

**SCHEME DOCUMENT**  
**FOR THE THIRD ROUND OF AUCTION OF COAL LINKAGES UNDER PARAGRAPH**  
**B(ii) OF THE SHAKTI POLICY**  
**FOR IPPs HAVING ALREADY CONCLUDED LONG TERM PPAs**

[January 30, 2020]

---

**ISSUED BY**



(A wholly owned subsidiary of Power Finance Corporation Ltd. – A Govt. of India Undertaking)

**Corporate Office:** 9<sup>th</sup> Floor (A Wing) Statesman House, Connaught Place, New Delhi – 110001

**Disclaimers:**

*The information contained in this Scheme Document for the Third Round of Auction of Coal Linkages to IPPs having valid already concluded long term PPAs (as defined hereinafter) in accordance with paragraph B(ii) of the Policy (as defined hereinafter) (“Scheme Document”) or information subsequently provided to any IPP (as defined hereinafter), prospective bidder, Bidder (as defined hereinafter), Person (as defined hereinafter), party, 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 PFC Consulting Limited (“PFCCL” or the “Authorised Representative”) 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 issued after vetting of the same by Central Electricity Authority (“CEA”) and Coal India Limited (“CIL”). This Scheme Document is neither an agreement nor an offer by PFCCL to the Prospective Bidders or any other Person. The purpose of this Scheme Document is to provide Prospective Bidders with information that may be useful to them in making their bids pursuant to this Scheme Document. This Scheme Document includes statements which reflect various assumptions and assessments arrived at by PFCCL in relation to the power sector. Such assumptions, assessments and statements do not purport to contain all the information that each Prospective Bidder may require. This Scheme Document may not be exhaustive or appropriate for all Persons and it is not possible for PFCCL / CIL / CEA, its employees or advisors to consider the investment objectives, financial situation and particular needs of each Prospective Bidder who refers to, reads or uses this Scheme Document. The assumptions, assessments, statements and information contained in this Scheme Document may not be complete, accurate, adequate or correct. 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.*

*Information provided in this Scheme Document to the Prospective Bidder(s) has been collated from several sources, some of which is subject to interpretation of Applicable Law. The information given is not intended to be an exhaustive account of statutory requirements, should be used as or for reference only, and should not be regarded as complete. PFCCL / CIL does not accept any responsibility for the accuracy or otherwise for any statement contained in this Scheme Document.*

*PFCCL / CIL / CEA, 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 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.*

*PFCCL / 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 this Scheme Document, PFCCL 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 issuance of this Scheme Document does not imply that PFCCL is bound to select or shortlist any Bidder and PFCCL reserves the right (without incurring any liability) to reject all or any of the Bidders or bids, as the case may be, without assigning any reason whatsoever.*

*Each Prospective Bidder (including, any Bidder (as defined hereinafter), Eligible Bidder (as defined hereinafter), Provisional Successful 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 PFCCL or any other costs incurred in connection with or relating to its bid, including the Process Fee and Bid Security.*

*This Scheme Document is not transferable. Nothing contained in this Scheme Document shall be binding on PFCCL/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 and the Notice Inviting Registration (as defined hereinafter) and/or the Request for Submission of EOI (as defined hereinafter) dated January 8, 2020, this Scheme Document shall prevail.*

## Table of Contents

<b>Disclaimers:</b> .....	<b>1</b>
<b>1. Definitions</b> .....	<b>4</b>
<b>2. Introduction</b> .....	<b>8</b>
2.1 Background.....	8
2.2 Coal Linkages .....	8
<b>3. Auction Process</b> .....	<b>9</b>
3.1 Registration .....	9
3.2 Submission of Expression of Interest .....	9
3.3 CEA Approved Quantity and Information to the Bidders .....	10
3.4 Pre-Bid Conference.....	12
3.5 Conditions to Auction .....	12
3.6 Stages of Auction .....	13
3.6.1 IPO Stage.....	13
3.6.2 Demand aggregation and Maximum Allocable Quantity .....	14
3.6.3 SPO Stage.....	15
3.6.4 Adjustment .....	21
3.6.5 Conclusion of Auction.....	21
3.6.6 Submission of Tariff Discount Stream .....	22
3.6.7 Issuance of Letter of Intent.....	24
3.6.8 Submissions by Provisional Successful Bidder(s).....	24
3.6.9 Execution of the FSA .....	24
3.6.10 Tests of Responsiveness.....	25
3.6.11 Schedule of the Auction Process .....	26
<b>4 Eligibility Criteria</b> .....	<b>27</b>
<b>5 Payments</b> .....	<b>28</b>
<b>5.1 Process Fee</b> .....	<b>28</b>
<b>5.2 Bid Security</b> .....	<b>29</b>
<b>5.3 Periodic Payments by the Successful Bidder(s)</b> .....	<b>30</b>
<b>5.4 Periodic Payments to the Successful Bidder</b> .....	<b>30</b>
<b>6 Instructions to the Bidders</b> .....	<b>31</b>
6.1 General Terms of Bidding.....	31
6.2 Conduct of Auction.....	31
6.3 Assignment/Transfer.....	32
6.4 Cost of Bidding .....	32
6.5 Verification of information by the Bidders.....	32
6.6 Verification and Disqualification .....	32
6.7 Amendment of the Scheme Document .....	33
6.8 Due Date and Extension.....	33
6.9 Rejection.....	34
<b>7 Fraud and Corrupt Practices</b> .....	<b>34</b>
<b>8 Other Provisions</b> .....	<b>36</b>
<b>Annexure I Model Form of the FSA</b> .....	<b>37</b>
<b>Annexure II Format of EOI</b> .....	<b>38</b>
<b>Annexure III Format of Undertaking</b> .....	<b>39</b>
<b>Annexure IV Format of Power of Attorney</b> .....	<b>42</b>
<b>Annexure V Format of Affidavit</b> .....	<b>44</b>
<b>Annexure VI Technical Details with respect to the Auction</b> .....	<b>46</b>
<b>Annexure VII Details of Source</b> .....	<b>51</b>
<b>Annexure VIII Consumption Norms</b> .....	<b>52</b>
<b>Annexure IX Format of LOI</b> .....	<b>53</b>
<b>Annexure X Documents to be submitted to the relevant Subsidiary</b> .....	<b>55</b>
<b>Annexure XI Vendor Details Form</b> .....	<b>57</b>

## **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 heading 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 3.6.4.
- 1.1.3 “**Allocated Coal Block/LOA/Linkage**” shall have the meaning ascribed to such term in Clause 4.1.2.1.
- 1.1.4 “**Allocated Quantity**” shall have the meaning ascribed to such term in Clause 3.6.9.1.
- 1.1.5 “**Amended PPA**” shall mean the Concluded PPA, as amended or supplemented, mutually between the Provisional Successful Bidder and the relevant procurer to pass on the discount to the latter, and as approved by the appropriate regulatory commission as per the provisions of the Concluded PPA or Applicable Law, pursuant to and in accordance with this Scheme Document and the Policy.
- 1.1.6 “**Amendment**” shall have the meaning ascribed to such term in Clause 2.1.1.
- 1.1.7 “**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.
- 1.1.8 “**Auction**” shall have the meaning ascribed to such term in Clause 2.1.4.
- 1.1.9 “**Auction Process**” shall mean the process for conduct of the Auction as set out in Clause 3.
- 1.1.10 “**Authorised Signatory**” shall, as the context may require, mean the individual representing a Bidder who has been duly authorised on behalf of such Bidder to: (i) use the Bidder’s digital signature certificate; and/or (ii) execute and submit the EOI on behalf of the Bidder; and/or (iii) participate in the IPO Stage and the SPO Stage on behalf of the Eligible Bidder; and/or (iv) sign the undertaking set out in **Annexure III**, the power of attorney set out in **Annexure IV** and the affidavit set out in **Annexure V** (as applicable) on behalf of the Bidder; and/or (v) execute and submit such other documents as may be deemed necessary, in accordance with the terms hereof.
- 1.1.11 “**Balance Maximum Allocable Quantity**” shall have the meaning ascribed to such term in Clause 3.6.3.4(a).
- 1.1.12 “**Balance Maximum Eligible Quantity**” shall have the meaning ascribed to such term in Clause 3.6.3.4(b).
- 1.1.13 “**Bid Security**” shall have the meaning ascribed to such term in Clause 5.2.
- 1.1.14 “**Bidder**” shall have the meaning ascribed to such term in Clause 3.1.1.

- 1.1.15 “**CEA**” shall mean Central Electricity Authority.
- 1.1.16 “**CEA Approved Quantity**” shall have the meaning ascribed to such term in Clause 3.3.2.
- 1.1.17 “**CERC**” shall mean Central Electricity Regulatory Commission.
- 1.1.18 “**CIL**” shall mean Coal India Limited (a Government of India undertaking).
- 1.1.19 “**Coal Linkages**” shall have the meaning ascribed to such term in Clause 2.2.
- 1.1.20 “**Coercive Practice**” shall have the meaning ascribed to such term in Clause 7.3.3.
- 1.1.21 “**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.
- 1.1.22 “**Concluded PPA**” shall mean a long term PPA (both under section 62 and section 63 of the Electricity Act, 2003), based on domestic coal, executed on or before May 17, 2017.
- 1.1.23 “**Conditions to Auction**” shall mean the conditions specified in Clause 3.5 and submission of the documents on the Electronic Platform of the Service Provider as specified in **Annexure VI** in accordance with this Scheme Document.
- 1.1.24 “**Corrupt Practice**” shall have the meaning ascribed to such term in Clause 7.3.1.
- 1.1.25 “**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.
- 1.1.26 “**Due Date**” shall have the meaning ascribed to such term in Clause 6.8.1.
- 1.1.27 “**EOI**” shall mean the Expression of Interest, the format of which is set out on the Electronic Platform.
- 1.1.28 “**Electronic Platform**” shall have the meaning ascribed to such term in Clause 3.1.1.
- 1.1.29 “**Eligible Bidder**” shall mean each Bidder, who meets the Eligibility Criteria and for whom the CEA Approved Quantity is set out on the Electronic Platform as per Clause 3.3.
- 1.1.30 “**Eligibility Criteria**” shall mean the eligibility criteria specified in Clause 4.
- 1.1.31 “**Fraudulent Practice**” shall have the meaning ascribed to such term in Clause 7.3.2.
- 1.1.32 “**FSA**” shall mean the fuel supply agreement to be executed between the Successful Bidder and the relevant Subsidiary in accordance with Clause 3.6.9.
- 1.1.33 “**GCV**” shall mean gross calorific value.
- 1.1.34 “**IPP**” shall mean an independent power producer, which is a generating company not owned/controlled by the Central/State Government.
- 1.1.35 “**IPO**” shall have the meaning ascribed to such term in Clause 2.1.4a).
- 1.1.36 “**IPO Discount**” shall have the meaning ascribed to such term in Clause 3.6.1.1.
- 1.1.37 “**IST**” shall mean the Indian Standard Time.

- 1.1.38 “**Levelling Discount**” shall mean the levellised value of the year-on-year discount on tariff for the balance period of the Concluded PPA, in positive integer (in paise/kWh), calculated using the Pre-notified Discount Rate.
- 1.1.39 “**LOI**” shall have the meaning ascribed to such term in Clause 3.6.7.
- 1.1.40 “**Maximum Allocable Quantity**” shall have the meaning ascribed to such term in Clause 3.6.2.2.
- 1.1.41 “**Maximum Eligible Quantity**” shall have the meaning ascribed to such term in Clause 3.3.6.
- 1.1.42 “**Maximum SPO Quantity**” shall have the meaning ascribed to such term in Clause 3.6.3.4(f)(i).
- 1.1.43 “**MoC**” shall mean the Ministry of Coal, Government of India.
- 1.1.44 “**MoP**” shall mean Ministry of Power, Government of India.
- 1.1.45 “**MTPA**” shall mean million tonnes per annum.
- 1.1.46 “**Net Allocable Quantity**” shall have the meaning ascribed to such term in Clause 3.6.3.4(d).
- 1.1.47 “**Notice Inviting Registration**” shall have the meaning ascribed to such term in Clause 3.1.1.
- 1.1.48 “**Notified Price**” shall mean the price of the relevant grade(s) of coal notified by CIL and/or its Subsidiaries.
- 1.1.49 “**Person**” shall mean and include any individual, Company, entity, society or trust, whether incorporated or not.
- 1.1.50 “**PFCCCL**” shall mean PFC Consulting Limited (a wholly owned subsidiary of Power Finance Corporation Limited – a Government of India Undertaking).
- 1.1.51 “**Pre-Bid Conference**” shall have the meaning ascribed to such term in Clause 3.4.
- 1.1.52 “**Policy**” shall have the meaning ascribed to such term in Clause 2.1.1.
- 1.1.53 “**PPA**” shall mean the long term power purchase agreement between the power generating source and the power procurer(s), i.e. DISCOM(s) either directly or through PTC(s) who has/have signed back to back PPA(s) with DISCOMs for a period of 7 (seven) years and above. However, the same shall not be applicable for the portion which is sold under market driven price.
- 1.1.54 “**PTC**” shall mean a power trading company, which is an electricity trader who has been granted a licence to undertake trading in electricity under Section 12 of the Electricity Act, 2003.
- 1.1.55 “**Pre-notified Discount Rate**” shall mean the CERC discount rate, as may be notified at a later date.
- 1.1.56 “**Process Fee**” shall have the meaning ascribed to such term in Clause 5.1.
- 1.1.57 “**Prospective Bidder**” shall mean any IPP, prospective bidder, Bidder, Person, party, participant, applicant or interested party in the context of this Scheme Document.
- 1.1.58 “**Provisional Allocated Quantity**” shall have the meaning ascribed to such term in Clause 3.6.3.5.
- 1.1.59 “**Provisional Successful Bidder**” shall have the meaning ascribed to such term in Clause 3.6.3.6.

