

कोल इण्डिया लिमिटेड

महाराष्ट्र कम्पनी

(भारत सरकार का उपक्रम)

कॉर्पोरेट पहचान सं. L23109WB1973GOI028844

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Coal India Limited

A Maharatna Company

(A Govt. of India Enterprise)

Corporate Identity No.-

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Ref No: CIL/M&S/E-Auction/ 198

Date: 11.07.2024

NOTICE

Sub: New modalities for Single Window mode agnostic e-Auction

A new modalities for Single Window mode agnostic e-Auction have been conceptualised. The Salient points of the proposed modalities for Single Window mode agnostic e Auction is enclosed herewith.

All e-auction bidders are hereby requested to go through the draft modalities and provide their suggestions/feedback within a 15 days' time from the issuance of this notice at eauction.cil@coalindia.in

Prilee
11/07/24

General Manager (M&S-Oprns/Comml.)

Copy to:

- Director (Marketing), CIL
- ED (Co-ordination), CIL
- Executive Director (M&L), CIL
- GM(System), CIL: For uploading of the notice at CIL website under Marketing & Sales, General Notices tab.
- Shri. Malay Kumar Majee, HoD, (e-Procurement & Coal Auction Division), CMPDIL – For uploading the notice in CMPDIL website under intimation to CIL.
- M/s. MSTC Ltd.
- M/s. mjunction services limited.

**Salient points of the proposed modalities
for Single Window mode agnostic e Auction**

11.07.2024

Model for transport mode agnostic e auction:

• **Offer structure:**

- **Source of Supply:** Offer will be made from a mine and its linked siding.
- In case of bigger mines/projects, a single Siding is fed from a single mine and thus same coal will be dispatched from the mine and the siding as well.
- However, there are a number of instances where coal from multiple mines are transported to a single siding and loaded into rakes. In these cases, the siding is fed from multiple sources (may be of multiple grades). In such arrangements, same railway siding cannot be offered twice in a single auction to avoid different bid price for same siding in a particular auction.

Illustration:

Suppose, the siding (S1) is fed from 3 collieries (C1, C2 & C3).

Combination	Colliery (road source)	Linked siding	Feeding Collieries
1	C1	S1	C1, C2 & C3
2	C2	S1	C1, C2 & C3
3	C3	S1	C1, C2 & C3

Note: Any one of the above combinations can be offered in a single auction. Offering of more than one of the above combinations in a single auction may fetch in different premium levels for S1 Railway Siding.

In case C1/S1 basket is offered in any auction event, then C2/S1 & C3/S1 cannot offered in the same auction event. The C2/S1 or C3/S1 can be offered in subsequent two separate auction events.

- **Offer Quantity:** The offer of the basket shall be the summation of the quantity to be offered from the colliery and the Siding
- **Representative Grade:** The representative grade of the basket shall be the grade of the mine.
- **Representative Size:** ROM
- **Floor price:** The floor price (reserve price) shall be based on the applicable non power notified/ modulated price of the representative Grade & Size.

Few of the collieries in various coal companies presently have no transportation facility to railway siding and the coal produced from those collieries is dispatched through road mode only.

The coal companies should arrange for transportation facility from such collieries to the sidings at the earliest. Till such time the transportation arrangement to the siding is in place, the Coal Company may offer the colliery as a single source basket with

road mode of dispatch. However, the bidder will be free to transport coal through Road-cum Rail mode on his own arrangement and responsibility.

Illustration of the Offer:

Basket Name	Total Offer of Basket	Representative Grade	Representative Size	Reserve/Floor Price
Basket A	500000	G11	ROM	Based on notified price for non power of G11 grade ROM coal

Basket Description

Source	Mode	Feeding collieries	Grade	Size	Quantity	Notified/Modulated Price (Rs/t)	Supply pattern from feeding collieries
C1	Road	-	G11	ROM(-250mm)	50000		
S1	Rail	C1	G11	ROM(-250mm)	450000		15% - 25%
		C2	G13				50% - 60%
		C3	G12				25% - 35%

Note: The ratio of feeding mines for Rail despatch is the distribution based on past trends. In case there is chance of variation beyond the ranges provided, the coal company may despatch coal on the changed ratio on consent of the consumers and with approval of the Board of the coal company.

