the relevant Subsidiary]

### WHEREAS

A. [Name of the Successful Bidder], a company incorporated in India under the Companies Act, [1956/2013] with corporate identity number [CIN of the Successful Bidder], whose registered office is at [address of registered office], India and principal place of business is at [address of principal place of business, if different from registered office] (hereinafter referred to as the “Purchaser”) is required to provide an unconditional and irrevocable bank guarantee for an amount equal to INR [figures] (Indian Rupees [words]) as a performance security valid until [date of expiry of performance bank guarantee] (“Expiry Date”).

B. The Performance Security is required to be provided to [insert name of the relevant Subsidiary] (the “Seller”) for discharge of certain obligations of the Purchaser under the (a) Scheme Document dated [date] issued by Coal India Limited for the auction of short term coal linkages to power generating companies without PPAs under Paragraph B(viii)(a) of the “Signing of Fuel Supply Agreement (FSA) with Letter of Assurance (LoA) holders of Thermal Power Plants - Fading Away of the existing LoA-FSA Regime and Introduction of a New More Transparent Coal Allocation Policy for Power Sector, 2017 - SHAKTI (Scheme for Harnessing and Allocating Koyala (Coal) Transparently in India) Policy and as amended *vide* letter (CLD -23028/10/2018-CLD- Part (1) dated March 25, 2019 (“Policy”); and (b) the fuel supply agreement to be executed between the Seller and the Purchaser (hereinafter collectively referred to as the “FSA”).

We, [name of the bank] (the “Bank”) at the request of the Purchaser do hereby undertake to pay to the Seller an amount not exceeding INR [figures] (Indian Rupees [words]) (“Guarantee Amount”) to secure the obligations of the Purchaser under the FSA on demand from the Seller on the terms and conditions contained herein.

**NOW THEREFORE**, the Bank hereby issues in favour of the Seller this irrevocable and unconditional payment bank guarantee (the “Guarantee”) on behalf of the Purchaser in the Guarantee Amount:

1. The Bank, for the purpose hereof, unconditionally and irrevocably undertakes to pay to the Seller, without any demur, reservation, caveat, protest or recourse, immediately on receipt of first written demand from the Seller, a sum or sums (by way of one or more claims) not exceeding the Guarantee Amount, in the aggregate, without the Seller needing to prove or to show to the Bank grounds or reasons for such demand for the sum specified therein and notwithstanding any dispute or difference between the Seller and Purchaser on any matter whatsoever. The Bank undertakes to pay to the Seller any money so demanded notwithstanding any dispute or disputes raised by the Purchaser in any suit or proceeding pending before any forum, court, tribunal, arbitrators or any other statutory authority on any matter whatsoever, and the Bank’s liability under this Guarantee is absolute and unequivocal.

2. The Bank acknowledges that any such demand by the Seller of the amounts payable by the Bank to the Seller shall be final, binding and conclusive evidence in respect of the amounts payable by Purchaser to the Seller under the FSA.
  3. The Bank shall not require the Seller to demand the aforesaid amount or any part thereof from the Purchaser, and also waives any right that the Bank may have of first requiring the Seller to pursue its legal remedies against the Purchaser, before presenting any written demand to the Bank for payment under this Guarantee.
  4. The Bank further unconditionally agrees that the Seller shall be at liberty, without the Bank's consent and without affecting in any manner the Bank's obligation under this Guarantee, from time to time to: (i) vary and/ or modify and of the terms and conditions of the FSA; (ii) extend and/ or postpone the time for performance of the obligations of the Purchaser under the FSA, or (iii) forbear or enforce any of the rights exercisable by the Seller against the Purchaser under the terms and conditions of the FSA and the Bank shall not be relieved from its liability by reason of any such act or omission on the part of the Seller or any indulgence by the Seller to the Purchaser or other thing whatsoever which under the law relating to sureties would, but for this provision, have the effect of relieving the Bank of its obligations under this Guarantee.
  5. This Guarantee shall not be affected by any event including:
    - (a) any change in the constitution, re-organisation, bankruptcy, insolvency, winding up, liquidation and / or change of ownership of the Bank;
    - (b) any change in the constitution, re-organisation, bankruptcy, insolvency, winding-up, liquidation and/or change in ownership of the Purchaser;
    - (c) any change in the management of the Seller, the Purchaser or of the Bank; and
    - (d) the absence or deficiency of powers on the part of the Bank to give guarantees and/or indemnities.
  6. Any payment made hereunder shall be made free and clear of and without deduction for, or on account of, any present or future taxes, levies, imposts, duties, charges, fees, commissions, deductions or withholdings of any nature whatsoever.
  7. The Bank agrees that Seller at its option shall be entitled to enforce this Guarantee against the Bank, as a principal debtor, in the first instance, without proceeding, at the first instance, against the Purchaser.
  8. The Bank further agrees that the Guarantee shall remain in full force and effect during the period specified in the FSA and that shall continue to be enforceable till all the obligations of the Purchaser under or by virtue of the FSA with respect to the Performance Security have been fully paid and/or its claims satisfied or discharged or till the Seller certifies that the terms and conditions of the FSA with respect to the Performance Security have been duly and properly carried out by the Purchaser and accordingly discharges this Guarantee. Notwithstanding anything contained herein, unless a demand or claim under this Guarantee is made on the Bank in writing on or before the Expiry Date the Bank shall be discharged from all liability under this Guarantee thereafter.
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9. The payment so made by the Bank under this Guarantee shall be a valid discharge of Bank's liability for payment thereunder and the Seller shall have no claim against the Bank for making such payment.
10. This Guarantee is subject to the laws of India. Any suit, action, or other proceedings arising out of this Guarantee or the subject matter hereof shall be subject to the exclusive jurisdiction of courts at [where the Seller's registered office/ principal place of business is located], India.
11. The Bank has, under its constitution, the power to issue this Guarantee in favour of the Seller and Shri [insert name of the signatory] who has signed this Guarantee on behalf of the Bank has the requisite authority to do so.
12. This Guarantee will not be discharged due to the change in the constitution of the Bank. The Bank undertakes not to revoke this Guarantee during its currency except with the previous consent of the Seller in writing.
13. The Seller may, with prior intimation to the Bank, assign the right under this Guarantee to any other person or entity. Save as provided in this Clause, this Guarantee shall not be assignable or transferable.
14. Notwithstanding anything contained herein,
  - (a) the liability of the Bank under this Guarantee shall not exceed the Guarantee Amount; and
  - (b) this Guarantee shall be valid up to the Expiry Date.
15. The Bank is liable to pay the Guaranteed Amount or any part thereof under this Guarantee only if the Seller serves upon the Bank a written claim or demand on or before the Expiry Date.
16. The Guarantee is operative at our [insert name and address of Branch].