- 1.1.60 “**Provisional IPO Allocation**” shall have the meaning ascribed to such term in Clause 3.6.3.4(b).
- 1.1.61 “**Provisional IPO Allocation Quantity**” shall have the meaning ascribed to such term in Clause 3.6.3.4(b).
- 1.1.62 “**Provisional SPO Allocation**” shall have the meaning ascribed to such term in Clause 3.6.3.4(f)(i).
- 1.1.63 “**Provisional SPO Allocation Quantity**” shall have the meaning ascribed to such term in Clause 3.6.3.4(f)(i).
- 1.1.64 “**Request for Submission of EOI**” shall have the meaning ascribed to such term in Clause 3.2.1.
- 1.1.65 “**Restrictive Practice**” shall have the meaning ascribed to such term in Clause 7.3.5.
- 1.1.66 “**SCCL**” shall mean the Singareni Collieries Company Limited.
- 1.1.67 “**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.
- 1.1.68 “**Service Provider**” shall mean the entity that provides the Electronic Platform.
- 1.1.69 “**Source**” shall mean details of source of supply of coal, for the purposes of the Auction, more particularly specified in **Annexure VII**.
- 1.1.70 “**Source Grade**” for a Source, shall mean the average/representative grade of that Source.
- 1.1.71 “**Source Wise Quantity**” shall have the meaning ascribed to such term in 3.6.2.1.
- 1.1.72 “**Specified End Use**” shall have the meaning ascribed to such term in Clause 2.2.1.
- 1.1.73 “**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.
- 1.1.74 “**SPO**” shall have the meaning ascribed to such term in Clause 2.1.4b).
- 1.1.75 “**SPO Discount**” shall have the meaning ascribed to such term in Clause 3.6.3.1.
- 1.1.76 “**Starting Discount**” shall mean the SPO Discount in the first round of the SPO Stage.
- 1.1.77 “**Subsidiary**” shall mean a subsidiary of CIL listed in **Annexure VII**.
- 1.1.78 “**Successful Bidder**” shall have the meaning ascribed to such term in Clause 3.6.9.1.
- 1.1.79 “**Tariff Discount Stream**” shall have the meaning ascribed to such term in Clause 3.6.6.
- 1.1.80 “**TPA**” shall mean tonnes per annum.
- 1.1.81 “**Transport Factor**” shall have the meaning ascribed to such term in Clause 3.6.4.
- 1.1.82 “**Undesirable Practice**” shall have the meaning ascribed to such term in Clause 7.3.4.



## 2. Introduction

### 2.1 Background

2.1.1 Ministry of Coal (“**MoC**”) has *vide* its letter dated May 22, 2017 dealt with matters concerning “*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 issued the amendment to the Policy dated March 25, 2019 (“**Amendment**”). The Policy and the Amendment are available at:

[http://coal.nic.in/sites/upload\\_files/coal/files/curentnotices/220517.pdf](http://coal.nic.in/sites/upload_files/coal/files/curentnotices/220517.pdf)

[https://coal.nic.in/sites/upload\\_files/coal/files/curentnotices/25-03-2019.pdf](https://coal.nic.in/sites/upload_files/coal/files/curentnotices/25-03-2019.pdf)

2.1.2 Paragraph B(ii) of the Policy *inter alia* provides that CIL/SCCL may grant coal linkages on notified price on auction basis for IPPs having already Concluded PPAs.

2.1.3 Accordingly, two rounds of auction have been successfully conducted under Paragraph B(ii) of the Policy.

2.1.4 PFCCCL now proposes to conduct the third round of auction of Coal Linkages, as per Paragraph B(ii) of the Policy and the Amendment, pursuant to a 2 (two) stage process conducted on the Electronic Platform, in the following sequence (“**Auction**”):

- a) Initial Price Offer (“**IPO**”) Stage; and
- b) Subsequent Price Offer (“**SPO**”) Stage.

### 2.2 Coal Linkages

2.2.1 Coal linkages from each Source identified in **Annexure VII** (“**Coal Linkages**”) are being auctioned strictly for prospective consumption by the Specified End Use Plant(s) of the Bidders and in this regard, transfer, swapping and/or rationalisation of any Allocated Quantity, shall not be permitted, in any manner whatsoever (“**Specified End Use**”).

2.2.2 The Auction shall be conducted on the basis of the Source Grade. However, the actual supply may vary between a range of grades/GCV of each Source.

### 3. Auction Process

#### 3.1 Registration

3.1.1 Pursuant to the Notice Inviting Registration dated January 8, 2020 (“**Notice Inviting Registration**”), an IPP, meeting the Eligibility Criteria 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**”), no later than the timeline prescribed under Clause 3.6.11, against payment of a non-refundable fee of Rs. 10,000/- plus applicable taxes. An IPP which registers on the Electronic Platform in accordance with this Clause 3.1 shall be referred to as the “**Bidder**”. The link for the registration is provided below:

<https://www.mstcecommerce.com/auctionhome/shakti/indexr3.jsp>

3.1.2 Each Bidder’s 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.

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

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 / PFCCL directly at the contact details provided in **Annexure VI**.

3.1.5 The Bidders who have already registered their Specified End Use Plant on the Electronic Platform during any of the previous rounds of auction of coal linkages under Paragraph B(ii) of the Policy are not required to register the said Specified End Use Plant again under this Auction. It is clarified that all Bidders, including the Bidders who have already registered their Specified End Use Plant, would be required to submit the EOI pursuant to the Request for Submission of EOI.

#### 3.2 Submission of Expression of Interest

3.2.1 Pursuant to the Request for Submission of Expression of Interest dated January 8, 2020 (“**Request for Submission of EOI**”, which expression shall include any addenda or corrigenda thereto), for the Third Round of Auction of Coal Linkages for IPPs having valid already concluded long term PPAs, each Bidder is required to upload, on the Electronic Platform, the duly executed and stamped Expression of Interest (“**EOI**”), no later than the timeline prescribed under Clause 3.6.11.

3.2.2 Additionally, the documents set out in Paragraph 1(iv)-(ix) of Annexure I to the Request for Submission of EOI are also required to be submitted in original in sealed envelopes, setting out on the covering envelope “*Original Documents for SHAKTI Scheme Auction – Round 3*”, no later than the timeline prescribed under Clause 3.6.11. The Bidders must also mention the name of the Bidder submitting the documents on the envelope. The sealed envelope(s) shall be submitted at the address specified in **Annexure VI**.

3.2.3 All the other documents set out in the Request for Submission of EOI and the EOI are required to be uploaded on the Electronic Platform.

3.2.4 The information and documents submitted by the Bidder as part of the EOI shall be verified by Central Electricity Authority (“**CEA**”), on the basis of the documentation/information submitted

by each Bidder. In case any additional information is required, the same shall be provided by the Bidder within the specified timeframe.

- 3.2.5 The maximum quantity of coal that can be allocated to a Specified End Use Plant will be corresponding to 90% quantity at 85% PLF.

### 3.3 CEA Approved Quantity and Information to the Bidders

- 3.3.1 CEA shall (i) verify and confirm the eligibility of the Bidders as per the Eligibility Criteria set out in Clause 4; and (ii) calculate and provide the CEA Approved Quantity of the Bidders, who have submitted the EOI, on the basis of the formula set out below in Clause 3.3.2.

- 3.3.2 For the purpose of this Auction, the CEA Approved Quantity for each Specified End Use Plant shall be calculated by CEA as follows (“**CEA Approved Quantity**”):

$$\text{CEA Approved Quantity (MTPA) in G13 equivalent} = \frac{\text{[Eligible Energy Requirement (kcal per annum)]}}{\text{[divided by } [(10^9) \text{ multiplied by (the gross calorific value of a G13 grade of coal as specified in Annexure VIII)]]}$$

#### Where:

$$\text{Eligible Energy Requirement (kcal per annum)} = [90\% \times \{\text{annual energy requirement of the Specified End Use Plant for the capacity}^\# \text{ against which the Bidder has a Concluded PPA(s) (calculated in kcal on the basis of the norms set out in Annexure VIII) less annual energy requirement of the Specified End Use Plant met through any captive coal mine(s) on the basis of peak-rated capacity (in kcal)*}\}] \text{ less [adjustment for any existing coal linkage(s)**]}$$

\*The data with respect to the captive coal mines allocated, if any, (together with proportionate allocation of the peak-rated capacity of such captive coal mines, in case the same has been allocated for a combination of Specified End Use Plants and any sale of power on merchant basis) shall have to be reported by the Bidders on the Electronic Platform at the time of submission of EOI.

It is clarified that:

(a) in case a coal mine has been allocated for captive consumption of coal in a Specified End Use Plant, then the CEA Approved Quantity shall be net of grade adjusted coal requirement on the basis of the peak rated capacity of such captive coal mine;

(b) where a mine has been allocated for multiple plants, then the CEA Approved Quantity of the Specified End Use Plant shall be calculated after proportionately factoring the coal consumption from the said mine; and

(c) The annual energy requirement met through the captive coal mine shall be net of any energy

requirement for the sale of power on merchant basis.

#For the purpose of computation of CEA Approved Quantity, 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.

\*\*The percentage requirement of the Concluded PPA(s) backed capacity of the Specified End Use Plant against which there is existing coal linkage, including any existing fuel supply agreement and/or fuel supply agreement to be executed pursuant to any existing letter of assurance/ letter of intent, shall be excluded for the purpose of computation of the CEA Approved Quantity.

- 3.3.3 CEA Approved Quantity shall be set out on the Electronic Platform.
- 3.3.4 Each Bidder, who meets the Eligibility Criteria and for whom the CEA Approved Quantity is set out on the Electronic Platform as per Clause 3.3.3, shall be referred to as the “**Eligible Bidder**”.
- 3.3.5 The Eligible Bidder shall, based on the CEA Approved Quantity provided on the Electronic Platform, determine the quantity, across various grades, for which such Eligible Bidder intends to participate in the Auction and submit the corresponding Process Fee and Bid Security, as under Clause 5.1 and Clause 5.2. The Eligible Bidder may deposit the Bid Security and the Process Fee to the maximum extent of the CEA Approved Quantity of such Eligible Bidder.
- 3.3.6 The quantity against which the Eligible Bidder submits the Bid Security and the Process Fee, not exceeding the CEA Approved Quantity, shall be referred to as the “**Maximum Eligible Quantity**” for which the Eligible Bidder shall be entitled to participate in the Auction. The Maximum Eligible Quantity across various grades, shall be computed as per the Consumption Norms prescribed in **Annexure VIII**.
- 3.3.7 The Eligible Bidder shall not be allowed to bid for any quantity in excess of the Maximum Eligible Quantity.

#### **Example 1**

*The CEA Approved Quantity of the Eligible Bidder is 10 MTPA and such Eligible Bidder deposits Rs. 89.44 crores collectively as Bid Security and Process Fee. The Maximum Eligible Quantity that such Eligible Bidder shall be allowed to bid for in the Auction shall be 8 MTPA (i.e. Rs. 89.44 crores divided by Rs.111.8 i.e. sum of the Bid Security and the Process Fee). Accordingly, the Maximum Eligible Quantity across various grades shall be computed as under:*

<b>Grade</b>	<b>CEA Approved Quantity*</b>	<b>Maximum Eligible Quantity**</b>
G1	4.86	4.86
G2	5.07	5.07
G3	5.31	5.31
G4	5.57	5.57
G5	5.86	5.86

<b>Grade</b>	<b>CEA Approved Quantity*</b>	<b>Maximum Eligible Quantity**</b>
G6	6.18	6.18
G7	6.54	6.54
G8	6.94	6.94
G9	7.39	7.39
G10	7.91	7.91
G11	8.50	8.00
G12	9.19	8.00
G13	10.00	8.00
G14	10.97	8.00
G15	12.14	8.00
G16	13.60	8.00
G17	15.45	8.00

*\*Electronic Platform shall set out the CEA Approved Quantity only in G13 grade. The Eligible Bidder shall determine the quantity, across various grades, for which such Eligible Bidder intends to participate in the Auction.*

*\*\*Maximum Eligible Quantity shall be calculated by the Electronic Platform. The Maximum Eligible Quantity across various Sources on offer shall be displayed on the Electronic Platform at the time of the SPO Stage.*

### 3.4 **Pre-Bid Conference**

- 3.4.1 Pre-Bid Conference(s) of the Bidders shall be convened at a time and place specified by PFCCL. A maximum of 2 (two) representatives of each Bidder shall be allowed to participate in the Pre-Bid Conference(s) on production of identity documents. During the course of the Pre-Bid Conference(s), the Bidders will be free to seek clarifications and make suggestions for the consideration of PFCCL.
- 3.4.2 PFCCL 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. PFCCL reserves the right to not answer any query, including any query which is incomplete or anonymous.
- 3.4.3 PFCCL may also on its own motion, if deemed necessary, issue interpretations and clarifications to all Bidders. All clarifications and interpretations issued by PFCCL shall be deemed to be part of this Scheme Document. However, any non-written clarifications and information provided by PFCCL, its employees or representatives in any manner whatsoever shall not in any way or manner be binding on PFCCL.