The auction will be held for the basket in a transport mode agonistic manner for the quantity of 500000 tonnes on the representative grade and size.

• Auction methodology:

- The bidder will be provided with a window of 3 hrs (say).
- The bidding will be a closed one and individual bidder cannot see the quotation given by other bidder(s).
- The bidders will quote bid price, bid quantity and preference of mode of supply. A single bidder can place a maximum of 4 bids against each basket.
- The bidder can modify/withdraw the quotation within the window period. The last modification time will be taken as the time of bid.
- The bid quantity quoted for rail movement should be in multiple of rake size (4000 mts) and in case of road the same should be in multiple of 50 tonnes.
- The seniority of the bid will be determined in sequence of price, quantity & time of bid that is
 - (a) Precedence will be accorded to the higher Bid price
 - (b) If two or more Bids are of same bid price, precedence will be accorded to the Bid having higher quantity.

- (c) In case two or more Bids are of same price and the same quantity, precedence will be given to the Bid registered earlier.

➤ The auction will stop on expiry of 3 hours.

Allocation methodology

Quantity:

- ❖ The successful bidders will be allocated coal from the mode chosen by the bidder during placing quotation. For road mode coal will be allocated from the mine (C1) and for rail mode from the Railway siding (S1).
 - ❖ The seniority of the bid will be determined in sequence of price, quantity & time of bid that is
- (d) Precedence will be accorded to the higher Bid price
- (e) If two or more Buyers Bid the same bid price, precedence will be accorded to the Buyer who has placed the Bid for the higher quantity.
- (f) In case two or more Buyers Bid the same price and the same quantity, precedence will be given to the Buyer who has accorded his Bid earlier.
- ❖ Allocation will be made from the chosen mode of supply in sequence of the seniority of the bid starting with the highest seniority. That is, the bid having the highest seniority will be allocated first. Once the allocation for the senior most bid is made, allocation for the second senior most bidder will be taken up and so on till the booking of full offer quantity or all eligible bidders are allocated, whichever is earlier.
 - ❖ Allocation of individual loading points, both Rail and Road, will be made to the extent of mode wise offer made.
 - ❖ After the above processes, if some quantity of the bidder remains unallocated, equivalent Bid security will be refunded to the concerned bidder by the service provider.

Bid price:

1. From the bid price, % premium over the notified price of the representative grade shall be derived.
2. In case Steam or Slack coal is allotted for auctions held on the representative size of ROM coal, the % premium derived will also be applicable over the price differential between ROM & Steam/Slack coal, as the case may be.
3. The bid price for each of the grade under offer will be derived by applying the %age premium so calculated at point 1.
4. The allocation given by the service provider should provide the source and bid price of the road mode & each of the grades offered by Rail mode.

On the basis of the above, the service provider will send Allocation Letter to each individual successful bidder for their successful bids.

Change of mode from Rail to road mode:

1. The successful bidder will be supplied coal through the mode selected by the bidder at the time of bidding.
2. The bidder may change its mode from rail to road mode without any additional premium. In such case, the road source will necessarily be the offered mine/colliery in the auction.
3. The change of mode from rail to road has to be received by the coal company within 30 days of the receipt of allocation letter. Coal Companies may allow such changes in the mode subject to availability on the concerned source.
4. Under no circumstance, the validity of the DO will exceed the original validity of the rake i.e. 90 days from the date of allotment.
5. The customers having higher seniority in the bidding will be given priority for such change of mode.
6. The seniority of the bids opting for change of mode will be placed after the road bids originally placed in the auction.
7. If there are multiple applications for change of mode, the date of such application will be considered for determining the seniority. In case multiple applications are received on the single day, the original bid seniority will be considered for determining the seniority in the road mode.