Dated the [day] day of [month] [year] for the Bank.

In witness whereof the Bank, through its authorized officer, has set its hand and stamp.

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(Signature)

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(Name and Designation)

(Bank Stamp)

## Annexure X –Letter of Intimation to Successful Bidders

Date: [insert date]

To

[Name of Authorized Signatory]

[Name of Successful Bidder]

[Address of the Specified End Use Plant]

### Subject: Intimation of Allocated Quantity

Dear Sir/Madam,

Pursuant to the scheme document dated August-- 2022 issued by Coal India Limited (“**Scheme Document**”) for auction of coal linkages for a short term period to IPPs/Power Producers without PPAs under Paragraph B(viii)(a) covering Paragraph B(iii) of the SHAKTI Policy dated May 22, 2017 and as amended on March 25, 2019 (“**Policy**”), I am directed to declare you as a Successful Bidder for award of the quantity of coal specified in Schedule 1 (“**Allocated Quantity**”). This intimation is in pursuance of Clause 3.6.3 of the Scheme Document and subject to fulfilment of the Conditions to Auction, and participation in the Auction and submission of the Bid by the Bidder in respect of the Specified End Use Plant.

Details of the Specified End Use Plant, the Allocated Quantity, the Winning Premium and other relevant details are set out in *Schedule 1*.

The Successful Bidder shall submit the Performance Security (in prescribed format) and the Affidavit (in prescribed format) and execute a FSA (in prescribed format) in respect of the Allocated Quantity and undertake such other necessary actions, to the satisfaction of CIL/the relevant Subsidiary in accordance with the terms and within the timelines prescribed in Clause 3.6.4 of the Scheme Document.

The Successful Bidder shall be required to depute an Authorised Signatory to execute the FSA on its behalf. The Authorised Signatory deputed by the Successful Bidder should be present at the aforementioned time and place along with: (a) original documents confirming identity of such person along with a self-attested photocopy of the same; (b) true copy of power of attorney in favour of the Authorised Signatory to execute the FSA along with the charter documents or certified true extract of board or shareholders resolution authorizing the execution of such power of attorney.

The relevant Subsidiary may, at any time prior to execution of the FSA, determine whether the documents, information and/or payments in relation to the Conditions to Auction have been submitted or received from the Bidder in accordance with the requirements of this Scheme Document. The relevant Subsidiary reserves the right to revoke this Intimation Letter and/or withdraw the entitlement to the Allocated Quantity, disqualify the Successful Bidder and forfeit the Process Fee and/or the Bid Security as per Clause 5 of the Scheme Document, if it is of the opinion that the requirements and conditions of the Scheme Document and/or this Intimation Letter, have not been duly satisfied.

The Authorised Signatory shall also procure 2 (two) sets of non-judicial stamp papers of Rs. [insert]

each for execution of the FSA and submit the same at the time of execution of the FSA.

This Intimation Letter is only indicative of the quantity allocated to you and any entitlement to such quantities of coal are subject to (a) satisfaction of the conditions set out in the Scheme Document and in this Intimation Letter; and (b) execution of the FSA in accordance with the provisions of the Scheme Document; and (c) satisfaction of the conditions prescribed in the FSA.

The terms of the Scheme Document are incorporated in this Intimation Letter by reference and form part of this Intimation Letter. CIL/the relevant Subsidiary shall be entitled to exercise all its rights and remedies as stipulated in the Scheme Document.

*The Intimation Letter set out hereinabove is merely indicative in nature. CIL/the relevant Subsidiary reserves the right to modify or amend the same at its sole and absolute discretion.*

### **Schedule 1: Details of Specified End Use Plant and Allocated Quantity**

#### **Details of Specified End Use Plant**

<b>Name of Specified End Use Plant</b>	<b>Address</b>	<b>Capacity</b>

#### **Allocated Quantity under Auction and other details pertaining thereto**

<b>S. No.</b>	<b>Subsidiary Name</b>	<b>Primary Source</b>	<b>Secondary Source(s)</b>	<b>Mode</b>	<b>Grade</b>	<b>Notified Price (Rs. /Tonne)</b>	<b>Quantity Allocated (Tonne)</b>	<b>Winning Premium</b>