### 3.5 **Conditions to Auction**

Subject to satisfaction of the following conditions, the Eligible Bidder shall be entitled to participate in the Auction:

- 3.5.1 the Eligible Bidder has submitted the EOI and the other documents/information in accordance with Clause 3.2;
- 3.5.2 the Eligible Bidder shall submit all documents/information specified in Clause 4 and other relevant information required under **Annexure VI**. The documents/information specified in Clause 4 shall also be submitted in original (with each page duly signed and stamped by the

Authorised Signatory) in sealed envelopes, setting out on the covering envelope “*Original Documents for SHAKTI Scheme Auction – Round 3*”, no later than the timeline prescribed under Clause 3.6.11. The Eligible Bidder must also mention the name of the Eligible Bidder, registration number and address of the Eligible Bidder on the envelope. The sealed envelope(s) shall be submitted at the address specified in **Annexure VI**; and

- 3.5.3 the Eligible Bidder shall make payment of the following amounts, within the specified timeframe: (i) Rs. 11.80/tonne of Process Fee in accordance with Clause 5.1; and (ii) Rs. 100/tonne of Bid Security in accordance with Clause 5.2.

### 3.6 Stages of Auction

The Auction shall be conducted in the following sequence:

- (a) IPO Stage; and
- (b) SPO Stage.

#### 3.6.1 IPO Stage

- 3.6.1.1 Each Eligible Bidder shall submit an IPO, for at least 1 (one) Source, which shall be the Levellised Discount that the Eligible Bidder is willing to offer for a particular Source, which shall not, in any event, be less than .....<sup>1</sup> (“**IPO Discount**”).

- 3.6.1.2 Eligible Bidder can submit IPO(s) for more than 1 (one) and up to all the Sources and if the Eligible Bidder so chooses, it will have to quote a different IPO Discount for each Source.

#### *Example 2*

*(in paise/kWh)*

<i>Eligible Bidder(s)</i>	<i>Source 1 IPO Discount</i>	<i>Source 2 IPO Discount</i>	<i>Source 3 IPO Discount</i>	<i>Source 4 IPO Discount</i>	<i>Source 5 IPO Discount</i>
<b>B1</b>			9		
<b>B2</b>	8		7		
<b>B3</b>			9	5	
<b>B4</b>	8	9	7	10	
<b>B5</b>			8	7	
<b>B6</b>			10		8

- 3.6.1.3 In the event, an Eligible Bidder does not submit an IPO Discount for at least 1 (one) Source, such Bidder shall no longer be an Eligible Bidder and shall not be entitled to participate in the SPO Stage.
- 3.6.1.4 During the IPO Stage, the IPO Discount shall be submitted electronically using the digital signature of the authorised representative of the Eligible Bidder and the same shall be decrypted before the commencement of the SPO Stage.
- 3.6.1.5 The Electronic Platform shall not accept any IPO Discount which is not compliant with the Clause 3.6.1.1 and Clause 3.6.1.2.
- 3.6.1.6 Submission of the IPO Discount for a particular Source does not preclude the Eligible Bidder from participating in other Sources during the SPO Stage. For the Source for which the Eligible Bidder has quoted an IPO Discount, the Eligible Bidder shall be permitted to participate in the SPO Stage at a higher SPO Discount for such Source, in which case the provisions of Clause

<sup>1</sup> Will be informed at later stage

3.6.3.4(f)(iii) shall apply.

### 3.6.2 Demand aggregation and Maximum Allocable Quantity

3.6.2.1 The available quantity for each Source being offered under the SPO Stage shall be taken into account for the purposes of computation of Maximum Allocable Quantity in accordance with the provisions of Clause 3.6.2.2 (“**Source Wise Quantity**”).

3.6.2.2 The IPO Discount shall be decrypted and subject to the total Source Wise Quantity, the demand aggregation will be calculated as per the following formula (“**Maximum Allocable Quantity**”):

Maximum Allocable Quantity = 80% of the Maximum Eligible Quantity (calculated in terms of weighted average of the Source Grades) of all the Eligible Bidders who have submitted the IPO Discount.

Wherein:

Weighted average of the Source Grade shall be the Grade corresponding to the Weighted Average GCV of the Source Grades, wherein Weighted Average GCV shall be as under:

*Weighted Average GCV = Sumproduct of the GCV of the Source Grade of each Source and the corresponding quantity of each Source/Sum of the Source Wise Quantity*

#### Example 3

There are 3 (three) Sources on offer viz. S1, S2 and S3 with Source Grade being G9, G11 and G13. The Source Wise Quantity for each Source is 10 MTPA, 5MTPA and 15 MTPA respectively. The Weighted average of the Source Grade shall be calculated as under:

Sources (A)	Source Grade (B)	Gross Calorific Value (C)	Source Wise Quantity (D)	Sumproduct $E=(C \times D)$
S1	G9	4600	10	46000
S2	G11	4000	5	20000
S3	G13	3400	15	51000
<b>Total</b>			<b>30</b>	<b>117000</b>
<b>Weighted Average GCV (<math>\sum E / \sum D</math>)</b>				<b>3900</b>

Accordingly, weighted average of the Source Grade shall be G12 (3700 to 4000) i.e. Grade corresponding to GCV of 3900.

#### Example 4

There are 6 (six) Eligible Bidders viz. Bidder 1 to 6. The Bid Security and the Process Fee submitted by each of the Eligible Bidders and the corresponding Maximum Eligible Quantity in G13 grade against which Bid Security and Process Fee are submitted is as under:

S. No.	Eligible Bidders	Bid Security and Process Fee Deposited (in Rs cr)	Corresponding Maximum Eligible Quantity (in MTPA)
	Eligible Bidder 1	55.90	5
	Eligible Bidder 2	78.26	7
	Eligible Bidder 3	111.80	10

<b>S. No.</b>	<b>Eligible Bidders</b>	<b>Bid Security and Process Fee Deposited (in Rs cr)</b>	<b>Corresponding Maximum Eligible Quantity (in MTPA)</b>
	<i>Eligible Bidder 4</i>	89.44	8
	<i>Eligible Bidder 5</i>	122.98	11
	<i>Eligible Bidder 6</i>	67.08	6
	<b>TOTAL</b>	<b>525.46</b>	<b>47</b>

As may be seen from the table above, the Maximum Eligible Quantity of all the Eligible Bidders works out to 47 MTPA. However, in case Eligible Bidder 2 does not submit IPO, even for a single Source, its quantity shall be excluded and accordingly the Maximum Eligible Quantity of the Eligible Bidders who submitted the IPO shall be 40 MTPA. If the weighted average Source Grade is G12, the Maximum Eligible Quantity in terms of weighted average Source Grade shall be 36.756756 MTPA (i.e.  $40 \times \text{GCV of G13 grade of coal} / \text{GCV of G12 grade of coal}$ ). Accordingly, Maximum Allocable Quantity shall be 29.4054 MTPA (i.e. 80% of 36.756756 MTPA, which is the Maximum Eligible Quantity in terms of G12 grade of coal viz. weighted average Source Grade).

### 3.6.3 SPO Stage

3.6.3.1 The SPO Stage shall be held in rounds, wherein, the first round shall commence at a starting discount (“**Starting Discount**”) and each subsequent round will commence in a decrement of 1 paise/kWh (“**SPO Discount**”).

3.6.3.2 At the commencement of the SPO Stage, only those Eligible Bidders who have submitted an IPO Discount shall be entitled to view, on the Electronic Platform: (i) the Source Wise Quantity; and (ii) the Maximum Allocable Quantity.

3.6.3.3 Eligible Bidder may opt to participate or not to participate in a round of SPO Stage. In each round, the Eligible Bidders, who intend to participate in that round, shall be required to express interest for participating in that round and exercise the right-to-choose quantity at the SPO Discount of that particular round.

3.6.3.4 Each round will proceed as follows, in sequence:

- (a) At the commencement of each round of the SPO Stage, the balance maximum allocable quantity for that round shall be calculated by the Electronic Platform, which shall be the difference between the Maximum Allocable Quantity and the Provisional Allocated Quantity (“**Balance Maximum Allocable Quantity**”).

#### **Example 5**

Suppose the Maximum Allocable Quantity is 32 MTPA. There were six Eligible Bidders, Eligible Bidder(s) A to F. Provisional Allocated Quantity of all the Eligible Bidders is 6 MTPA. In such a scenario, Balance Maximum Allocable Quantity shall be 26 MTPA (i.e. 32 MTPA minus 6 MTPA (Provisional Allocated Quantity of all the Eligible Bidders)).

- (b) If the IPO Discount submitted by the Eligible Bidder during the IPO Stage, with respect to a specific Source is equal to the Starting Discount and/or the SPO Discount for such round, as the case may be, then for the respective Source(s), such Eligible Bidder(s) will be automatically allocated a provisional quantity, either entirely or proportionately in accordance with Clause 3.6.3.4(c), which shall be *equal to* the lowest of (i) the then available Source Wise Quantity; (ii) the Balance Maximum Allocable Quantity; or (iii) the balance Maximum Eligible Quantity corresponding to the relevant Source Grade, net of any prior provisional allocation(s), if any (“**Balance Maximum Eligible Quantity**”).



of the Eligible Bidder. The quantity so provisionally allocated shall be referred to as the “**Provisional IPO Allocation Quantity**” and the said process of automatic provisional allocation under this Clause 3.6.3.4(b) shall be referred to as “**Provisional IPO Allocation**”.

**Example 6**

*There are 10 Sources on Auction viz. Source 1 to Source 10. Eligible Bidder A had submitted IPO Discount at 8 paise/kWh for Source 1. During the SPO Stage, the SPO Discount at a particular round reached 8 paise/kWh. The available quantity in Source 1 at that particular round is 5 MTPA, Balance Maximum Allocable Quantity is 8 MTPA and the Balance Maximum Eligible Quantity available with Eligible Bidder A corresponding to the respective Source Grade is 3 MTPA. In such a scenario, at the commencement of the round, there will be provisional auto-allocation of 3 MTPA from Source 1 to Eligible Bidder A (i.e. lowest of (i) the then available Source Wise Quantity which is 5 MTPA, (ii) the Balance Maximum Allocable Quantity which is 8 MTPA, and (iii) the Balance Maximum Eligible Quantity corresponding to the respective Source Grade which is 3 MTPA).*

- (c) However, if 2 (two) or more Eligible Bidders submit identical IPO Discount for the same Source or across various Sources, then:
- (i) in case of adequate Source Wise Quantity in such Source(s), computation of quantity will respectively be done to the full extent of the Balance Maximum Eligible Quantity of such Eligible Bidders; and/or
  - (ii) in case of inadequate Source Wise Quantity in any Source, computation of quantity will respectively be done in the ratio of the Balance Maximum Eligible Quantity of such Eligible Bidders. Further, in such a situation, in case an Eligible Bidder has submitted an identical IPO Discount for a separate Source, the computation of quantity for such Eligible Bidder will be the lower of the Source Wise Quantity in the Source or Balance Maximum Eligible Quantity.

Provided that, in case the quantity computed pursuant to Clause 3.6.3.4(c)(i) and/or Clause 3.6.3.4(c)(ii) is more than the Balance Maximum Allocable Quantity, such computed quantity shall be further proportionately adjusted on the basis of the Balance Maximum Allocable Quantity and the quantity computed after such adjustment shall be treated as the Provisional IPO Allocation Quantity.

Provided further that, in case the quantity computed pursuant to Clause 3.6.3.4(c)(i) and/or Clause 3.6.3.4(c)(ii) is less than the Balance Maximum Allocable Quantity, the quantity computed pursuant to Clause 3.6.3.4(c)(i) and/or Clause 3.6.3.4(c)(ii) shall be treated as the Provisional IPO Allocation Quantity.

