



MCL

Office of the General Manager (M&S)

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No. MCL/SBP/GM (M&S)/Comml./2020-21/

2620

Dt. 30/03/2021

NOTICE

Subject: Amendment in eligibility condition in NRS Linkage auction and addendum of clause regarding condition for supply of Coal under NRS Linkage auction FSAS

CIL vide Notice No. CIL/M&S/Linkage Auction/140 dated 26.03.2021 (copy enclosed) has informed that the eligibility condition in NRS Linkage auction schemes has been reviewed and clause 4(iii) regarding participation in auction is amended as below:

A. Amended clause 4(iii) under NRS Linkage auction scheme:

4(iii) The bidder shall satisfy the following conditions:

- a) Bidders shall not have been convicted for wrongful utilization of coal by any Court of Law.*
- b) Linkage granted/FSA executed with any of the subsidiary coal companies of CIL in the past with the bidder, if any, has not been cancelled/terminated on the ground of wrongful utilization /misutilization/diversion of coal.*

Note: In case of Bidders who have pending legal proceedings before a Court or a pending chargesheet by any Investigating Agency of Government or Law Enforcing Authority of Government or any Other Governmental Authority for wrongful utilization/misutilization/diversion of coal, the Bidder will be allowed to participate in the auction but the successful bid quantity shall be converted to Fuel Supply Agreement and supply will commence after acquittal by the Court or clearance of chargesheet by the concerned Agency. In case the acquittal or clearance as stated above is not received within the period equivalent to the lock in period as mentioned in model FSA, the EMD (Bid Security) shall be forfeited and the LOI/bid shall be cancelled.

Bidder shall provide an undertaking to this effect before participation in the auction.

The above modifications shall come into force in subsequent NRS Linkage auctions under the schemes. Other conditions of scheme document shall remain unchanged.

B. Addendum of clause regarding condition for supply of coal under NRS Linkage auction FSAs:

In reference to the FSAs (executed and to be executed) under NRS Linkage auction policy, the following condition has been introduced with respect to supply of coal and termination of agreement:

“In case any consumer, drawing coal under NRS Linkage Auction FSA, is charge sheeted by any Investigating Agency of Government or Law Enforcing Authority of Government or any other Governmental Authority for wrongful utilization /misutilization/diversion of coal, supply of coal will be kept in abeyance without financial obligation of either seller or purchaser, till it is cleared or till the ‘Term’ of the FSA, whichever is earlier. In case the consumer is convicted, Fuel supply agreement will stand terminated with forfeiture of security deposit. It shall be the responsibility of the consumer to report such development to the seller.

This clause shall have bearing in the relevant clauses of the FSA”



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Relevant Notification for Point (B) above has already been notified by CIL vide Notice No. CIL/M&S/Linkage Auction/70 dated 09.02.2021 and by MCL vide Notice No. MCL/SBP/GM(M&S)/Comml./2020-21/610 dated 13/02/2021.

This is for information of all concerned.

Encl: as above

[Signature]
30/3/21
General Manager (M&S)

Distribution:

- General Manager(M&S)/HOD(M&S-Coml.), CIL
- General Manager, Systems, MCL HQ: with request to upload the Notice in MCL website under the tab- Marketing & Sales-Notices- Linkage Auction (Non Regulated Sector)
- Chief Manager (M&S-Rail/OP)/Manager (M&S-Road Sales), MCL HQ

Copy for kind information:

- DT (OP), MCL



Coal India Limited
Coal Bhawan, New Town, Rajarhat, Kolkata – 700 156

No. CIL/M&S/Linkage Auction/ 140

Date: 26.03.2021

Notice

Subject: Amendment in eligibility condition in NRS Linkage auction and addendum of clause regarding condition for supply of coal under NRS Linkage auction FSAs

- (A) **Eligibility conditions for participations under NRS Linkage auction:** The eligibility condition in NRS Linkage auction schemes has been reviewed by CIL and the clause 4(iii) regarding participation in auction is amended as below:

Amended clause 4(iii) under NRS Linkage auction scheme:

4(iii) The bidder shall satisfy the following conditions:

- a) Bidders shall not have been convicted for wrongful utilization of coal by any Court of Law.*
- b) Linkage granted/FSA executed with any of the subsidiary coal companies of CIL in the past with the bidder, if any, has not been cancelled/terminated on the ground of wrongful utilization /misutilization/diversion of coal.*

Note: *In case of Bidders who have a pending legal proceedings before a Court or a pending chargesheet by any Investigating Agency of Government or Law Enforcing Authority of Government or any Other Governmental Authority for wrongful utilization/misutilization/diversion of coal, the Bidder will be allowed to participate in the auction but the successful bid quantity shall be converted to Fuel Supply Agreement and supply will commence after acquittal by the Court or clearance of chargesheet by the concerned Agency. In case the acquittal or clearance as stated above is not received within the period equivalent to the lock in period as mentioned in model FSA, the EMD(Bid Security) shall be forfeited and the LOI/bid shall be cancelled.*

Bidder shall provide an undertaking to this effect before participation in the auction.

The above modifications shall come into force in subsequent NRS Linkage auctions under the schemes. Other conditions of scheme document shall remain unchanged.

- (B) **Addendum of clause regarding condition for supply of coal under NRS Linkage auction FSAs:**

In reference to the FSAs (executed and to be executed) under NRS Linkage auction policy, the following condition has been introduced with respect to supply of coal and termination of agreement:

In case any consumer, drawing coal under NRS Linkage Auction FSA, is charge sheeted by any Investigating Agency of Government or Law Enforcing Authority of Government or any other Governmental Authority for wrongful utilization /misutilization/diversion of coal, supply of coal will be kept in abeyance without financial obligation of either seller or purchaser, till it is cleared or till the 'Term' of the FSA, whichever is earlier. In case the consumer is convicted, Fuel supply agreement will stand terminated with forfeiture of security deposit. It shall be the responsibility of the consumer to report such development to the seller.

This clause shall have bearing in the relevant clauses of the FSAs.

Relevant notification for point (B) above has already been communicated/hoisted vide CIL notice no. CIL/M&S/Linkage Auction/70 dated 09.02.2021.

This issues with the approval of competent authority.

26/3/2021
HOD/Commercial (M&S)

Distribution:

- MSTC Limited: For publishing in website
- General Manager/HOD(M&S): ECL/BCCL/CCL/NCL/WCL/SECL/MCL/NEC: for notification and further needful action

Copy for kind information to:

- Director (Marketing), CIL
- TS to Chairman, CIL