

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



TEL : 033-2324 6617
FAX : 033-2324 4229/4165
E-MAIL : eauction.cil@coalindia.in

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

Date :29.09.2016

NOTICE

Modalities for Special Spot E-auction 2016-17

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

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

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

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

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

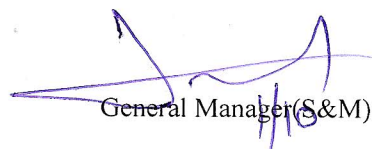
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15. The bidders, who will submit EMD in terms of BG for participating in Special Spot E-auction, after being successful in auction will have to deposit coal value in full to the respective Coal Company for the quantity to be lifted in each month, in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

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


General Manager(S&M)

Distribution,
for uploading on respective websites:

1. GM (System), CIL
2. GM(S&M) ECL/BCCL/CCL/WCL/NCL /SECL/MCL
for uploading on respective websites and further action
3. M/s MSTC Ltd.
4. M/s Mjunction Services Ltd.

Copy for information to:

5. TS to Chairman, CIL
6. TS to Director (M), CIL

**BANK GUARANTEE FORMAT
FOR EMD CUM SECURITY DEPOSIT
(Special Spot E-auction)
On Rs. 50/- Non judicial Stamp Paper**

Date of Issue: -----

Effective Date: -----

Expiry Date: -----

Value of B.G: -----

1. [The Chairman – cum- Managing Director,
[Name of Subsidiary Coal Company]
[Address of Subsidiary coal company]

In consideration of the offer for coal through Special Spot E-auction by(Name of the Subsidiary Coal Company) having its Registered Office at _____ (regd. address of the subsidiary Company) and Sales Office at _____ (address of the sales office of the subsidiary Company) (hereinafter referred to as 'Seller', which expression shall unless excluded by or repugnant to the subject or context, include its legal representatives, successors and permitted assigns, M/s..... Name of the Company/ Partnership firm/ Proprietor) having its registered office at _____(address of the Company/ Partnership firm/ Proprietor) (hereinafter referred to as the "Bidder" initially and once succeeded in the Bid referred to as "Purchaser" which term shall unless excluded or repugnant to the subject or context include its legal representatives, successors and permitted assigns in case of Company being required to furnish Earnest Money Deposit (EMD) for the purpose of participating in the Bid and the said EMD to be converted to Security Deposit and maintained with the Seller, once successful in the said Bid as per the terms of the Spot E-auction Scheme.

We, _____(Name and address of the Bank), having its Head Office at _____ (Address of the Head Office of the Bank) (hereinafter called the Guarantor, which expression shall, unless repugnant to the context or meaning thereof, include its successors, administrators, executors and assigns) do hereby irrevocably and unconditionally guarantee and undertake to pay Seller or such other place or places as may be directed by the Seller all amounts payable by the Purchaser to the extent of Rs. _____/- (Indian Rupees _____) at any time upto _____ (date that is 9(Nine) months from the date of issue of the Bank Guarantee) subject to the following terms and conditions :-

- 1) The Guarantor shall pay to the Seller on demand and without any demur, reservation, contest, recourse or protest and/ or without any reference to the Bidder/Purchaser. As to whether the occasion or ground has arisen for such demand, the decision of the Seller shall be final.

- 2) The Seller shall have the fullest liberty without reference to the Guarantor and without affecting this guarantee to postpone at any time or from time to time the exercise of all or any of its powers and rights under arrangement made with the Bidder/Purchaser, and the Guarantor shall not be released from this guarantee by any arrangement between the Seller and the Bidder/Purchaser or any alteration thereof made with or without the consent of the Guarantor or by exercise or non-exercise by the Seller of all or any of its powers and rights against the Bidder/Purchaser, or any other forbearance, act of omission on the part of the Seller or indulgence granted by or on behalf of the Seller to the Bidder/Purchaser, which under the law relating to surety ship would but for this provision have the effect of releasing the Bank as Guarantor from their obligations under this guarantee.
- 3) The guarantee herein contained shall not be determined or affected by the winding up or insolvency of the Bidder/Purchaser, but shall in all respects and for all purpose be binding and operative until all monies due to the Seller in respect of all liability or liabilities of the Bidder/Purchaser are fully paid.
- 4) It is also agreed that Seller will be entitled at its option to enforce this guarantee against the Guarantor as principal debtor in the instance notwithstanding any other security or guarantee that the Seller may have in relation to the Bidder/Purchaser's liability.
- 5) The Guarantee will remain valid for a period of 9(Nine) months from the date hereof and to such further period, as may be required and agreed by the Parties and agreed by the Guarantor before the expiry of the aforesaid validity.
- 6) The Guarantee shall cover all claims or demand of Seller to the extent of the amount guaranteed.
- 7) Notwithstanding anything contained, the liability of the Guarantor under this Agreement is restricted to Rs. _____/- (Indian Rupees _____), and the same will remain in force upto and including the day of _____ (date that is 9(Nine) months from the issue of the Bank Guarantee) and to such further period, as may be required and agreed by the Parties and agreed by the Guarantor before the expiry of the aforesaid validity.
- 8) This guarantee can be enforced by Seller any time for their claims or demand to the total extent of Rs. _____/- (Indian Rupees _____), as long as it remains in force.
- 9) Unless a demand or claim under this guarantee is received by the Guarantor in writing within the period mentioned in clause 5 and 7 hereof, all rights of the Seller under this instrument shall be forfeited and the Guarantor shall be relived or discharged from all liabilities.
- 10) The guarantee is operative at our ----- (name and address of the branch) Branch, _____ (Place).
- 11) This guarantee shall not be discharged due to the change in the constitution of the issuing bank.

12) The bank has under its constitution power to give guarantee and Shri _____ who has signed on behalf of the bank has authority to do so.

The Postal address, Telephone No., Fax No. and E-mail address of both the outstation bank issuing the bank guarantee and local operating branch are as follows:

Postal address of the outstation bank issuing the guarantee:
Telephone No. of the outstation bank issuing the guarantee:
Fax No. of the outstation bank issuing the guarantee:
E-mail address of the outstation bank issuing the guarantee:

Postal address of the local operating branch in Kolkata:
Telephone No. of the local operating branch in Kolkata:
Fax No. of the local operating branch in Kolkata:
E-mail address of the local operating branch in Kolkata:

Signature of the Bankers
With date & Rubber Stamp

Bank's Sending BG Messages

S. No	Bank IFSC	Bank Name
1	ALLA	ALLAHABAD BANK
2	BARB	BANK OF BARODA
3	BOTM	BANK OF TOKYO MITSUBISHI LIMITED
4	CNRB	CANARA BANK
5	FDRL	FEDERAL BANK
6	HDFC	HDFC BANK
7	ICIC	ICICI BANK LIMITED
8	IOBA	INDIAN OVERSEAS BANK
9	JAKA	JAMMU AND KASHMIR BANK LIMITED
10	KARB	KARNATAKA BANK LIMITED
11	KKBK	KOTAK MAHINDRA BANK LIMITED
12	KVBL	KARUR VYSYA BANK
13	MAHB	BANK OF MAHARASHTRA
14	PUNB	PUNJAB NATIONAL BANK
15	RATN	RATNAKAR BANK LIMITED
16	SBIN	STATE BANK OF INDIA
17	SCBL	STANDARD CHARTERED BANK
18	UBIN	UNION BANK OF INDIA
19	UCBA	UCO BANK
20	UTIB	AXIS BANK
21	VIJB	VIJAYA BANK
22	VYSA	ING VYSYA BANK
23	UTBI	UNITED BANK OF INDIA