**Example 7**

- (a) *There are 10 Sources in the Auction viz. Source 1 to Source 10. The SPO Discount at the particular round is 10 paise/kWh. Assuming, Eligible Bidder A and Eligible Bidder B submitted the IPO Discount at 10 paise/kWh from Source 1. Eligible Bidder C and Eligible Bidder D submitted the IPO Discount at 10 paise/kWh from Source 2. Quantity available in Source 1 at the particular round is 5 MTPA and Quantity available in Source 2 at the particular round is 6 MTPA. Further, Balance Maximum Eligible Quantity of Eligible Bidder A, Eligible Bidder B, Eligible Bidder C and Eligible Bidder D at the particular round is 3 MTPA, 2 MTPA, 4 MTPA and 1 MTPA respectively. In such a*

scenario, the Electronic Platform shall compute 3 MTPA for Eligible Bidder A, 2 MTPA for Eligible Bidder B, 4 MTPA for Eligible Bidder C and 1 MTPA for Eligible Bidder D i.e. the Balance Maximum Eligible Quantity of Eligible Bidder A, Eligible Bidder B Eligible Bidder C and Eligible Bidder D.

- (b) Further, assume that the Balance Maximum Allocable Quantity was 8 MTPA. In such a case, the quantity computed for each Eligible Bidder shall be further adjusted with respect to the Balance Maximum Allocable Quantity and Electronic Platform shall provisionally auto-allocate 2.4 MTPA to Eligible Bidder A, 1.6 MTPA to Eligible Bidder B, 3.2 MTPA to Eligible Bidder C and 0.8 MTPA to Eligible Bidder D i.e. Balance Maximum Allocable Quantity of 8MTPA provisionally allocated in the ratio 3:2:4:1 (ratio of the quantity computed by the Electronic Platform for Eligible Bidder A, Eligible Bidder B, Eligible Bidder C and Eligible Bidder D respectively, prior to adjustment for the Balance Maximum Allocable Quantity).

### **Example 8**

- (a) Alternatively, suppose in example 7(a), quantity available in Source 1 at the particular round is 5 MTPA and quantity available in Source 2 at the particular round is 3 MTPA, and all the other conditions remain the same. In such a scenario, Electronic Platform shall compute 3 MTPA for Eligible Bidder A, 2 MTPA for Eligible Bidder B (i.e. the Balance Maximum Eligible Quantity of Eligible Bidder A and Eligible Bidder B) and 2.4 MTPA for Eligible Bidder C, 0.6 MTPA for Eligible Bidder D (i.e. inadequate Source Wise Quantity of 3MTPA in Source 2 proportionately computed for Eligible Bidder C and Eligible Bidder D in the ratio of their Balance Maximum Eligible Quantity i.e. 4:1).
- (b) Further, assume that the Balance Maximum Allocable Quantity was 6 MTPA. In such as case, the quantity computed for each Eligible Bidder shall be further adjusted with respect to the Balance Maximum Allocable Quantity and the Electronic Platform shall provisionally auto-allocate 2.25 MTPA to Eligible Bidder A, 1.5 MTPA to Eligible Bidder B, 1.8 MTPA to Eligible Bidder C and 0.45 MTPA to Eligible Bidder D i.e. Balance Maximum Allocable Quantity was 6 MTPA provisionally allocated in the ratio 3:2:2.4:0.6 (ratio of the quantity computed by the Electronic Platform for Eligible Bidder A, Eligible Bidder B, Eligible Bidder C and Eligible Bidder D respectively prior to adjustment for the Balance Maximum Allocable Quantity.)

### **Example 9**

- (a) There are 10 Sources in the Auction viz. Source 1 to Source 10. The SPO Discount at the particular round is 10 paise/kWh. Assuming, Eligible Bidder A and Eligible Bidder B submitted the IPO Discount at 10 paise/kWh from Source 1. Eligible Bidder C submitted the IPO Discount at 10 paise/kWh from Source 2. Quantity available in Source 1 at the particular round is 5 MTPA and Quantity available in Source 2 at the particular round is 6 MTPA. Further, Balance Maximum Eligible Quantity of Eligible Bidder A, Eligible Bidder B and Eligible Bidder C at the particular round is 3 MTPA, 3 MTPA and 4 MTPA. In such a scenario, the Electronic Platform shall compute 2.5 MTPA for Eligible Bidder A and 2.5 MTPA for Eligible Bidder B (i.e. inadequate Source Wise Quantity of 5MTPA in Source 1 proportionately computed for Eligible Bidder A and Eligible Bidder B in the ratio of their Balance Maximum Eligible Quantity i.e. 3:3) and 4 MTPA for Eligible Bidder C i.e. the Balance Maximum Eligible Quantity of Eligible Bidder C since there is adequate quantity in Source 2.

- (b) *Further, assume that the Balance Maximum Allocable Quantity was 4.5 MTPA. In such a case, the quantity computed for each Eligible Bidder shall be further adjusted with respect to the Balance Maximum Allocable Quantity and Electronic Platform shall provisionally auto-allocate 1.25 MTPA to Eligible Bidder A, 1.25 MTPA to Eligible Bidder B and 2 MTPA to Eligible Bidder C i.e. Balance Maximum Allocable Quantity of 4.5 MTPA provisionally allocated in the ratio 2.5:2.5:4 (ratio of the quantity computed by the Electronic Platform for Eligible Bidder A, Eligible Bidder B and Eligible Bidder C respectively, prior to adjustment for the Balance Maximum Allocable Quantity).*
- (d) Subject to Clause 3.6.3.4(b) and Clause 3.6.3.4(c), the Eligible Bidders will be able to view the balance Source Wise Quantity and the Balance Maximum Allocable Quantity, net of any Provisional IPO Allocation Quantity for the said round as per Clause 3.6.3.4(b) and Clause 3.6.3.4(c) (“**Net Allocable Quantity**”). The duration of each round shall be 15 (fifteen) minutes, of which, the Eligible Bidders shall be permitted to participate, in seriatim, as follows:
- (i) 5 (five) minutes for expressing interest to participate in a particular round; and
- (ii) 10 (ten) minutes for exercising the right-to-choose from the Source Wise Quantity available at various Sources at the SPO Discount of that particular round, subject to the other provisions of this Clause 3.6.3.4. It is clarified that only Eligible Bidders who have expressed interest in sub-clause (i) above shall be permitted to exercise the right-to-choose in this sub-clause (ii).
- (e) In the event, no interest is expressed for participation in any round by any Eligible Bidder in the first 5 (five) minutes of any round of the SPO Stage, the Auction will proceed to the next round.
- (f) Eligible Bidder shall participate in each round of the SPO Stage in accordance with the following conditions:
- (i) Upon expressing interest as per Clause 3.6.3.4(d)(i), for a Source, the participating Eligible Bidder shall have the right-to-choose a quantity in multiples of 100 (one hundred) TPA, provided that, such quantity shall not be (i) less than 4000 (four thousand) TPA; and (ii) more than the Maximum SPO Quantity.

At the end of the round, the quantity so chosen may be entirely provisionally allocated to the Eligible Bidder, or the same may be proportionately provisionally allocated, in accordance with Clause 3.6.3.4(f)(iv) (“**Provisional SPO Allocation Quantity**”). The said process of provisional allocation as per this Clause 3.6.3.4(f)(i) shall be referred to as “**Provisional SPO Allocation**”.

For the purposes hereof, the “**Maximum SPO Quantity**” shall mean *equal to* the lowest of (i) the then available Source Wise Quantity; (ii) the Balance Maximum Eligible Quantity of the Eligible Bidder corresponding to the relevant Source Grade; or (iii) the Net Allocable Quantity.

- (ii) In the event, in any round of the Auction, any Eligible Bidder exercises the right-to-choose from a particular Source at the SPO Discount as per Clause 3.6.3.4(d)(ii), such Eligible Bidder shall not be entitled to choose any quantity from the said Source in any subsequent round of the SPO Stage.

**Example 10**

*Suppose the SPO Discount at a particular round reached 10 paise/kWh. Eligible Bidder A expresses interest in the particular round and exercises right to choose 3 MTPA quantity from Source 1. In case Eligible Bidder A is provisionally allocated 3 MTPA from Source 1, such Bidder shall not be allowed to choose any quantity from Source 1 in the subsequent rounds.*

- (iii) In the event, in any round of the SPO Stage, from a particular Source, any Eligible Bidder exercises the right-to-choose at the SPO Discount as per Clause 3.6.3.4(d)(ii), for which such Eligible Bidder has also quoted an IPO Discount at a rate lower than the SPO Discount, there shall be no Provisional IPO Allocation from the said Source with respect to such Eligible Bidder in any subsequent round of the SPO Stage and the IPO Discount of such Eligible Bidder for the given Source shall become void.

**Example 11**

*Suppose the SPO Discount at a particular round reached 10 paise/kWh. Eligible Bidder A expresses interest in the particular round and exercises right to choose 3 MTPA quantity from Source 1. Eligible Bidder A had also submitted the IPO Discount at 8 paise/kWh for Source 1. In case Eligible Bidder A has been provisionally allocated 3 MTPA from Source 1, he shall not be allowed to choose any quantity from Source 1 in the subsequent rounds and his IPO Discount for Source 1 shall also become invalid.*

- (iv) If, in any round, 2 (two) or more Eligible Bidders express interest for a quantity and exercise the right-to-choose from the same Source or across various Sources, then:
- a) in case of adequate Source Wise Quantity in such Source(s), computation of quantity will respectively be done to the full extent of the quantity so chosen by each such Eligible Bidder; and/or
  - b) in case of inadequate Source Wise Quantity in any Source, computation of quantity will respectively be done proportionately on the basis of the quantity so chosen by each such Eligible Bidder. Further, in such a situation, in case an Eligible Bidder has exercised a right-to-choose for a separate Source, the computation of quantity for such Eligible Bidder will be the lower of the Source Wise Quantity in the Source or the quantity so chosen for the said Source.

Provided that, in case the quantity computed pursuant to Clause 3.6.3.4(f)(iv)a) and/or Clause 3.6.3.4(f)(iv)b) is more than the Net Allocable Quantity, such computed quantity shall be further proportionately adjusted on the basis of the Net Allocable Quantity and the quantity after such adjustment shall be treated as the Provisional SPO Allocation Quantity.

Provided further that, in case the quantity computed pursuant to Clause 3.6.3.4(f)(iv)a) and/or Clause 3.6.3.4(f)(iv)b) is less than the Net Allocable Quantity, the quantity computed pursuant to Clause 3.6.3.4(f)(iv)a) and/or Clause 3.6.3.4(f)(iv)b) shall be treated as the Provisional SPO Allocation Quantity.

**Example 12**

- (a) *There are 10 Sources on Auction viz. Source 1 to Source 10. The SPO Discount at the particular round is 10 paise/kWh. Eligible Bidder A and Eligible Bidder B exercise the right-to-choose from Source 1. Eligible Bidder C and Eligible Bidder D exercise the right-to-choose from Source 2. Quantity available in Source 1 at the particular round is 5 MTPA and Quantity available in Source 2 at the particular round is 6 MTPA. Balance Maximum Eligible Quantity of Eligible Bidder A, Eligible Bidder B, Eligible Bidder C and Eligible Bidder D at the particular round is 5 MTPA, 4 MTPA, 6 MTPA and 3 MTPA respectively. However, Eligible Bidder A, Eligible Bidder B, Eligible Bidder C and Eligible Bidder D exercise the right to choose 3 MTPA, 2 MTPA, 4 MTPA and 1 MTPA respectively. In such a scenario, Electronic Platform shall compute 3 MTPA for Eligible Bidder A, 2 MTPA for Eligible Bidder B, 4 MTPA for Eligible Bidder C and 1 MTPA for Eligible Bidder D i.e. the quantity for which each Eligible Bidder had exercised the right-to-choose in each particular Source.*
- (b) *Further, assume that the Net Allocable Quantity was 8 MTPA. In such a case, the quantity computed for each Eligible Bidder shall be further adjusted with respect to the Net Allocable Quantity and the Electronic Platform shall provisionally allocate 2.4 MTPA to Eligible Bidder A, 1.6 MTPA to Eligible Bidder B, 3.2 MTPA to Eligible Bidder C and 0.8 MTPA to Eligible Bidder D i.e. Net Allocable Quantity of 8 MTPA provisionally allocated in the ratio 3:2:4:1 (ratio of the quantity provisionally allocated by the Electronic Platform to Eligible Bidder A, Eligible Bidder B, Eligible Bidder C and Eligible Bidder D respectively prior to adjustment for the Net Allocable Quantity).*

### **Example 13**

- (a) *Alternatively, suppose in example 12(a), quantity available in Source 1 at the particular round is 5 MTPA and quantity available in Source 2 at the particular round is 3 MTPA and all other conditions remain the same. In such a scenario, the Electronic Platform shall compute 3 MTPA for Eligible Bidder A, 2 MTPA for Eligible Bidder B (i.e. the quantity for which Eligible Bidder A and Eligible Bidder B had expressed interest in Source 1) and 2.4 MTPA to Eligible Bidder C, 0.6 MTPA to Eligible Bidder D (i.e. inadequate Source Wise Quantity of 3MTPA in Source 2 proportionately computed for Eligible Bidder C and Eligible Bidder D in the ratio of the quantity for which Eligible Bidder C and Eligible Bidder D had exercised the right-to-choose in Source 2 i.e. 4:1).*
- (b) *Further, assume that the Net Allocable Quantity was 6MTPA. In such a case, the quantity computed for each Eligible Bidder shall be further adjusted with respect to the Net Allocable Quantity and Electronic Platform shall provisionally allocate 2.25 MTPA to Eligible Bidder A, 1.5 MTPA to Eligible Bidder B, 1.8 MTPA to Eligible Bidder C and 0.45 MTPA to Eligible Bidder D i.e. Net Allocable Quantity of 6 MTPA provisionally allocated in the ratio 3:2:2.4:0.6 (ratio of the quantity provisionally allocated by the Electronic Platform to Eligible Bidder A, Eligible Bidder B, Eligible Bidder C and Eligible Bidder D respectively prior to adjustment for the Net Allocable Quantity).*

### **Example 14**

- (a) *There are 10 Sources on Auction viz. Source 1 to Source 10. The SPO Discount at the particular round is 10 paise/kWh. Eligible Bidder A and Eligible Bidder B exercise the right-to-choose from Source 1. Eligible Bidder C and Eligible Bidder D exercise the right-to-choose from Source 2. Quantity available in Source 1 at the particular round is 5 MTPA and Quantity available in Source 2*

at the particular round is 6 MTPA. Balance Maximum Eligible Quantity of Eligible Bidder A, Eligible Bidder B, Eligible Bidder C and Eligible Bidder D at the particular round is 5 MTPA, 4 MTPA, 6 MTPA and 3 MTPA respectively. However, Eligible Bidder A, Eligible Bidder B, Eligible Bidder C and Eligible Bidder D exercise the right to choose 3 MTPA, 3 MTPA, 4 MTPA and 1 MTPA respectively. In such a scenario, Electronic Platform shall compute 2.5 MTPA for Eligible Bidder A, 2.5 MTPA for Eligible Bidder B (i.e. inadequate Source Wise Quantity of 5MTPA in Source 1 proportionately computed for Eligible Bidder A and Eligible Bidder B in the ratio of the quantity for which Eligible Bidder A and Eligible Bidder B had expressed interest in Source 1 i.e. 3:3) and 4 MTPA for Eligible Bidder C and 1 MTPA for Eligible Bidder D i.e. the quantity for which each Eligible Bidder had expressed interest in each particular Source.

- (b) Further, assume that the Net Allocable Quantity was 8 MTPA. In such a case, the quantity computed for each Eligible Bidder shall be further adjusted with respect to the Net Allocable Quantity and the Electronic Platform shall provisionally allocate 2 MTPA to Eligible Bidder A, 2 MTPA to Eligible Bidder B, 3.2 MTPA to Eligible Bidder C and 0.8 MTPA to Eligible Bidder D i.e. Net Allocable Quantity of 8 MTPA provisionally allocated in the ratio 2.5:2.5:4:1 (ratio of the quantity computed by the Electronic Platform for Eligible Bidder A, Eligible Bidder B, Eligible Bidder C and Eligible Bidder D respectively prior to adjustment for the Net Allocable Quantity).

3.6.3.5 In each round of the SPO Stage, the Provisional IPO Allocation Quantity, if any, and/or the Provisional SPO Allocation Quantity, shall collectively be referred to as the “**Provisional Allocated Quantity**”.

3.6.3.6 Each Eligible Bidder who is successfully allocated any Provisional Allocated Quantity shall, hereinafter, be referred to as the “**Provisional Successful Bidder**”.

#### 3.6.4 **Adjustment**

In the event that the Provisional Allocated Quantity in respect of a particular Source is not an integer multiple of 100 TPA (“**Transport Factor**”), such Provisional Allocated Quantity 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**”).

#### **Example 15**

Suppose, SPO Discount at a particular round reached 10 paise/kWh. Eligible Bidder A and Eligible Bidder B expresses interest in the particular round and exercises right to choose 3 MTPA and 4MTPA quantity from Source 1. The available quantity in Source 1 at that particular round is 4 MTPA and Net Allocable Quantity is 5 MTPA. In such a scenario, Eligible Bidder A shall be provisionally allocated 1.7142 MTPA (1714285.714 TPA rounded down to the nearest Transport Factor i.e. 1714200 TPA) and Eligible Bidder B shall be provisionally allocated 2.2857 MTPA (2285714.285 TPA rounded down to the nearest Transport Factor i.e. 2285700 TPA) i.e. 4 MTPA (Maximum SPO Quantity) provisionally allocated to Eligible Bidder A and Eligible Bidder B in the ratio of 3:4 (ratio of the quantity for which Eligible Bidder A and Eligible Bidder B exercised the right to choose).

#### 3.6.5 **Conclusion of Auction**

The Auction shall come to an end, on the earliest of the following:

- (a) the Maximum Allocable Quantity being provisionally allocated;
- (b) the Balance Maximum Allocable Quantity or the Net Allocable Quantity, as the case may be, is lower than 100 TPA;
- (c) the SPO Discount reaches .....<sup>2</sup>, which shall be the last round of the SPO Stage;
- (d) there are no Eligible Bidders left in the Auction;
- (e) the Maximum Eligible Quantity of all the Eligible Bidders has been provisionally allocated; or
- (f) the Balance Maximum Eligible Quantity of each Eligible Bidder is lower than 100 TPA.

### 3.6.6 Submission of Tariff Discount Stream

Upon conclusion of the Auction as per Clause 3.6.5, within the time period and in a manner to be specified separately at a later date, the Provisional Successful Bidder shall submit a year-on-year tariff discount stream for each Source from which the Provisional Successful Bidder has been provisionally allocated the Provisional Allocated Quantity, for the full/remaining term(s) of each Concluded PPA(s), as applicable, of the Provisional Successful Bidder (“**Tariff Discount Stream**”), subject to the following conditions:

- (a) Discount for each year shall be a positive integer number in paise/kWh;
- (b) The ratio of minimum discount on the tariff quoted by the Provisional Successful Bidder to the maximum discount on the tariff quoted by the Provisional Successful Bidder for each year of the full/ remaining term of the Concluded PPA, as applicable, shall not be less than 0.7 (decimal point seven);
- (c) The applicable discount factor to be considered to determine the Levellised Discount shall be the Pre-notified Discount Rate;
- (d) The levellised value of the year-on-year tariff discount stream post discounting at the Pre-notified Discount Rate shall be equal to or more than the SPO Discount and/or the Starting Discount, as the case may be, at which the Provisional Allocated Quantity has been provisionally allocated to the Provisional Successful Bidder; and
- (e) In case of Specified End Use Plant(s) that has already been commissioned, the Provisional Successful Bidder has to provide year-on-year discount stream for the remaining term of each of its Concluded PPA(s) from the date of completion of the Auction\*.

In case of Specified End Use Plant(s) that has not been commissioned, the Provisional Successful Bidder has to provide the year-on-year Tariff Discount Stream for the full term of the Concluded PPA(s).

However, for actual application of the year-on-year discount, year 1 will commence from the date of commencement of coal supply under the FSA.

\*Any period remaining in the last year of the Concluded PPA shall be considered to be 1 (one) full year, for the purpose of calculating the Levellised Discount.

<sup>2</sup> Will be informed at later stage

For the purpose of providing year-on-year discount stream and the actual application of the year-on-year discount, “year” shall mean a period of 12 (twelve) months.

### Example 16

Suppose, the Auction is completed on April 30, 2020 and the Provisional Successful Bidder has been provisionally allocated quantity from Source 1 at the SPO Discount of 9 paise/kWh. The Concluded PPA for the Provisional Successful Bidder expires on June 04, 2029 i.e. the remaining term of 9 (nine) years, 1 month and 5 days from the completion of the Auction. In such a scenario, part period i.e. 1 month and 5 days from April 30, 2029 to June 04, 2029 shall be considered as one full year for the purpose of computation of the levellised discount and the Provisional Successful Bidder has to provide year-on-year discount for 10 years (i.e. the remaining term of the Concluded PPA (9 years) and the part period (1 year)). Accordingly, Provisional Successful Bidder may quote the following stream of discounts.

Year	1	2	3	4	5	6	7	8	9	10
Tariff Discount Quote	8	8	8	9	10	10	10	10	10	10
Discount Factor*	1.00	0.90	0.82	0.74	0.67	0.60	0.54	0.49	0.44	0.40
Levellised Discount	9.06									

\*The Pre-notified Discount Rate used in the above example being 10.70%.

Further, assume that the first coal supply date pursuant to the FSA is June 10, 2020. In such a scenario, Year 1 shall be considered as June 10, 2020 to June 09, 2021 for actual application of the year-on-year discount provided as per above table. Accordingly, in such a case, the last year shall be June 10, 2028 to June 04, 2029 and the tariff discount stream shall be considered as under:

Year	June 10, 2020 to June 09, 2021	June 10, 2021 to June 09, 2022	June 10, 2022 to June 09, 2023	June 10, 2023 to June 09, 2024	June 10, 2024 to June 09, 2025	June 10, 2025 to June 09, 2026	June 10, 2026 to June 09, 2027	June 10, 2027 to June 09, 2028	June 10, 2028 to June 04, 2029
Tariff Discount Quote	8	8	8	9	10	10	10	10	10

### Example 16A

In addition to example 16 above, assume that the Provisional Successful Bidder has as additional Concluded PPA expiring on June 04, 2034 i.e. the remaining term of 14 (fourteen) years, 1 month and 5 days from the completion of the Auction. In such a scenario, Provisional Successful Bidder has to submit a separate tariff discount stream for the additional Concluded PPA against the source. Hence for the purpose of submission of the tariff discount stream, part period i.e. 1 month and 5 days from April 30, 2034 to June 04, 2034 shall be considered as one full year for the purpose of computation of the levellised discount and the Provisional Successful Bidder has to provide year-on-year discount for 15 years (i.e. the remaining term of the Concluded PPA (14 years) and the part period (1 year)). Accordingly, Provisional Successful Bidder may quote the following stream of discounts:



Year	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
Tariff Discount Quote	8	8	8	9	9	9	9	10	10	10	10	10	10	10	10
Discount Factor*	1.00	0.90	0.82	0.74	0.67	0.60	0.54	0.49	0.44	0.40	0.36	0.33	0.30	0.27	0.24
Levelling Discount	9.01														

\*The Pre-notified Discount Rate used in the above example being 10.70%

Thus the Provisional Successful Bidder has to submit 2 tariff discount streams i.e. separate tariff discount stream for each of its Concluded PPA(s), against each source. Further, assume that the first coal supply date pursuant to the FSA is same as under example 16 i.e. June 10, 2020. In such a scenario, Year 1 shall be considered as June 10, 2020 to June 09, 2021 for actual application of the year-on-year discount provided as per above table. Accordingly, in such a case, the last year shall be June 10, 2033 to June 04, 2034 and the tariff discount stream shall be considered as under:

Year	June 10, 2020 to June 09, 2021	June 10, 2021 to June 09, 2022	June 10, 2022 to June 09, 2023	June 10, 2023 to June 09, 2024	June 10, 2024 to June 09, 2025	June 10, 2025 to June 09, 2026	June 10, 2026 to June 09, 2027	June 10, 2027 to June 09, 2028	June 10, 2028 to June 09, 2029	June 10, 2029 to June 09, 2030	June 10, 2030 to June 09, 2031	June 10, 2031 to June 09, 2032	June 10, 2032 to June 09, 2033	June 10, 2033 to June 04, 2034
Tariff Discount Quote	8	8	8	9	9	9	9	10	10	10	10	10	10	10

### 3.6.7 Issuance of Letter of Intent

The relevant Subsidiary shall, within **60 (sixty)** days of completion of the steps set out in Clause 3.6.6, issue a letter of intent in the format set out in **Annexure IX** (“LOI”) to each Provisional Successful Bidder in respect of *inter alia* the Provisional Allocated Quantity of such Provisional Successful Bidder from the Subsidiary, pursuant to the Auction. The terms of this Scheme Document shall be deemed to be incorporated in the LOI by reference and shall form a part of the LOI and the relevant Subsidiary shall be entitled to exercise all its rights and remedies as stipulated in this Scheme Document.

### 3.6.8 Submissions by Provisional Successful Bidder(s)

Each Provisional Successful Bidder will be required to submit the following documents and information, within **60 (sixty)** days of issuance of LOI to such Provisional Successful Bidder or such additional time period as may be prescribed by CIL at its sole and absolute discretion:

3.6.8.1 Submission of copy of each Amended PPA, along with the approval letter from the appropriate commission; and

3.6.8.2 Submission of the documents specified in **Annexure X**, as applicable, to the relevant Subsidiary.

### 3.6.9 Execution of the FSA

3.6.9.1 Upon fulfilment of all the conditions set out in Clause 3.6.8 to the satisfaction of CIL/the relevant Subsidiary, the Provisional Successful Bidder shall be referred to as the “**Successful Bidder**” and the Provisional Allocated Quantity attributable for each Source, in respect of such Successful Bidder, shall be referred to as the “**Allocated Quantity**”.

3.6.9.2 Within **30 (thirty)** days of fulfilment of all the conditions set out in Clause 3.6.8, the FSA shall be

executed between the Successful Bidder and the relevant Subsidiary in respect of the Allocated Quantity from each Source.

3.6.9.3 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.

3.6.9.4 In the event the Provisional Successful Bidder does not or fails to fulfil the conditions set out in Clause 3.6.8, or does not or fails to execute the FSA in accordance with this Clause 3.6.9, such Provisional Successful Bidder shall be disqualified. Further, the Provisional Allocated Quantity of such Bidder shall be cancelled and the Bid Security and the Process Fee of such Bidder shall be forfeited.

### 3.6.10 **Tests of Responsiveness**

3.6.10.1 PFCCL may at any time prior to issuance of the LOI, and CIL and/or the relevant Subsidiary may at any time post issuance of the LOI, determine whether the documents, information and/or payments as set out in this Scheme Document are in accordance with the requirements of this Scheme Document. In this context, PFCCL, CIL or the relevant Subsidiary, as applicable, reserves the right to disqualify any Bidder, cancel the LOI, terminate the FSA and forfeit the Bid Security and/or the Process Fee, as the case may be, if it 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 PFCCL, CIL or the relevant Subsidiary, as the case may be, in respect of the documents, information or payments submitted pursuant to this Scheme Document. While making any determination with respect to responsiveness of any bid, document, information and/or payment submitted or received from the Bidder, PFCCL, 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 PFCCL;
- (h) are strictly in compliance of this Scheme Document and the provisions contained herein; and/or
- (i) are not disqualified for any reason set out in Clause 6.6.

3.6.10.2 Save and except as provided in this Scheme Document, PFCCL, CIL or the relevant Subsidiary, as the case may be, shall not entertain any correspondence with any Bidder in relation to the disqualification of a Bidder in accordance with this Clause 3.6.10.

### 3.6.11 Schedule of the Auction Process

The schedule of the Auction Process shall be as per the estimated timelines provided below. The said timelines are merely indicative and tentative in nature. The same are subject to change as per the sole discretion of PFCCL. 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.

The timelines are as under:

#### **Timeline for Third Round of Auction of Coal Linkages to IPPs having valid already concluded long term PPAs {(SHAKTI B(ii))}**

Sr. No.	Event	Date
1.	Publication of Notice Inviting Registration & EoI and start of acceptance of the same	Wednesday, 08 January 2020
2.	Publication of approved Scheme Document	Thursday, 30 January 2020
3.	Start of receipt of queries	Thursday, 30 January 2020
4.	End of Registration and EOI submission	Friday, 07 February 2020
5.	Seeking of Clarifications by PFCCL/CEA based on EoI Submission	Monday, 17 February 2020
6.	Intimation by CEA on Eligibility and/or CEA Approved Quantity	Monday, 24 February 2020
7.	Bidders to log in online and check their eligibility and quantity	Monday, 24 February 2020
8.	Start of submission of Bid Security and Process Fee	Monday, 24 February 2020
9.	Pre Bid meeting	Tuesday, 03 March 2020
10.	End of receipt of queries on Scheme Document	Wednesday, 04 March 2020
11.	Publication of Q&A	Thursday, 12 March 2020
12.	End of submission of Bid Security, Process Fee and Undertaking, Affidavit, Power of Attorney and Board Resolution, as applicable.	Friday, 20 March 2020
13.	Mock auction – IPO	Monday, 23 March 2020
14.	Mock auction – SPO	Tuesday, 24 March 2020
15.	Submission of IPO	Thursday, 26 March 2020
16.	Start of SPO	Friday, 27 March 2020
17.	Submission of YoY tariff discount stream	Monday, 30 March 2020

*The above timeline may be changed at the discretion of PFCCL; Bidders are required to check the MSTC website regularly for updates.*

## 4 Eligibility Criteria

4.1 The Bidder would be required to comply with the following Basic Eligibility Criteria and Additional Eligibility Criteria to be able to submit the EOI:

### 4.1.1 Basic Eligibility Criteria

4.1.1.1 The Bidder having valid already Concluded PPA(s) (as defined in Clause 1.1.22) in respect of the Specified End Use Plant(s) registered under Clause 3.1.

4.1.1.2 The Bidder shall be required to submit the Verification Certificate, as per the format specified in **Appendix II of Annexure I** of the Request for Submission of EOI.

### 4.1.2 Additional Eligibility Criteria

4.1.2.1 A Bidder having valid already Concluded PPA(s) (as defined in Clause 1.1.22) in respect of the Specified End Use Plant(s) and not having, in respect of such Specified End Use Plant(s), as on the last date of submission of EOI, the following (as may be notified on the Electronic Platform separately):

- (a) any coal linkage at all or having coal linkage for quantity which is less than 90% of their coal requirement, computed as per the Consumption Norms prescribed in **Annexure VIII**; and/or
- (b) any coal mine/coal block or having coal mine/coal block for quantity which is less than 90% of their coal requirement, computed as per the Consumption Norms prescribed in **Annexure VIII**.

For the purposes hereof, (a) and/or (b) in respect of a Specified End Use Plant shall be referred to as the “**Allocated Coal Block/ Letter of Assurance (LoA)/ Linkage**” and the Bidder may bid for the balance quantity of coal.

It is hereby clarified that with respect to such Specified End Use Plant, the Bidder whose:

- (i) coal block(s) has(ve) been de-allocated and the Bidder furnishes clearance of MoC to this effect, on or before the last date for submission of EOI; and/or
- (ii) letter of assurance (“**LoA(s)**”) / linkage(s) has(ve) been cancelled by the MoC / Standing Linkage Committee (Long Term) (“**SLC(LT)**”),

may also participate in the Auction, if such Bidder does not, as on the last date of submission of EOI, hold any Allocated Coal Block / Letter of Assurance (LOA) / Linkage in respect of such Specified End Use Plant.

Provided, however that, with respect to the Specified End Use Plant, if a Bidder meets the Eligibility Criteria specified in this Clause 4 and has a letter of assurance / linkage / fuel supply agreement awarded under Paragraph B(iii) of the Policy in respect of such Specified End Use Plant(s), the same shall not be considered as the Allocated Coal Block/ Letter of Assurance (LoA) / Linkage under this Clause 4.1.2.1. In that case, once FSA for B(ii) linkage is signed, Letter of Assurance (LoA)/ Linkage/ FSA for B(iii) will automatically be terminated, as per the letter of assurance / linkage / fuel supply agreement awarded under Paragraph B(iii) of the Policy in respect of such Specified End Use Plant(s).

4.1.2.2 The Verification Certificate to be provided and certified by DISCOM, as per the format specified in **Appendix II of Annexure I** of the Request for Submission of EOI, should not be dated and issued prior to the date of issuance of the Request for Submission of EOI.

- 4.1.2.3 The Bidder should be the owner of the Specified End Use Plant(s) registered under Clause 3.1.
- 4.1.2.4 The registered Specified End Use Plant should have already commissioned or should have a target commissioning date no later than March 31, 2022.
- 4.1.2.5 The Bidder shall 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.
- 4.1.2.6 Existing linkage holders are not allowed to surrender their LoA / fuel supply agreement to participate in this Auction.

#### 4.2 **Power of Attorney, Affidavit and Undertaking**

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

- 4.2.1. an undertaking in the format set out in **Annexure III**, wherein the Bidder shall undertake to *inter alia* comply with all Applicable Laws, including environmental laws;
- 4.2.2. a power of attorney in the format set out in **Annexure IV**, 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.; and
- 4.2.3. an affidavit in the format set out in **Annexure V** (as applicable) certifying *inter alia* that they meet all the Eligibility Criteria required for participation in the Auction Process hereunder.

#### 4.3 **Undertaking by Bidders**

The Bidder shall undertake to put in place the necessary washing, blending, beneficiation and/or other arrangements to reduce the ash content of coal below 34% (thirty four per cent.) in order to facilitate compliance with the Ministry of Environment and Forest Gazette Notification No. G.S.R. 02(E) dated January 02, 2014.

### 5 **Payments**

#### 5.1 **Process Fee**

- 5.1.1 The Eligible Bidder shall be required to submit a process fee, within the timeline prescribed under Clause 3.6.11 in this regard, as per the following formula ("**Process Fee**"):

*Rs. 11.80 (Indian Rupees Eleven and Eighty Paise) per tonne (inclusive of applicable taxes) multiplied by the quantity for which the Eligible Bidder intends to participate in the Auction, which shall not be more than the CEA Approved Quantity.*

- 5.1.2 The Eligible Bidder shall ensure that the Process Fee shall, at any time during the Auction, correspond to the quantity for which the Eligible Bidder intends to participate in the Auction. The Eligible Bidder shall, at no time, be allowed to participate in the Auction for any quantity in excess of the Maximum Eligible Quantity.
- 5.1.3 The payments to be made by Bidders towards the Process Fee shall be paid into a bank account, the details of which are provided in **Annexure VI**.

- 5.1.4 The Process Fee pertaining to the Provisional Allocated Quantity of each Provisional 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 VI**), without interest, to the relevant Provisional Successful Bidder after completion of the Auction. In the event that an Eligible Bidder does not qualify as a Provisional Successful Bidder, the entire amount of the Process Fee, without any interest, shall be refunded to such Eligible Bidder after completion of the Auction. The Process Fess as collected above as per 5.1.3 shall be treated as Deposit till the completion of Auction.
- 5.1.5 The Process Fee shall be liable to 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 3.6.10;
- 5.1.5.2 If a Bidder engages in a 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 Provisional Successful Bidder, fails to, or does not fulfil, the conditions set out at Clause 3.6.6, Clause 3.6.8 and/or Clause 3.6.9, 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; and/or
- 5.1.5.6 The Bidder has participated in the Auction, other than in accordance with the Scheme Document.
- 5.2 **Bid Security**
- 5.2.1 Each Eligible Bidder shall furnish, as part of the Conditions to Auction, a bid security in the form of an earnest money deposit, within the timeline prescribed under Clause 3.6.11, as per the following formula ("**Bid Security**"):
- Rs. 100 (Indian Rupees hundred) per tonne of the quantity for which the Eligible Bidder intends to participate in the Auction, which shall not be more than the CEA Approved Quantity.*
- 5.2.2 The Eligible Bidder shall ensure that the Bid Security shall, at any time during the Auction, correspond to the quantity for which the Eligible Bidder intends to participate in the Auction. The Eligible Bidder shall, at no time, be allowed to participate in the Auction for any quantity in excess of the Maximum Eligible Quantity.
- 5.2.3 The payments to be made by the Eligible Bidder towards the Bid Security will be made into a designated bank account, the details of which are specified in **Annexure VI**. 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.
- 5.2.4 The refund of Bid Security submitted by an Eligible Bidder(s) shall be as under:
- 5.2.4.1 the Bid Security pertaining to the Provisional Allocated Quantity of the Provisional Successful Bidder will be returned by the relevant Subsidiary, without any interest, upon the expiry of **30 (Thirty)** days from the First Delivery Date, as defined in the FSA;
- 5.2.4.2 the balance Bid Security of the Provisional Successful Bidder (net of amounts retained under Clause 5.2.4.1 above), if any, and the Bid Security of other Eligible Bidder(s) shall be returned by

- the Service Provider to the Provisional Successful Bidder or Eligible Bidder(s), as the case may be, without any interest, post completion of the Auction.
- 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 shall suffer loss and damage on account of any default by the Eligible Bidder during the period of the 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 PFCCCL, 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 3.6.10;
- 5.2.6.2 If a Bidder engages in a 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 Provisional Successful Bidder, fails to or does not fulfil any of the conditions of Clause 3.6.6, Clause 3.6.8 and/or Clause 3.6.9 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; and/or
- 5.2.6.6 The Bidder has participated in the Auction, other than in accordance with the Scheme Document.
- 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 shall be required to make periodic payments for the coal supplied under the FSA on the basis of the following formula:
- {Notified Price multiplied by [the Allocated Quantity supplied under the FSA]}*.
- 5.3.2 The Notified Price shall be payable in the manner contemplated in Clause 5.3.1 above, during the tenure of the FSA.
- 5.3.3 The Successful Bidder 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 **Periodic Payments to the Successful Bidder**
- 5.4.1 The Successful Bidder shall be entitled to receive payment from the DISCOM for generation of power pursuant to the Amended PPA in accordance with the following methodology:
- 5.4.1.1 Billing shall be done on the basis of Notified Price of the declared grade of the consignment.

- 5.4.1.2 The year-on-year discount (as provided by the Successful Bidder in accordance with Clause 3.6.6) shall be adjusted from the gross amount of the bill at the time of billing, i.e., the original bill shall be raised as per the terms and conditions of the Concluded PPA or the Amended PPA, as the case may be and the discount would be reduced from the gross amount of the bill.

## **6 Instructions to the 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 prevail and shall have an 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 PFCCL/CIL/the relevant 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 PFCCL/CIL/the relevant Subsidiary(ies), in case such rights and remedies are not available to PFCCL/CIL/the Subsidiary(ies) under the FSA.
- 6.1.3 All communications in respect of participating in the Auction and in relation to the Scheme Document are required to be in the English language.
- 6.1.4 The documents, including this Scheme Document and all attached documents, provided by PFCCL, CIL and/or the relevant Subsidiary are and shall remain or become the properties of PFCCL, CIL and/or the relevant Subsidiary and are transmitted to the Bidders solely for the purpose of preparation and participation in the Auction, in accordance herewith. The Bidders are required to treat all such information as strictly confidential and shall not use it for any purpose other than for preparation and participation in the Auction. The provisions of this Clause 6.1.4 shall also apply *mutatis mutandis* to each Bidder's participation in the Auction and to all other documents submitted by the Bidder in relation thereof, and PFCCL, CIL and/or the relevant Subsidiary, will not return to the Bidders any document or any information provided by the Bidder in respect of participation in the Auction.
- 6.1.5 Any issuance of the LOI 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 LOI and/or the FSA, PFCCL/CIL/the relevant Subsidiary shall be free to amend or repeal this Scheme Document, the LOI and/or the FSA without any liabilities or damages, whatsoever, payable to any Bidder.

### **6.2 Conduct of Auction**

- 6.2.1 The Auction, including, the IPO Stage and the SPO Stage, shall be conducted as follows:
- (a) PFCCL shall notify the date and time for each stage 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 Representative(s) of such Eligible Bidder.
  - (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 PFCCL/ CIL / the relevant Subsidiary, as applicable, 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 their participation in the Auction Process. PFCCL, CIL and the relevant Subsidiary 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**

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

6.5.1.1 made a complete and careful examination of the Scheme Document and unconditionally and irrevocably accepted the terms thereof;

6.5.1.2 reviewed all relevant information provided by PFCCL, CIL and/or the relevant Subsidiary as may be relevant to the Auction Process;

6.5.1.3 satisfied itself about all matters regarding the Auction Process, this Scheme Document and performance of all of its obligations hereunder;

6.5.1.4 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 Source 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 PFCCL, CIL and/or the relevant Subsidiary, or a ground for termination of the FSA by the Successful Bidder; and

6.5.1.5 agreed to be bound by the terms of this Scheme Document and the undertakings provided by it under and in terms hereof.

6.5.2 PFCCL, CIL and/or the relevant Subsidiary 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 PFCCL, CIL and/or the relevant Subsidiary.

### **6.6 Verification and Disqualification**

6.6.1 PFCCL, CIL and the relevant Subsidiary reserve the right to verify all statements, information and documents and/or request for additional information/documents submitted by the Bidder in response to the Request for Submission of EOI and/or the Scheme Document and the Bidder shall, when so required by PFCCL, 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 PFCCL, CIL or the relevant Subsidiary shall not relieve the Bidder of its obligations or liabilities hereunder nor will it affect any rights of PFCCL, CIL or the relevant Subsidiary thereunder.

6.6.2 Without prejudice to any other right or remedy that may be available to PFCCL, CIL or the

relevant Subsidiary under the Scheme Document and/or the FSA, PFCCL, CIL and the relevant Subsidiary reserve the right to disqualify the Bidder, cancel the LOI and/or terminate the FSA, as the case may be, and to appropriate/forfeit the entire Bid Security and/or the Process Fee, as the case may be, *inter alia* 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 PFCCL, CIL or the relevant Subsidiary, the documents and/or information sought by PFCCL, 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 LOI, 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 during the Auction Process as specified in Clause 7 of this Scheme Document;
- 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 3.6.10;
- 6.6.2.7 in case a Provisional Successful Bidder, fails to or does not fulfil any of the conditions of Clause 3.6.6, Clause 3.6.8 and/or Clause 3.6.9 in the manner prescribed therein;
- 6.6.2.8 any assignment/transfer which is not in accordance with Clause 6.3; and/or
- 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 EOI and/or thereafter.

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

- 6.7.1 At any time prior to the Due Date, PFCCL may for any reason, whether at its own initiative or in response to clarifications requested by a Bidder, modify this 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, PFCCL 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 and uploaded by the Bidder no later than the timeline prescribed under Clause 3.6.11 above (“**Due Date**”).

6.8.2 PFCCL 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 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, PFCCL reserves the right to reject any bid and/or to annul the Auction Process 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 PFCCL 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, PFCCL reserves the right to reject 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 Condition to Auction are determined to be non-responsive in terms of Clause 3.6.10;

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 does not meet the Eligibility Criteria as per Clause 4;

6.9.3.6 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.

## **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 and subsequent to the issue of the LOI and during the subsistence of the FSA. Notwithstanding anything to the contrary contained herein, or in the LOI or the FSA, PFCCL and/or CIL may reject any Bidder's participation in the Auction, cancel the LOI and/or terminate the FSA, as the case may be, without being liable in any manner whatsoever to the Bidder, the Eligible Bidder, the Provisional Successful Bidder or the Successful Bidder, as the case may be, if PFCCL and/or CIL determines that the Bidder, the Eligible Bidder, the Provisional Successful Bidder or 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, PFCCL and/or 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 PFCCL and/or CIL under the Scheme Document and/or the FSA, or otherwise.

7.2 Without prejudice to the rights of PFCCL, CIL and/or the relevant Subsidiary under Clause 8 and under the LOI or the FSA, or otherwise if a Bidder, the Eligible Bidder, the Provisional Successful

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 or Restrictive Practice during the Auction Process, or after the issuance of the LOI or the execution of the FSA, such Bidder, the Eligible Bidder, the Provisional Successful Bidder or the Successful Bidder, as the case may be, shall be disqualified.

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 PFCCL/CIL/its subsidiaries who is or has been associated in any manner, directly or indirectly, with the Auction Process or the LOI 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 PFCCL/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 issue of the LOI or after the execution of the FSA, as the case may be, any Person in respect of any matter relating to the Auction Process or the LOI or the FSA, who at any time has been or is a legal, financial or technical adviser of PFCCL in relation to any matter concerning the Auction Process; or (iii) resorting to any unfair means whether during the Auction Process or after the issue of the LOI 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 PFCCL/CIL/its subsidiaries 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 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 New Delhi, India.

8.2 PFCCL, CIL and/or the relevant Subsidiary, 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 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 PFCCL, CIL or the relevant Subsidiary 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 PFCCL, CIL, the relevant Subsidiary, 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 PFCCL, CIL and/or the relevant Subsidiary shall remain or become the property of PFCCL, CIL and/or the relevant Subsidiary. It will not return any document and/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, 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 PFCCL, CIL and/or the relevant Subsidiary to disqualify such Bidder, forfeit the Bid Security and 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 EOI**

*(in the format set out on the Electronic Platform)*

**Annexure III**  
**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] (“Scheme Document”)

Dear Sir,

With reference to the Scheme Document for the Third Round of Auction of Coal Linkages to IPPs having already concluded long term PPAs dated [insert] (“Scheme Document”) we hereby certify, undertake and confirm as follows:

1. we satisfy and shall continue to satisfy all the Eligibility Criteria prescribed in Clause 4 of the Scheme Document;
2. all documents and information provided by us to PFCCL, CIL and/or the relevant Subsidiary is and shall be true, complete, accurate and correct, is not false, misleading and/or incorrect, in any manner whatsoever, 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 was false, misleading and/or incorrect, or if anything contrary to the declarations made herein is discovered, 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 participation in the Auction;
3. the bid(s) shall be unconditional and unqualified and are without any deviations, conditions or any assumptions in all respects;
4. 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 PFCCL of the same immediately;
5. 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 PFCCL;
6. we acknowledge that PFCCL, CIL and/or the relevant Subsidiary will be relying on the information and documentation provided by us during the Auction Process for determination of the Successful Bidder;
7. all documents submitted by us (other than originals submitted by us) are true copies of their respective originals;
8. we acknowledge that the information provided by us during the EOI shall be duly verified by CEA and on the basis of the same, the CEA Approved Quantity shall be computed;
9. we acknowledge that the CEA Approved Quantity computed by CEA shall be binding and acceptable to us;



10. we undertake to provide any additional documents/information as may be required in this regard. We shall make available to PFCCL, CIL and/or the relevant Subsidiary, any additional information and documents that it may find necessary or require to supplement or to authenticate our bid(s) or eligibility to submit the bid(s) or our participation in the Auction;
11. PFCCL shall have the absolute and unfettered discretion and right to reject our bid(s) and our participation in the Auction and/or to cancel/modify the Auction, 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;
12. 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 the Scheme Document;
13. we have taken steps to ensure that in conformity with the 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 you may cancel the Auction Process at any time and that you are neither bound to accept any bid(s) that you may receive nor to invite the Bidders to bid for Coal Linkages from the Sources, 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 PFCCL, CIL and/or the relevant Subsidiary 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 agree that we shall put in place the necessary washing, blending, beneficiation and/or other arrangements to reduce the ash content of coal below 34% (thirty four per cent) in order to ensure compliance with the Ministry of Environment and Forest Gazette Notification No. G.S.R. 02(E) dated January 02, 2014;
18. we shall not, in any case, have any claim or right of whatsoever nature if any quantity of Coal Linkage is not allocated to us or our bid(s)/participation in the Auction is not accepted;
19. we will ensure that all documents required to be submitted electronically on the Electronic Platform and the documents required to be submitted physically with PFCCL under Clause 4 of the Scheme Document are duly submitted;
20. we have verified the feasibility of transportation of coal from the Sources to the location of our Specified End Use Plant(s) with the Ministry of Railways; and
21. 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 IV**  
**Format of Power of Attorney**

*[To be stamped in accordance with the relevant Stamp Act and notarized]*

Know all men by these presents, that we, *[name and registered office address of Bidder]* do hereby irrevocably constitute, nominate, appoint and authorise Mr./ Ms *[name of Attorney]*, son/daughter/wife of *[name of father/spouse of Attorney]* and presently residing at *[address of Attorney]*, who is presently employed with us and holding the position of *[designation or relation with the Bidder]*, 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 auction process, in response to documents, including but not limited to, the Notice Inviting Registration dated January 8, 2020, the Request for Submission of EOI dated January 8, 2020 (“**Request for Submission**”) for the Third Round of Auction of Coal Linkages for IPPs having already concluded long term PPAs and any other document(s) issued by PFC Consulting Limited (“**PFCCL**”) 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 PFCCL/Coal India Limited (“**CIL**”)/the relevant Subsidiary, representing us in all matters before PFCCL/CIL/the relevant Subsidiary, and generally dealing with PFCCL/CIL/the relevant Subsidiary 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, *[name of the Bidder]*, THE ABOVE NAMED PRINCIPAL HAVE EXECUTED THIS POWER OF ATTORNEY ON THIS *[date]* DAY OF *[month]*, *[year]*.

For *[name of the Bidder]*

(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 under 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 V**  
**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 Criteria (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 PFCCCL, 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 the third round of auction of coal linkages for IPPs having already concluded long term PPAs 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 Bidders, 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 VI

## Technical Details with respect to the Auction

1. Registration Methodology

In order to participate in the e-bidding process under SHAKTI Scheme, a Bidder would be required to register its Specified End Use Plant with the e-auction website of MSTC. For this, the Bidder should visit the website of MSTC namely <https://www.mstcecommerce.com/auctionhome/shakti/indexr3.jsp> and click on the button “Registration”.

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.

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.
2. 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 applicable GST to be paid by NEFT to the following bank account.

Beneficiary Name: MSTC Limited  
Bank Details: Bank of Baroda, ASAF ALI ROAD, NEW DELHI  
Account Details: A/c.No. 00930200000463  
IFSC Code No.: BARBOASAFAL (5<sup>th</sup> character of the IFSC code is ZERO)

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 and PFCCL for verification and activation of their login ids. The Bidder should send scanned copies of the above documents to the designated email ids only which are given below.

[shaktib2@mstcindia.co.in](mailto:shaktib2@mstcindia.co.in) & [shakti\\_pfccl@pfcindia.com](mailto:shakti_pfccl@pfcindia.com)

Once the complete set of 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. Submission of EOI (Expression of Interest)**

To submit EOI, a registered bidder has to login to web site <https://www.mstcecommerce.com/auctionhome/shakti/indexr3.jsp> with its userid and password and click on the link Upload/Edit EOI. The bidder shall then mention the number of files it wishes to upload and submit. The bidder shall then give brief description of the files and browse the files and click on Upload File button. It may be noted that only pdf files can be uploaded. A bidder may upload files under this link in multiple sessions within the time specified for EOI submission. A bidder may also delete any uploaded file. Bidders may also refer to the Bidder's Guide available on the said website. The name of the Bidder who has submitted its EOI shall not be visible to other Bidders on the Electronic Platform.

## **3. Submission of IPO**

To submit IPO, a Bidder has to login to web site <https://www.mstcecommerce.com/auctionhome/shakti/indexr3.jsp> with its userid and password and click on the link Submit IPO. The bidder shall then have to click on the IPO event number and the page for submitting the IPO bids shall be available. IPO bids shall have to be submitted duly signed with the registered digital signature certificate/DSC of the bidder. IPO bids can be submitted online only and anytime from the start date and time of IPO submission to end date and time of IPO submission. A Bidder can re-submit its IPO bid by first deleting its old bids. All such revised bids can be submitted before the end date and time of IPO submission.

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

The Bidders shall have to deposit Bid Security before final bid submission to MSTC. The Bid Security shall be Rs 100/- per tonne of the quantity that the Bidder is willing to bid for. In addition, the Bidder shall also have to deposit a Process Fee of Rs 11.80 per tonne of quantity that it intends to bid for. Thus, the Bidders shall have to pay Rs 111.80 per tonne of the 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. After remitting the amount, the Bidder shall have to send an intimation to MSTC and PFCCL 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 addresses only.

[shaktib2@msteindia.co.in](mailto:shaktib2@msteindia.co.in) and [shakti\\_pfccl@pfcindia.com](mailto:shakti_pfccl@pfcindia.com)



It may be noted that intimation about the payment made must be sent to the above email address within 1 (one) day after remittance of the payment failing which such payment made may not be considered.

Bidders are advised to deposit the payment towards Bid Security and the Process Fee well in advance to avoid any last minute difficulty in remitting the payment. It should be noted that the payments received by MSTC in their designated bank account only within the due date will be considered. Payment received after the due date shall not be considered. 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. PFCCL 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. No interest shall be payable on the Bid Security and the Process Fee.

#### **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 111.80 x 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 Process Fee and Bid Security of Rs. 1,18,00,000/- before the start of auction.

The Bid Security and the Process Fee credited to MSTC's designated bank account up to the bank closing hours on the last date fixed for submission of the Bid Security and Process Fee shall only be considered for the Auction and no amount credited on subsequent day after the last date shall be considered even if the transaction was made the previous day. For example, if the last date of submission of the Bid Security and the Process Fee is stipulated as **April 22, 2019**, only such amount will be considered for the Auction which will get credited by the close of banking hours on **April 22, 2019**. Amount received on **April 23, 2019** and beyond shall not be considered even if the Bidder had tried to remit the money on **April 22, 2019**.

#### **5. Submission of Scanned Copies of Documents**

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

- a. an EOI and the supporting documents as per *Annexure II*;
- b. an Undertaking in the format set out in *Annexure III*;
- c. a Power of Attorney in the format set out in *Annexure IV*;
- d. 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
- e. an Affidavit in the format set out in *Annexure V*.

In order to upload the 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.

## Submission of Original Documents

The documents set out in Clause 4 of the Scheme Document are required to be submitted in original in sealed envelopes, setting out on the covering envelope “*Original Documents for SHAKTI Scheme Auction – Round 3*”. The Bidders must also mention the name of the Bidder submitting the documents on the envelope. The sealed envelope(s) shall be submitted at the following address:

Executive Vice President,  
PFC Consulting Limited,  
9th Floor, A Wing, Statesman House,  
Barakhamba Road, Connaught Place,  
New Delhi – 110001

## 6. 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 and to participate in the electronic auction on MSTC website. For this purpose, Bidders shall be required to authorize its Authorized Signatory to procure a class III DSC of signing type from any certifying authority or their authorized agencies in India.

The bidder may note that only one user id will be mapped with a given DSC for the Authorized Signatory. DSC once mapped with a particular user id of a bidder will normally not be changed and therefore Bidders are advised to carefully select while registering their DSC on the web portal. The Digital Signature Certificate will be used to digitally sign the bids that the Bidder will submit online.

It will be the sole responsibility of the Bidder and its respective Authorized Signatory 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 complain / representation in this regard shall be entertained at any stage by MSTC/PFCCL.

The system requirements are as follows:

- Operating System- Windows 7 and above
- Web Browser- Preferred IE 7 and above.
- Active-X Controls Should be enabled as follows:

Tools =>Internet Options =>Security =>Custom Level =>Enable all Active-X Controls  
=>Disable “Use Pop-up Blocker”

- Java (JRE8 and above)

To disable “Protected Mode” for DSC to appear in the signer box following settings may be applied.

- Tools => Internet Options =>Security => Disable protected Mode If enabled- i.e, Remove the tick from the tick box mentioning “Enable Protected Mode”.

- Other Settings:

Tools => Internet Options => General => Click On Settings under “browsing history/ Delete Browsing History” => Temporary Internet Files => Activate “Every time I Visit the Webpage”.

- Add the website to the list of Compatibility View by Tools => Compatibility View Settings.

**7. Contact Details**

Please note that [shakti\\_pfcl@pfcindia.com](mailto:shakti_pfcl@pfcindia.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/ PFCCL for seeking assistance on the login or registration process or any clarification regarding the Auction Process:

<i>Sl. No.</i>	<i>Name</i>	<i>Email</i>	<i>Contact No</i>
1.	Sh. Chirag Sindhu	<a href="mailto:chiragsindhu@mstcindia.co.in">chiragsindhu@mstcindia.co.in</a>	9830336290
2.	Sh. Setu Dutt Sharma	<a href="mailto:sdsharma@mstcindia.co.in">sdsharma@mstcindia.co.in</a>	7878055855
3.	Sh. Anubhav Kansal	<a href="mailto:shakti_pfcl@pfcindia.com">shakti_pfcl@pfcindia.com</a>	011-23443910

**Annexure VII  
Details of Source**

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

<b>S. No.</b>	<b>Subsidiary Name</b>	<b>Source</b>	<b>Mode</b>	<b>Indicative Range of Grades*</b>	<b>Source Grade</b>

*\* The Auction shall be conducted and the energy requirement shall be computed on the basis of Source Grade. The actual supply pursuant to the FSA may vary between and/or beyond the range of grades, as applicable, in respect of the Source from which the coal is actually supplied under the FSA and the terms of such supply shall be as set out in the FSA. However, the same shall not entail any quantity/tariff discount adjustment in any manner.*

### Annexure VIII 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/ 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 IX  
Format of LOI**

(To be issued in duplicate on the letter head of the relevant Subsidiary)

\_\_\_\_\_, Kolkata  
Dated: [insert]

To

[Name of Authorized Signatory]  
[Designation of Authorized Signatory]  
[Name of Successful Bidder]  
[Address of the Specified End Use Plant]

**Subject: Declaration of Provisional Successful Bidder pursuant to Auction Process**

Dear Sir/Madam,

Pursuant to the Scheme Document for the Third Round of Auction of Coal Linkages for IPPs having already concluded long term PPAs dated [insert] (“**Scheme Document**”), I am directed to declare M/s [insert name of the Provisional Successful Bidder] as the Provisional Successful Bidder for award of the quantity of coal specified in **Schedule 1**. This declaration is in pursuance of the provisions contained in the Scheme Document and the fulfilment of Conditions to Auction and the participation in the Auction by the Bidder in respect of the Specified End Use Plant [insert name].

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

Upon fulfilment of the provisions of Clause 3.6.6, as per Clause 3.6.8 of the Scheme Document, the Provisional Successful Bidder is required to submit the documents specified therein within the prescribed timelines. Upon submission of the required documents to our satisfaction, the Provisional Successful Bidder shall be declared as the Successful Bidder.

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

The Authorised Signatory should 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.

The 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 the Scheme Document. The Subsidiary reserves the right to *inter alia* cancel this Letter of Intent (“**LOI**”), disqualify the Bidder and forfeit the Process Fee and the Bid Security per Clause 5 of the Scheme Document.

This LOI is only indicative of the quantity allocated to you and any entitlement to such quantities of coal are subject to execution of the FSA in accordance with the provisions of the Scheme Document and satisfaction of the conditions prescribed in the FSA.

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

\_\_\_\_\_  
(Signatory)

Acknowledged and Accepted by:

\_\_\_\_\_  
(Signatory)

*Note:*

*The format of LOI 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.*

*In the event that this letter of intent is not signed and the contents hereof are not acknowledged and accepted by the Successful Bidder within [insert] days hereof, the Successful Bidder shall no longer be entitled to receive the Allocated Quantity and we shall have the right to forfeit the Bid Security and the Process Fee.*

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

Name of Successful Bidder: [Name of Successful Bidder]

#### Details of Specified End Use Plant

Name of Specified End Use Plant	Address	Capacity

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

S. No.	Subsidiary Name	Source	Mode	Indicative Range of Grades	Source Grade	Quantity Provisionally Allocated (Tonne)	Levelling Discount (paise/kWh)

#### Details of Tariff Discount Stream

Year	1	2	3	4	5	6	7	8	9	10...
PPA1										
PPA2										

**Annexure X****Documents to be submitted to the relevant Subsidiary prior to execution of the FSA**

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);
  - (b) Certified true copy of Board Resolution or Certified true copy of Shareholders Resolution etc.

In case the 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 the *Annexure IV* of the Scheme Document.

2. Self-attested copy of valid Factory License with respect to the Specified End Use Plant or copy of application filed for renewal of the same, in case the Factory License has recently expired.\*
3. Self-attested copy of Consent to Operate with respect to the Specified End Use Plant issued under the relevant pollution control laws or copy of application filed for renewal of the same, 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.\*
4. Self-attested copy of GST registration certificate and PAN of the Successful Bidder.
5. Certificate of Incorporation/ Commencement of Business Certificate.
6. In-principle water allocation from state water supply authority.\*
7. Certificate of Date of Commercial Operation (COD) issued by CEA.\*
8. Certificate of commissioning in respect of the Specified End Use Plant.\*
9. PPA duly amended/ supplemented and which has been approved by Appropriate Commission as per paragraph B(ii) of the Policy.
10. An undertaking in the form of an affidavit that all applicable laws of the land are duly complied with failing which coal supply would be suspended.
11. Written confirmation and undertaking that the Provisional Successful Bidder satisfies and shall continue to satisfy the Eligibility Criteria prescribed in Clause 4 of the Scheme Document.
12. Any other relevant information/documentation as may be requested for by CIL/the relevant Subsidiary.



13. Self-attested copy of valid boiler license(s) with respect to the Specified End Use Plant or copy of application filed for its renewal, in case the same has recently expired.
14. Balance life of each Unit of the Specified End Use Plant as certified by CEA.

*Notes:*

*For the Specified End Use Plant which has commissioned, all the documents set out in this Annexure X, including any corrigenda / addenda issued, have to be provided within the timelines prescribed in Clause 3.6.8.*

*\*For the Specified End Use Plant which has not commissioned, all documents set out in this Annexure X, including any corrigenda / addenda issued, other than the documents marked with (\*), shall be provided within the timelines prescribed in Clause 3.6.8. Documents marked with (\*) shall be provided forthwith upon commissioning of the Specified End Use Plant.*

## Annexure XI

## Vendor Details to be provided by the Bidder on its letterhead

Date:.....

All details to be submitted in Capital Letters and all fields are mandatory to be filled.

S.No.	Particulars	Details
<b>A.</b>	<b>General Details</b>	
1.	Name	<b>Mandatory</b>
2.	Address..... (Line 1)	<b>Mandatory</b>
3.	Address..... (Line 2)	<b>Mandatory</b>
4.	Address..... (Line 3)	
5.	City	<b>Mandatory</b>
6.	State (From where goods/service to be supplied)	<b>Mandatory</b>
7.	Pin	<b>Mandatory</b>
8.	Country	
9.	PAN No. ( <b>Copy to be enclosed 1</b> )	<b>Mandatory</b>
10.	TAN No.	
11.	Mobile No/Landline	<b>Mandatory</b>
12.	Email ID	<b>Mandatory</b>
12.	Recipient State where goods/services to be supplied (As per Place of Supply provision in GST)	<b>Mandatory</b>
13.	Constitution of Business (Proprietor, HUF, Partnership, LLP, Pvt/Public Ltd Company, Society/Club/Trust/AOP, Foreign Co & Govt Dept, others)	<b>Mandatory</b>
14.	Whether MSME registered? ( <b>Copy to be enclosed 2</b> )	<b>Mandatory</b>
15.	Whether Government entity? If Yes, please mention nature of government (Central, State, Board, Ministry, etc.)	<b>Mandatory</b>
16.	GST registration	
a.	*If Yes, then please mention GSTIN & attach GST registration certificate.	<b>Mandatory</b>
b.	*Whether Registered under composition scheme or not. ( <b>Copy to be enclosed 3</b> )	<b>Mandatory</b>
17.	Specify description of goods/ nature of service	
18.	HSN Code / SAC	
19.	Remarks, if any	
<b>B.</b>	<b>Details for payment through RTGS/NEFT(Cancelled Cheque/Pass Book) (Copy to be enclosed 4)</b>	
1.	Bank Name	<b>Mandatory</b>
2.	Name in Bank Account	<b>Mandatory</b>
3.	Bank Account No.	<b>Mandatory</b>
4.	IFSC Code	<b>Mandatory</b>
5.	Branch Name & Address	<b>Mandatory</b>
6.	Type of Account (Saving/Current/Other)	
<b>C.</b>	<b>Task Manager (Employee of PFC/FCCL)</b>	<b>To be filled by PFCCL</b>

Signature of the Authorised Signatory

Name and designation of the Authorised Signatory:

Name of the Bidder:

Stamp of the Bidder:

