

Allotment Document

**TRANCHE VI FOR ALLOTMENT OF COAL MINES TO GOVERNMENT COMPANIES
FOR THE PURPOSE OF OWN CONSUMPTION FOR GENERATION OF POWER
UNDER THE COAL MINES (SPECIAL PROVISIONS) ACT, 2015**

**Nominated Authority
Ministry of Coal
Government of India**

09 August 2019

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1. Definitions

- 1.1 Unless the context otherwise requires, expressions not defined in this Allotment Document, but defined in the Act or the Rules shall have the meaning assigned thereto in the Act or the Rules, as the case may be.
- 1.1.1. **“Acceptable Bank”** shall mean a Scheduled Bank as listed in the Second Schedule of the Reserve Bank of India Act, 1934 excluding those listed under the headings of Gramin Banks, Urban Co-operative Banks and State Co-operative Banks.
- 1.1.2. **“Act”** shall mean the Coal Mines (Special Provisions) Act, 2015.
- 1.1.3. **“Allotment”** means allotment of identified coal mines to Government company or corporation or to a joint venture between two or more Government companies or corporations under provisions of Rule 11 (1) of the Rules.
- 1.1.4. **“Allotment Agreement”** means the agreement to be executed between the Nominated Authority and Allottee in substantially the same format as provided at **Annexure V**.
- 1.1.5. **“Allotment Document”** shall mean this document and its Annexures including specifically the Allotment Agreement, the Mine Dossier, notification No. 13016/9/2014-CA-III dated Dec 26, 2014 of Ministry of Coal, any addenda to this Allotment Document and any other document issued pursuant hereto.
- 1.1.6. **“Allotment Order”** shall mean the allotment order issued under Section 5 of the Act.
- 1.1.7. **“Allottee”** shall have the meaning ascribed thereto in Clause 3.4.2(d).
- 1.1.8. **“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 directive of any governmental authority or court or other law, rule or regulation approval 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.
- 1.1.9. **“Applicant”** means any entity that participates in the Allotment process by submitting the Application for the Coal Mine.
- 1.1.10. **“Application”** shall mean the application submitted by an Applicant pursuant to this Allotment Document on the electronic platform of MSTC and shall include the

Affidavit and the Power of Attorney required to be submitted physically to the Nominated Authority.

- 1.1.11. **“Authorised Signatory”** shall mean the individual representing an Applicant who has been duly authorised on behalf of such Applicant to execute and submit the Application in accordance with the terms hereof.
- 1.1.12. **“CIL Notified Price”** shall mean the prevailing notified price of relevant grade(s) of coal by Coal India Limited or any of its subsidiaries, as may be territorially relevant to the Coal Mine.
- 1.1.13. **“Coal Mine”** means a Schedule I coal mine referred in **Annexure VI**.
- 1.1.14. **“Eligibility Conditions”** shall mean the eligibility conditions specified in the Act and the Rules including all the eligibility conditions listed in Clause 3.2.
- 1.1.15. **“Fixed Amount”** shall have the meaning ascribed thereto in Clause 3.4.3(b).
- 1.1.16. **“Last Date”** shall mean the date on which the Application is required to be submitted in accordance with Clause 3.6.1.
- 1.1.17. **“Mine Dossier”** shall have the meaning ascribed thereto in the Rules.
- 1.1.18. **“MSTC”** shall mean MSTC Limited (a Government of India undertaking).
- 1.1.19. **“Nominated Authority”** shall mean the Nominated Authority appointed under section 6 (1) of the Act and the Rules framed there under.
- 1.1.20. **“Performance Security”** shall have the meaning ascribed thereto in Clause 7.
- 1.1.21. **“Person”** shall include any company or association or body of individuals, whether incorporated or not.
- 1.1.22. **“Preferred Applicant”** shall have the meaning ascribed thereto in Clause 3.4.2;
- 1.1.23. **“Prior Allottee”** shall have the meaning ascribed thereto in the Act and for the purposes of the Coal Mine, the Prior Allottee shall be as specified against each Coal Mine in **Annexure VI**.
- 1.1.24. **“Reference Index”** shall mean the pre-specified escalation formula that is prescribed in the prevailing bidding document for Case 1 bidding as formulated by Ministry of Power for escalation of fuel cost from captive mines.
- 1.1.25. **“Reserve Price”** shall have the meaning ascribed thereto in Clause 3.8.1.

1.1.26. **“Rule 8(2) Order”** shall mean the Order No. 13016/9/2014-CA-III (Pt.I) dated March 20, 2018, as amended, issued by the Central Government under Rule 8(2) of the Rules.

1.1.27. **“Rules”** shall mean the Coal Mines (Special Provisions) Rules, 2014 or any other rules framed pursuant to the Act.

1.1.28. **“Specified End Use Plant(s)”** shall mean one or more plant owned by the Applicant located in India and engaged in the Specified End Use.

1.1.29. **“Specified End Use”** shall have the meaning ascribed thereto in Clause 2.3.1.

1.1.30. **“Supreme Court Judgment”** shall have the meaning ascribed thereto in Clause 2.1.1.

1.1.31. **“Upfront Amount”** shall have the meaning ascribed thereto in Clause 3.7.

2. Introduction

2.1. Background

- 2.1.1. The Supreme Court of India through its judgment dated August 25, 2014 read with its order dated September 24, 2014 (collectively the “**Supreme Court Judgment**”) had cancelled allotment of 204 coal blocks. The Coal Mine was included in the list of such 204 coal blocks and accordingly, its allotment to the Prior Allottee was cancelled pursuant to the Supreme Court Judgment, with effect from the ‘appointed date’ (*as defined in the Act*).
- 2.1.2. Subsequent to the Supreme Court Judgment, the Coal Mines (Special Provisions) Ordinance, 2014; the Coal Mines (Special Provisions) Second Ordinance, 2014 were promulgated, the Rules were framed; and the Act was passed for auction and allotment of all blocks which suffered cancellation pursuant to Supreme Court Judgment.
- 2.1.3. In exercise of the powers conferred by Section 6 (1) of the Act, the Government of India (the “**Central Government**” or “**GoI**”) has appointed the Nominated Authority to allocate Schedule I coal mines as defined in the Act. In terms of Section 6(3) of the Act, the Central Government is required to act through the Nominated Authority for conduct of the allotment process.
- 2.1.4. The Central Government has also issued a ‘Rule 8(2) Order’ dated March 20, 2018, as amended, to the Nominated Authority for allotment of the Coal Mine pursuant to Section 5 (1) of the Act. A copy of such Rule 8(2) Order is available at: <http://coal.nic.in>.
- 2.1.5. Accordingly, this Allotment Document is being issued by the Central Government through the Nominated Authority for Allotment of the Coal Mine.

2.2. The Act and the Rules

- 2.2.1. Applicants are encouraged to familiarise themselves with the Act and the Rules. As of the date of this Allotment Document, the Act and the Rules are available at: <http://coal.nic.in>.

2.3. The Coal Mine

- 2.3.1. The Coal Mine is being allotted strictly for the purpose of own consumption of coal for generation of power as mentioned in the Rule 8(2) Order (the “**Specified End Use**”).

2.3.2. The mining operations are required to be conducted strictly in accordance with all Applicable Law, including without limitation the Act, the Rules, the Allotment Order and this Allotment Document and any document referred herein, including the Allotment Agreement.

3. Allotment Process

3.1. Allotment Document

3.1.1. The Notice Inviting Application (the "NIA"), notification No. 13016/9/2014-CA-III dated Dec 26, 2014 of Ministry of Coal, the Allotment Agreement for the Coal Mine and the Mine Dossier shall be deemed to be a part of this Allotment Document. Subject to the provisions of Clause 4.10, the aforesaid documents and any addenda, corrigendum issued subsequent to this Allotment Document, will be deemed to form a part of the Allotment Document.

3.1.2. The Applicants are required to register themselves on MSTC's website <http://www.mstcecommerce.com> to generate login ID and password. The Allotment Document for the Coal Mine can be downloaded from MSTC's website using the login ID and password. Allotment Document shall be available free of cost to each Applicant.

3.1.3. The Applicants are required to examine all instructions, forms, terms, conditions, and other information contained or referred to in the Allotment Document. Failure to furnish all information required as per the Allotment Document or submission of an Application not substantially responsive to the Allotment Document in every respect will be at the Applicant's risk and may result in rejection of its Application.

3.1.4. The Allotment Document is meant for the exclusive purpose of submitting an Application by the Applicant and shall not be transferred, reproduced or otherwise used for purposes other than for which it is specifically issued.

3.1.5. At any time prior to the deadline for submission of Application, the Nominated Authority may, for any reason, whether at its own initiative, or in response to a clarification requested by a prospective Applicant, amend the Allotment Document. In order to afford prospective Applicants reasonable time in which to take the amendment into account in preparing their Application, the Nominated Authority may, at its discretion, extend the deadline for the submission of Application.

3.2. Eligibility Requirement for Applicants

3.2.1. Section 5(1) of the Act prescribes eligibility for allotment of Schedule I coal mines (*as defined in the Act*), which includes the Coal Mine. Applicants are required to ensure that they meet the conditions mentioned in Section 5(1) of the Act which is quoted below for reference:

Section 5. (1) of the Act:

“ 5 (1) Notwithstanding the provisions contained in sub-sections (1) and (3) of section 4, the Central Government may allot a Schedule I coal mine to a Government company or corporation or to a joint venture between two or more Government companies or corporations or to a company which has been awarded a power project on the basis of competitive bids for tariff (including Ultra Mega Power Projects) from specified Schedule I coal mines by making an allotment order in accordance with such rules as may be prescribed and the State Government shall grant a reconnaissance permit, prospecting licence or mining lease in respect of any area containing coal to such company or corporation:

Provided that the Government company or corporation may carry on coal mining in any form either for its own consumption, sale or for any other purpose in accordance with the permit, prospecting licence or mining lease, as the case may be.

Provided further that no company other than a Government company or corporation shall hold more than twenty-six percent of the paid up share capital in the Government company or corporation or in the joint venture between a Government company or corporation, either directly or through any of its subsidiary company or associate company.

Provided also that a joint venture of any two or more Government companies or corporations shall be prohibited from alienating or transferring any interest, except the taking of loans or advances from a bank or financial institution, in the joint venture of whatsoever nature including ownership in favour of a third party.”

3.2.2. However, an Applicant having coal linkage shall also be considered for Allotment for their existing Specified End Use Plant(s), if such Applicant commits to surrender their existing coal linkages for the same. The existing coal linkage shall then be tapered off/ reduced as per extant policy/ procedure specified by the Government.

3.2.3. The Applicant who is a Prior Allottee must have paid the additional levy within the time period prescribed under Rule 18 of the Rules. It is clarified that if a Prior Allottee has not made payment of the applicable additional levy within the time prescribed under Rule 18 of the Rules, then no Allotment shall be made to such Prior Allottee.

3.3. **Digital Application**

3.3.1. Application(s) can only be submitted digitally on the electronic platform created by MSTC and no physical applications shall be accepted or considered. The Application(s) are required to be submitted on the website of MSTC in accordance with the instructions provided in Clause 5 (*Instructions for Electronic Application*).

3.3.2. In case of any technical clarification regarding access to the electronic platform or conduct of the allotment process, the Applicants may contact MSTC directly at the address provided in Clause 5.1.4.

3.4. **Description of Application Process**

3.4.1. The Allotment would be conducted in the manner specified in the Act, Rules, and any other order issued by the Central Government in this regard.

3.4.2. The allotment process would comprise of the following steps:

(a) The Applicants would be required to submit duly complete Applications on the electronic platform of MSTC in the manner specified in Clause 5 (*Instructions for Electronic Application*);

(b) The duly completed Applications shall be opened and evaluated by the Nominated Authority for compliance with the Eligibility Conditions and shall be tested for responsiveness pursuant to Clause 3.5;

(c) The Applications which are considered to be in compliance with all the Eligibility Conditions and is responsive pursuant to Clause 3.5, shall be considered for the purpose of selection from amongst the qualified Applicants in accordance with norms specified in Clause 6.1. Applicant selected on the basis of norms specified in Clause 6.1 shall be recommended as the “**Preferred Applicant**”.

(d) Pursuant to Rule 11(8) of the Rules, the Nominated Authority shall recommend the name of the Preferred Applicant to the Central Government. Upon receipt of a direction from the Central Government that an Allotment Order should be issued to the Preferred Applicant, the Preferred Applicant shall be declared as the “**Allottee**”.

(e) Notwithstanding the above, in the event that the Nominated Authority or the Central Government determines that a Preferred Applicant should not be declared the Allottee on account of any reason whatsoever, including without limitation the withdrawal of the Preferred Applicant from the allotment process for the Coal Mine or the Preferred Applicant ceasing to comply with the Eligibility Conditions, then the Coal Mine shall be allotted to applicant second in the preference order.

(f) Upon receiving the direction from Central Government, the Nominated Authority shall inform the Allottee and execute the Allotment Agreement. The Allottee shall not be entitled to seek any deviation, modification or amendment in

the Allotment Agreement, except with the prior approval of the Central Government.

3.4.3. Subsequent to signing of the Allotment Agreement, the Allottee shall, within such period as prescribed in Clause 3.6:

- (a) furnish the Performance Security as specified in Clause 7 and having provided such undertaking as specified in Allotment Agreement **Error! Reference source not found.**, in case the approved Mining Plan is not available;
- (b) pay a fixed amount for the value of Land and Mine Infrastructure; cost of preparation of geological report borne by the Prior Allottee; cost incurred by CMPDIL and other Government agencies in deriving detailed geological boundary coordinates and in preparing geological report and mining plan (as applicable); cost of obtaining all statutory licenses, permits, permissions, approvals, clearances or consents relevant to the mining operations, borne by the Prior Allottee (collectively the "**Fixed Amount**"). If the Allottee is a Prior Allottee, then, the compensation payable to such Allottee shall be set off or adjusted against the Fixed Amount payable by such Allottee. The Fixed Amount is required to be deposited by the Allottee with the Nominated Authority in accordance with the relevant provisions of the Act and the Rules. The Fixed Amount based on the available information and the assessment made by the competent authority will be uploaded as a part of the Allotment Document/ Mine Dossier. Any upward revision in the Fixed Amount on a subsequent date by the Government or the Nominated Authority consequent upon any process or on the orders of any competent court of law, shall also be payable by the Allottee.
- (c) pay the first instalment of the Upfront Amount as mentioned in **Annexure VI** against the Coal Mine and provide such undertaking to pay Upfront Amount as specified in Allotment Agreement in case the approved Mining Plan is not available.

3.4.4. Upon receipt of Performance Security and other payments mentioned in Clause 3.4.3 above, the Allotment Order shall be issued, in duplicate, by the Nominated Authority to the Allottee and the Allottee shall, within 7 (seven) days of the receipt of the Allotment Order, sign and return the duplicate copy of the Allotment Order in acknowledgement thereof. In the event the duplicate copy of the Allotment Order duly signed by the Allottee is not received by the stipulated date, the Nominated Authority may, unless it consents to extension of time for submission thereof, appropriate the Performance Security and other payments made by such Allottee as damages and also terminate the Allotment Agreement.

3.4.5. The Allottee shall be responsible for exploration (if required), obtaining all approvals/clearances, acquisition of land, as applicable, rehabilitation, financing, development, mining and the operation and maintenance of the Coal Mine, and subsequent closure of the Coal Mine in accordance with the provisions of the Allotment Order and the Allotment Agreement.

3.5. Tests of Responsiveness

3.5.1. Prior to evaluation of the Application, the Nominated Authority shall determine whether each Application is responsive to the requirements of this Allotment Document. The Nominated Authority reserves the right to reject any Application which is non-responsive and no request for alteration, modification, substitution or withdrawal shall be considered or permitted by the Nominated Authority in respect of such Application. While making any determination with respect to responsiveness of an Application, the Nominated Authority may consider such parameters as it may deem relevant, including considerations that the Application:

- a) is received as per the prescribed formats.;
- b) is received by the Last Date including any extension thereof;
- c) is submitted in the manner prescribed in this Allotment Document;
- d) is accompanied by a Power of Attorney as specified in **Annexure I** and an Affidavit as specified in **Annexure II**;
- e) contains all the information (complete in all respects) as requested in this Allotment Document;
- f) does not contain any condition or qualification;
- g) only 1 (one) Application has been made by the Applicant for the Coal Mine, either directly or indirectly and
- h) is generally considered to be responsive in terms of any other parameters as may be considered relevant by the Nominated Authority.

3.6. Schedule of Allotment Process

3.6.1. The Nominated Authority shall adhere to the following schedule:

Sl.	Event Description	Estimated Date	
1	(i) Publication of Notice Inviting Application	T ₀	Friday, 09 August, 2019

Sl.	Event Description	Estimated Date	
	(NIA) in one English and one Hindi national newspaper, (ii) Publication of NIA on the website of MoC, (iii) Publication of NIA and Allotment Documents on website of MSTC Ltd The date of completion of the last sub-event among the above sub-events shall be considered T ₀		
2	Last date of receiving written requests for Site Visit/Land Document Inspection	T ₀ + 7	Friday, 16 August 2019
3	Pre-application meeting	T ₀ + 14	Friday, 23 August 2019
4	Last date of receiving written queries from Applicants	T ₀ + 17	Monday, 26 August 2019
5	Last date for written responses to queries by the Nominated Authority	T ₀ + 21	Friday, 30 August 2019
6	Last date for registration of Applicant at the website of MSTC	T ₀ + 35	Friday, 13 September 2019
7	Last date for downloading Allotment Document at the website of MSTC	T ₀ + 35	Friday, 13 September 2019
8	Last date for submission of Application (s)	T ₀ + 41	Thursday, 19 September 2019
9	Opening of the Application (s)	T ₀ + 45	Monday, 23 September 2019
10	Start date of examination of the Application (s)	T ₀ + 46	Tuesday, 24 September 2019
11	End date of examination of the Application (s)	T ₀ + 59	Monday, 07 October 2019
12	Recommendation by the Nominated Authority to the Central Government	T ₀ + 94	Monday, 11 November 2019
13	Approval of Allottee by the Central Government	T ₁	
14	Intimation to the Allottee (subject to receipt of instruction from the Central Government)	T ₁ + 2	
16	Execution of the Agreement between the Allottee and Nominated Authority	T ₁ + 7	
17	Last date for furnishing of Performance Security and payment of Fixed and Upfront Amount by the Allottee	T ₁ + 47	
18	Issuance of Allotment Order by Nominated Authority	T ₁ + 50	
<p>Note: *Registration on the website of MSTC Ltd. will commence immediately after publication of the NIA. * Any change in timeline will be communicated through an addendum to the Allotment Document.</p>			

3.7. **Upfront Amount**

- 3.7.1. The Allottee shall be required to pay the Upfront Amount as specified against each Coal Mine in **Annexure VI**. Upfront Amount is calculated as ten per cent (10%) of the value of the Coal Mine computed by compounding annuitized Reserve Price over mine life. The Upfront Amount shall be payable in following three instalments:
- a) 50% of the Upfront Amount shall be payable in accordance with Clause 3.4.3(c);
 - b) 25% of the Upfront Amount shall be paid on or prior to expiry of 15 Business Days from the date of execution of mining lease Or on or prior to expiry of 15 Business Days from the date of issuance of notification under Section 11(1) of the CBA Act, 1957; and
 - c) the balance 25% of the Upfront Amount shall be paid on or prior to expiry of 15 Business Days from the date grant of mine opening permission.

3.8. **Periodic Payments by Allottee**

- 3.8.1. In addition to the payments specified in Clause 3.4.3, the Allottee shall be required to make monthly payments with respect to the coal extracted from the Coal Mine on the basis of INR 100/Tonne (the "**Reserve Price**"). Such payments are required to be made within 20 calendar days of expiry of each month with respect to coal extracted from the Coal Mine in such calendar month. Additionally, the royalty payable on extracted coal will be payable as per Applicable Laws.
- 3.8.2. The aforementioned payments shall be subject to yearly escalation on the basis of a Reference Index, with the prevailing Reference Index on the date on which the Allotment Order has been issued being considered as the base. The last published Reference Index shall be used for computing the escalation.

4. Instruction to Applicants

4.1. General Instructions

- 4.1.1. No Applicant shall submit more than 1 (one) Application for the Coal Mine, either directly or indirectly. However, the Applicant can apply for more than one Coal Mine for same Specified End Use Plant.
- 4.1.2. Notwithstanding anything to the contrary contained in this Allotment Document, in the event of a conflict, the relevant provisions of the Allotment Agreement shall have overriding effect.
- 4.1.3. The Nominated Authority reserves the right to postpone, cancel or call for fresh Application for the entire Allotment process without specifying any reason, at its own initiative or in response to any direction from the Central Government.
- 4.1.4. The documents, including this Allotment Document and all attached documents, provided by the Nominated Authority are and shall remain or become the properties of the Nominated Authority and are transmitted to the Applicants solely for the purpose of preparation and submission of an Application in accordance herewith. Applicants are required to treat all such information as strictly confidential and shall not use it for any purpose other than for preparation and submission of their Application. The provisions of this Clause 4.1.4 shall also apply *mutatis mutandis* to Applications and all other documents submitted by the Applicants in relation to the Application, and the Nominated Authority will not return to the Applicants any Application, document or any information provided therewith.
- 4.1.5. Any award of Allotment Order and execution of Allotment Agreement pursuant to this Allotment Document shall be subject to the terms hereof and any documents issued pursuant to the Act, the Rules, this Allotment Document or any other document referred herein.
- 4.1.6. Applicants are also encouraged to revise the mining plan so as to mine at an accelerated rate, to the best of their capabilities. They are permitted to increase coal production from the mine to the maximum possible extent and utilise the coal for the same Specified End Use Plant(s) or any other plant of the Applicant or its subsidiary company for common Specified End Use in accordance with the provisions of the Section 20(2) of the Act with prior intimation to the Central Government. The Allottee may apply for coal linkages or participate in auction/ allotment three years prior to the exhaustion of extractable reserves in the Coal Mine.

4.2. Allotment Document, Queries and Clarifications

- 4.2.1. Any queries or request for additional information concerning this Allotment Document may be sent by e-mail to the Nominated Authority at nomauthority.moc@nic.in substantially in the same format specified in **Annexure III** (*Format for seeking clarifications regarding the Allotment Document*). The email should clearly bear the following subject Line: “*Queries/Request for Additional Information: Allotment Document for [insert name of the coal mine]*”. The queries should be emailed in .doc, .docx, .xls, .xlsx format, on or before 1700 hours on the date specified in Clause 3.6.1 for receiving queries.
- 4.2.2. 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. The Nominated Authority reserves the right to not answer any query, including any query which is incomplete or anonymous.
- 4.2.3. The queries should be emailed on or before the date specified in Clause 3.6.1 for receiving queries.
- 4.2.4. The Nominated Authority shall endeavour to respond to the queries within the period specified in Clause 3.6.1. However, the Nominated Authority reserves the right not to respond to any question or provide any clarification, in its sole discretion, and nothing in this Clause 4.2.4 shall be taken or read as compelling or requiring the Nominated Authority to respond to any question or to provide any clarification. The Nominated Authority may publish the queries and its responses thereto on the website of Ministry of Coal/MSTC, without identifying the source of queries.
- 4.2.5. The Nominated Authority may also on its own motion, if deemed necessary, issue interpretations and clarifications to all Applicants. All clarifications and interpretations issued by the Nominated Authority shall be deemed to be part of the Allotment Document. Provided however that, any non-written clarifications and information provided by the Nominated Authority, its employees or representatives in any manner whatsoever shall not in any way or manner be binding on the Nominated Authority.
- 4.2.6. Subsequent to opening of the Application, the Nominated Authority shall not entertain any query or clarification from Applicants who fail to meet the Eligibility Conditions.
- 4.2.7. Applications shall be deemed to be under consideration immediately after the Applications are opened and until such time the Nominated Authority makes official

intimation of award/ rejection to the Applicants. While the Applications are under consideration, Applicants and/ or their representatives or other interested parties are advised to refrain, save and except as required under the Allotment Document, from contacting by any means, the Nominated Authority and/ or their employees/ representatives on matters related to the Applications under consideration.

4.2.8. Save and except as provided in this Allotment Document, the Nominated Authority shall not entertain any correspondence with any Applicant in relation to acceptance or rejection of any Application.

4.3. **Pre-Application Meeting**

4.3.1. Pre-Application Meeting of the Applicants shall be convened on the designated date as mentioned in Clause 3.6.1 at a time and place specified by the Nominated Authority. Only those persons who have registered on the website of MSTC with respect to the allotment process shall be allowed to participate in the Pre-Application Meeting.

4.3.2. A maximum of 3 (three) representatives of each Applicant shall be allowed to participate on production of duly issued authority letter from the Applicant and identity documents. During the course of Pre-Application Meeting, the Applicants will be free to seek clarifications and make suggestions for consideration of the Nominated Authority.

4.3.3. The Nominated Authority shall endeavour to provide clarifications and such further information as it may, in its sole discretion, considered appropriate for facilitating a fair, transparent and competitive allotment process.

4.4. **Site Visits and Information**

4.4.1. Prior to submission of Application, the Applicants are encouraged to undertake the site visit to Coal Mine, at their cost and ascertain for themselves the site conditions, location, communication, climate, availability of power, Applicable Laws and regulations, and any other matter considered relevant by them in the manner provided herein. This Allotment Document does not however give the unconditional or unrestricted right to access the Coal Mine or the right to the Applicants to prospect for coal in the Coal Mine or carry out any drilling in the Coal Mine.

4.4.2. The Applicants which have registered themselves at MSTC's website in accordance with Clause 5.1 shall be eligible to make a request for a visit to the Coal Mine until 3 Business Days Prior to the Last Date. The site visit to the Coal Mine shall be coordinated through the following e-mail address na.moc@nic.in

4.4.3. The site visit to the Coal Mine shall be at the cost and risk of the Applicants making such request. In the event that such request is made prior to the 'appointed date' (as defined in the Act), then the Nominated Authority may, in its discretion, issue an instruction to the Prior Allottee to facilitate the site visit.

4.4.4. In the event an Applicant undertakes a site visit, then such Applicant shall be liable towards any loss or damage caused to the site and/or the Prior Allottee, on account of any act or omission of such Applicant or its employees, authorised representatives, agents, advisors etc.

4.5. **Submission of Application**

4.5.1. The Applications shall be submitted electronically in accordance with the process specified in Clause 5.4.

4.5.2. In addition to submission of Application electronically, Applicants are also required to submit hard copy (ies) of following documents:

- (a) Affidavit in substantially the same format as provided in **Annexure II**;
- (b) Power of Attorney in substantially the same format as provided in **Annexure I** (*Power of Attorney for Signing the Application*), authorising the signatory of the Application to participate in the allotment process and do all acts pursuant thereto on behalf of the Applicant, including usage of the digital signature on behalf of the Applicant; and
- (c) Certified extract of the charter documents and certified true copy of the documents such as a board or shareholders resolution authorizing the execution of the Power of Attorney.

In addition, an index of documents submitted should be annexed and the documents shall contain page numbers: *Page [●] of [●]*

4.5.3. Above documents are required to be furnished in a sealed envelope, super scribed on the top as under and be addressed to the 'Nominated Authority' at the address mentioned below:

"Original Affidavit and Power of Attorney for Allotment of coal mines for [Name of coal mine] due on (date of Application Opening) from M/s..... (MSTC Registration No.)." .

Nominated Authority
Government of India
Ministry of Coal
Room No. 120, F-Wing,
1st Floor, Shastri Bhawan
New Delhi - 110001

- 4.5.4. The Applicants are requested to send the Affidavit along with Power of Attorney and other documents as specified in Clause 4.5.2 well in advance so as to be received by the Nominated Authority before the Last Date failing which the Application shall not be opened. Nominated Authority shall not be liable for loss/non-receipt/late receipt of Affidavit or Power of Attorney and other documents as specified in Clause 4.5.2 in postal transit.
- 4.5.5. The Application and all communications in relation to or concerning the Allotment Document and the Application shall be in English language. Wherever any document is provided in a language other than English, it should be accompanied by authenticated English translation of pertinent passages. In the event of any discrepancy in two versions, the English translation of the document will be accepted for the purpose of Application.
- 4.6. **Last Date of Submission of Application & Extension**
- 4.6.1. Applications should be submitted/ uploaded before 1700 hours IST on the Last Date in accordance with the process specified in Clause 5.4.
- 4.6.2. The Nominated Authority may, in its sole discretion, extend the Last Date by issuing an Addendum in accordance with Clause 4.6.2 uniformly accessible for all Applicants.
- 4.7. **Modification/ Substitution/ Withdrawal of Applications**
- 4.7.1. The Applicant may modify, substitute or withdraw its Application after submission, provided that written notice of the modification, substitution or withdrawal is received by the Nominated Authority prior to the Last Date of Submission of Application in accordance with the process specified in Clause 5.4. No Application shall be modified, substituted or withdrawn by the Applicant on or after the Last Date.

4.7.2. Any alteration or modification in the Application or additional information supplied subsequent to the Last Date, unless the same has been expressly sought for by the Nominated Authority, shall be disregarded.

4.8. Validity of Applications

4.8.1. The Applications shall be valid for a period of not less than 150 (one hundred and fifty) days from the Last Date for submission of Application. The validity of Applications may be extended by mutual consent of the respective Applicants and the Nominated Authority.

4.8.2. In the event that pursuant to the allotment process an Applicant has been declared to be the Preferred Applicant or Allottee, then the validity of Applications submitted by such Allottee shall stand extended by the mutual consent of the Preferred Applicant or the Allottee, as the case may be and the Nominated Authority.

4.9. Rejection of Applications

4.9.1. Notwithstanding anything contained in this Allotment Document, the Nominated Authority reserves the right to reject any Application and/or to annul the allotment process and reject all Applications at any time without any liability or any obligation for such acceptance, rejection or annulment, and without assigning any reasons thereof.

4.9.2. The Nominated Authority reserves the right not to proceed with the allotment process at any time, without notice or liability, and to reject any Application without assigning any reasons.

4.9.3. Without prejudice to the generality of the foregoing, the Nominated Authority reserves the right to reject any Application on any criteria specified in this Allotment Document, including without limitation, the following:

- a) Any Application which has not been submitted with all the information and details listed in this Allotment Document.
- b) Application is not responsive in terms of Clause 3.5.1.
- c) Any Application which has been submitted without the Affidavit, Power of Attorney or which is not valid for the period specified in Clause 4.8.1.
- d) Any Application which has not been submitted in accordance with the Allotment Document.

4.10. Amendment of Allotment Document

- 4.10.1. At any time prior to the Last Date, the Nominated Authority may, for any reason, whether at its own initiative or in response to clarifications requested by an Applicant, modify the Allotment Document by the issuance of a Corrigendum and/or Addendum.
- 4.10.2. Any clarification, Corrigendum and/or Addendum issued hereunder will be in writing and shall be accessible to all the Applicants and shall be deemed to be part of the Allotment Document. Any verbal clarification shall not be binding on Nominated Authority.
- 4.10.3. In order to afford the Applicants a reasonable time for taking an Corrigendum and/or Addendum into account, or for any other reason, the Nominated Authority may, in its sole discretion, extend the Last Date.

4.11. Cost of Application

- 4.11.1. The Applicants shall be responsible for all the costs associated with the preparation of their Applications and their participation in the allotment process. The Nominated Authority will not be responsible or in any way liable for such costs, regardless of the conduct or outcome of the allotment process.

4.12. Utilisation of Coal

- 4.12.1. The Allottee shall not be permitted to use the coal extracted from the Coal Mine for any purposes other than utilisation for Specified End Use. Any middling or washery rejects generated from the Coal Mine may be sold by the Allottee only with the prior approval of the Coal Controller's Organisation and the Allottee shall maintain separate records for the middling or washery rejects generated, utilised and sold. However, the middling or wahsery rejects generated from the Coal Mine shall not exceed the normative limits. The normative limits for this purpose shall be decided as per the results of the washability test conducted by National Accreditation Board for Testing and Calibration Laboratories (NABL) certified laboratory. The Nominated Authority and/or Central Government shall reserve the right to conduct a separate washability test for this purpose. The Allottee shall be required to bear the cost of such washability test and the test report shall be submitted within one month from the start of coal production from the Coal Mine.
- 4.12.2. Notwithstanding anything contained in this Agreement, the Allottee shall utilise a minimum of 75% of the actual production (ROM basis) in the specified end use plants and is allowed to sell upto 25% of the actual production (ROM basis) in open market.

The Allottee shall be required to pay an additional Reserve Price of 15% of the Reserve Price on per tonne basis, for the actual quantity of coal sold in open market. The additional Reserve Price will be over and above the Reserve Price. The Allottee shall adhere to the modalities/ guidelines issued by Central Government from time to time in this regard.

4.12.3. Utilisation of coal for any other Specified End Use Plant of the Allottee shall also be permitted in accordance with Rule 20 of the Rules. Additionally, the Allottee shall also be permitted to enter into arrangements for optimal utilisation of the Coal Mine in accordance with Rule 19 of the Rules.

4.12.4. Any coal which is extracted in excess of the requirement of the Allottee in terms of this Allotment Document, i.e., if due to maintenance or shutdown or such other unavoidable reasons, beyond the control of Allottee, during any part of the year, the Allottee is not able to use a minimum of 75% of actual production (ROM basis), in Specified End Use Plant or own consumption, such excess coal shall be required to be sold to CIL at the terms and conditions specified in the Allotment Agreement. *Provided however*, such sale should not exceed 50% of the annual coal production from the Coal Mine.

4.13. **Security**

4.13.1. Subject to Applicable Laws, the Allottee shall be entitled to create security over the Coal Mine through mortgage for the purposes of availing financing from a bank or financial institutions for the purposes of financing of the Specified End Use Plant or mining operations at the Coal Mine and such security creation shall not require prior approval by the Nominated Authority or the Central Government.

4.13.2. In the event of a default, the banks or financial institutions, as the case may be shall be entitled to enforce their security interest in the manner provided by Applicable Law, provided that any transferee of the Coal Mine meets all the Eligibility Conditions.

4.14. **Prohibition**

In the cases where Allotment has been made to a joint venture of any two or more Government companies or corporations, such companies shall be prohibited from alienating or transferring any interest, except for taking of loans or advances from a bank or financial institution, in the joint venture of whatsoever nature including ownership in favour of a third party.

5. Instructions for Electronic Application

5.1. Registration on MSTC's Website

5.1.1. In order to submit Applications for the Coal Mine, an Applicant would be required to register itself with the e-auction website of MSTC: <http://www.mstcecommerce.com>. For this the Applicant should visit the website of MSTC and click on the button "**Registration**". Applicant should read carefully the **GENERAL TERMS & CONDITIONS OF e-AUCTION** that will appear on screen and click on the "**Proceed**" button at the bottom of the page. Applicant should also read the subsequent **APPLICANT SPECIFIC TERMS & CONDITIONS (BSTC)** and click on "**Agree**" to proceed for registration. An online Registration Form will appear on screen and Applicant would be required to fill up the same. During this process, Applicant would be required to create its "User ID" and "password" and keep note of the same. Applicant should ensure that the secrecy of its User ID and password is maintained at all time and Applicant shall alone be responsible for any misuse of the User ID and password. Applicant may also refer to the "Applicant's Guide" available online in the above mentioned website for assistance.

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

- a) Self attested Income Tax PAN Card of the Applicant.
- b) Two passport size photographs of the Authorized Signatory of the Applicant.
- c) Letter of Authorization from Chairman/MD/Directors/CEO/Company Secretary of the Applicant in favour of the Authorized Signatory in the standard format available in the website. The Authorized Signatory shall be the person responsible for submission of Application. For this purpose, the Authorized Signatory will need to be in possession of a Class III signing type digital signature issued by an Indian certifying authority, the details of which shall be provided in this authorization letter.
- d) Proof of Identity of the Authorized Signatory in the form of Company ID Card/PAN Card/Voter ID Card
- e) Copy of the confirmation email.

5.1.3. Applicant shall be required to electronically submit all the above documents to MSTC for verification and activation of their account. Applicants are required to send

scanned copies of the aforementioned documents to the following designated email address:

coalblock@mstcindia.co.in

5.1.4. It may be noted that Applicants need not visit any of the offices of MSTC for submission of the aforementioned documents. However, the Applicants may contact the following offices of MSTC for seeking assistance on the login or registration process.

MSTC Limited
E-Commerce Division
225-F, A.J.C Bose Road, 2nd Floor Kolkata - 700 020

5.1.5. Once the complete set of aforementioned documents is electronically received from an Applicant, MSTC shall activate the Applicant's login after verification / scrutiny of the documents. MSTC reserves the right to call for additional documents from the Applicant if required, prior to registration and activation of the Applicant's login.

5.1.6. On completion of the above stated registration process, an Applicant shall be able to log in to MSTC's website. After activation of login, an Applicant will be issued a "Photo Identity Card" by MSTC bearing the photograph and signature of the contact person. The Photo Identity Card shall be duly authenticated by MSTC's officials.

5.1.7. The Applicants are also needed to submit a Declaration in the format provided in the MSTC's website (www.mstcecommerce.com/auctionhome/coalblock/index.jsp) stating that the applicant is a Government company or corporation. This declaration is to be submitted after registration by email to coalblock@mstcindia.co.in with the subject line "*Declaration by Government Companies for allotment of coal mines.*"

5.1.8. *Applicants who have registered earlier with the website need not register again.*

5.2. **Downloading Information About Coal Mine**

5.2.1. There are two sets of documents available for downloading from the website of MSTC.

5.2.2. First set of documents can be downloaded without registration on MSTC's website. These documents may include the following: (a) Standard format of the Allotment Document. Subsequent to registration, Applicants may download the second set of documents, including: (a) the Mine Dossier specific to the Coal Mine; and (b) Allotment Document.

5.2.3. Information available on the website of MSTC without registration is provided in order to assist the potential Applicants to make a determination regarding their participation in the Allotment process. Based on such determination, potential Applicants may decide to participate in the Allotment process with respect to one or more coal mines.

5.2.4. The Applicant may note that the files containing information about the coal mines can be in various formats including without limitation, doc, xls, ppt, pdf, jpg, jpeg, zip etc. and it shall be the responsibility of the Applicant to have suitable facilities at its end to download the uploaded files.

5.3. **Digital Signature Certificate**

5.3.1. An Applicant shall be required to possess a valid Digital Signature Certificate (DSC) of signing type to be able to submit its Application and to participate in the electronic auction on MSTC's website. For this purpose, Applicants 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.

5.3.2. The competent authority of the Applicant shall be required to issue a Letter of Authority in favour of the Authorized Representative in the standard format provided on the homepage of the website of MSTC mentioning therein the serial number of the DSC of the Authorized Representative. The competent authority shall be one of the following:

- a) Chairman of the Company
- b) Managing Director of the Company
- c) Chief Executive Officer of the Company
- d) Company Secretary of the Company

5.3.3. The Applicant may note that only one User ID will be mapped with a given DSC for the Authorised Signatory. DSC once mapped with a particular User ID of an Applicant will normally not be changed and therefore Applicants are advised to carefully select the DSC before forwarding the same to MSTC for mapping.

5.3.4. The Digital Signature Certificate will be used to digitally sign the Applications that the Applicant will submit online.

5.3.5. It will be the sole responsibility of the Applicant and its respective Authorised Signatory to maintain the secrecy of the password for the Digital Signature

Certificate. The Applicant shall be solely responsible for any misuse of the DSC and no complain or representation in this regard shall be entertained at any stage by MSTC or the Nominated Authority.

5.3.6. The Applicant may note that the following configurations will be required to be undertaken in their Internet Explorer browsers for smooth functioning of the website.

5.3.7. The system requirements are as follows:

- a) Operating System -Windows 7 and above
- b) Web Browser- Preferred 'IE 8' and above.
- c) Security Settings :
 - i) Tools=>Internet Options=>Security=>Disable protected Mode If enabled-i.e., Remove the tick from the box mentioning "Enable Protected Mode".
 - ii) Tools => Internet Options => Security =>Custom Level=>
 - Active X control & plug-ins: Enable all Active-X Controls
 - Scripting: Enable "Allow Status Bar Update Via Script"
 - Disable "Use Pop-up Blocker"
- d) Java: JRE 8 Latest update
- e) Other Settings:
 - i) View => Toolbars=> "Tick" Status Bar.
 - ii) Tools=>Internet Options=> General=> Click on Settings under "Browsing history/Delete Browsing History"=> Temporary Internet Files=>Activate "Every time I Visit the Webpage".
- f) For new Version of IE or other "Active -X Filtering" under Tools should not be ticked.
- g) Tools =>Internet Options=> Security=> Selected Trusted Sites=> Add Website "http://www.mstcecommerce.com"

5.4. **Application Process**

5.4.1. The entire Application process will be in single stage and will be online on MSTC's website.

5.4.2. The intending applicants may send a letter in their official letterhead addressed to MSTC Limited Kolkata mentioning the name of the coal mine(s) for which they wish to make application for allotment. Based on the said letter, MSTC shall enable the applicant to download the Mine Dossier specific to the Coal Mine; and Allotment Document. The scanned copy of the letter may be sent to the email mentioned below

- 5.4.3. The submission of Application shall be open to all Applicants who have registered for the Coal Mine. In this process, the Applicant, after logging in to the above stated website, will have to click on the link “View Details”. In the next page, the Applicant shall have to go to the link “Allotment of Coal Mines”. Thereafter, the Applicant will have a bouquet under “My Menu” having 3 (three) sub-menus - “Bid Floor Manager”, “Upload Documents” and “Attach Documents”.
- 5.4.4. Bid Floor Manager
- 5.4.4.1. Once the Applicant clicks on this sub-menu, it will display a list of Coal Mine(s) for which the Applicant has registered for downloading the remaining documents. On clicking on any of these Coal Mine(s), the Applicant will be directed to a screen where it can fill up the Application template and save the data. The Applicant can edit such data as many times as it wishes till the final submission is made by clicking the “Final Submission” button.
- 5.4.4.2. The final submission of Application shall be digitally signed by the Applicant using the digital signature, use of which has been duly authorized on behalf of the Applicant and which was used at the time of registration. Any digital signature certificate other than the above shall not be acceptable for Application submission by the system.
- 5.4.5. The Applicant may note that the “**Final Submission**” button for Application will be activated only after the Application has been saved.
- 5.4.6. The Applicant should also note that an Application will be considered as submitted if and only if the Applicant has clicked on the “**Final Submission**” button. Only such Applications will be opened which have been finally submitted. It is further clarified that saving of Application without final submission will be treated as non submission of Application.
- 5.4.7. The Applicant shall also have to upload the documents (Formats as per Annexure IV, scanned copies of Affidavit, Power of Attorney, Board Resolution etc) along with the Application, as required under the Allotment Document. These documents will need to be uploaded in pdf format only (the file size should be limited to 4 MB; in case of larger files, they may be split into multiple files with suitable nomenclature). Files in formats other than pdf shall not be accepted. For this, the Applicant shall first click on the link “Upload documents” and upload the files in support of its Application.

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- 5.4.8. After uploading these documents, the Applicant shall have to attach them with the specific Coal Mine(s) for which it is intending to submit the Application. It may be noted by the Applicant that in case it intends to use the same document for more than one Coal Mine, it does not need to upload the same document every time. The document, once uploaded, can be attached with Applications for multiple mine(s), if desired.
- 5.4.9. The Applicant should note that only a file which is “attached” with a specific Coal Mine(s) shall be considered during evaluation of the Application. Files which are not attached to any Coal Mine(s) shall not be considered for evaluation.
- 5.4.10. Upon successful final submission, the Applicant shall receive a system generated Application acknowledgement.
- 5.4.11. If after final submission of Application and before the Last Date an Applicant wishes to make changes in its Application, it can do so by clicking the “Delete Application” option. By doing so, the entire Application submitted by the Applicant will get deleted. A system generated email will be sent to the Applicant acknowledging the deletion. The Applicant will be able to save and submit its new Application again. If an Applicant deletes its Application and does not submit its new Application in the same manner as stated above, its Application will not come up for opening or further processing.
- 5.4.12. If after final submission of Application and before the Last Date an Applicant wishes to withdraw its Application, it can do so by clicking the “Withdraw Application” option. By withdrawing an Application, Applicant will lose the opportunity to re-submit its Application against the Coal Mine(s).
- 5.4.13. The Applicants shall also note that online submission of *Application* with documents and offline submission of certain original documents shall be allowed only up to time specified in “Schedule of Allotment Process” (Clause 3.6.1). Applicants in their own interest are advised to complete the entire process well in advance to avoid any last minute hiccup / technical problems. No complaints shall be entertained in this regard at any stage.
- 5.4.14. Applicants should note that words ‘Bidder’ and ‘Technical Bid’ have been used interchangeably with ‘Applicant’ and ‘Application’ on the Digital platform.

6. Evaluation Criteria

6.1. Evaluation of Applications

The Applications which are considered to be responsive pursuant to Clause 3.5 and in compliance with all the Eligibility Conditions, then such Applications shall be considered for the purpose of selection amongst the qualified Applicants in the following manner:

- a) In the event that only one Application is considered to be responsive pursuant to Clause 3.5 and in compliance with all the Eligibility Conditions, the Applicant which submitted such Application shall be recommended as the "Preferred Allottee".
- b) In the event that more than one Applications are considered to be responsive pursuant to Clause 3.5 and in compliance with all the Eligibility Conditions, then such Applications shall be considered for the purpose of selection from amongst the qualified Applicants in accordance with the following norms:
 - i) Coal Mines shall be allotted in descending order on the basis of size of the mines i.e. a mine having highest extractable reserves shall be allotted first and a mine with lowest extractable reserves shall be allotted last.
 - ii) Only those Applicants having Specified End Use Plants with unmet coal requirement shall be considered for further evaluation. In this case, unmet coal requirement shall mean 150% of the annual coal requirement of the Specified End Use Plants taken over a period of 30 (thirty) years *less* the requirement of coal of such Specified End Use Plants met from any other coal mine (as a percentage of extractable reserves) allocated to the Applicant as Preferred Allottee, Allottee, Preferred Bidder, Successful Bidder, as the case may be, pursuant to any other auction or allotment process (including the current tranche VI of allotment) conducted by the Nominated Authority or Ministry of Coal under the Act and under the MMDR Act, 1957 or any other coal mine for which Mining Lease has been granted to the Allottee under Applicable Law.

Illustration: Solely for the purpose of reference of Applicants, the methodology of calculating unmet coal requirement of the Applicant is illustrated below:

Assuming the Applicant has submitted its Application for Coal Mine X having extractable reserves of 75 mt, G10 grade and Coal Mine Y having extractable reserve of 50 mt, G8 grade. The Specified End Use Plant of the Applicant is a 600 MW power plant.

The annual coal requirement of the Specified End Use Plant in case of mine X shall be calculated as:

Normative Coal Consumption Norm for G10 grade and 600 MW: 4113 tonne/MW/annum

Annual Coal Requirement = $600 * 4113 = 2.47$ mt/annum

30 year Coal Requirement = $30 * 2.47 = 74.03$ mt

150% of 30 year Coal Requirement = $150\% * 74.03 = 111.05$ mt

% coal requirement met through mine X = $75/111.05 = 67.54\%$

It is assumed that coal mine X is allotted to the Applicant. The annual coal requirement of the Specified End Use Plant in case of mine Y shall be calculated as:

Normative Coal Consumption Norm for G8 grade and 600 MW: 3609 tonne/MW/annum

Annual Coal Requirement = $600 * 3609 = 2.17$ mt/annum

30 year Coal Requirement = $30 * 2.17 = 64.96$ mt

150% of 30 year Coal Requirement = $150\% * 64.96 = 97.44$ mt

% coal requirement met through mine X = 67.54%

Unmet coal requirement = $97.44 * (1-67.54\%) = 31.63$ mt

Since the Applicant has unmet coal requirement even after allotment of mine X, the Applicant may be considered for allotment of Mine Y in accordance with the norms specified. Assuming mine Y is also allocated to the Applicant, Applicant's total coal requirement shall be fulfilled by mine X and mine Y, and the Applicant shall not be eligible for further allotment of coal mines under the current tranche (Tranche VI) of allotment.

iii) A score shall be calculated for remaining Applicants on the basis of the following criteria:

S. No.	Criteria	Score	Weightage
1	Distance of the Specified End Use Plant from the Coal Mine*		50%
	Distance <=250 km	10.0	
	250 km < Distance <= 500 km	7.5	
	500 km < Distance <= 750 km	5.0	

S. No.	Criteria	Score	Weightage
	750 km < Distance <= 1000 km	2.5	
	Distance > 1000 km	0	
2	Status of development of the Specified End Use Plant (Refer Note 2 below)		50%
	Consent to Operate certificate has been obtained from the State Pollution Control Board	10	
	Stage II Forest Clearance has been obtained from Ministry of Environment, Forest and Climate Change (MoEF&CC)*	7	
	Environment Clearance has been obtained from MoEF&CC*	4	
	Consent to Operate, Stage II Forest Clearance and Environment Clearance has not been obtained	0	

**In case Forest Clearance is not required to be obtained for a Specified End Use Plant and Environment Clearance has been obtained for the Specified End Use Plant, a score of 7 shall be assigned for such Specified End Use Plants.*

Note:

1. *In case of multiple Specified End Use Plants, individual score shall be estimated for each such Specified End Use Plant and a weighted average (estimated on the basis of capacity of Specified End Use Plant) of such scores shall be considered as the Applicant's score for the purpose of evaluation.*
2. *Applicants are required to submit a copy of i) Consent to Operate certificate issued by State Pollution Control Board, ii) Stage II Forest Clearance and iii) Environment Clearance, as the case may be, for the Specified End Use Plant. Such certificates are required to be submitted on MSTC's website in accordance with Clause 5.4.7.*

Applicants shall be ranked in descending order on the basis of calculated scores and the Applicant at Rank 1 i.e. the Applicant with the highest score shall be recommended as the "Preferred Allottee".

However, in case two or more qualified Applicants secure Rank 1, then the following tie-breaking criteria shall be considered:

Applicant with highest unmet coal requirement for power generation capacity coming up till FY 2022-23 in the State where the Specified End Use Plant is located, shall be recommended as the "Preferred Allottee".

7. Performance Security

7.1. Instructions Related to Performance Bank Guarantee

7.1.1. The Allottee shall provide to the Government an irrevocable and unconditional guarantee from an Acceptable Bank at Delhi, for the performance of its obligations within such time as specified in Clause 3.6.

The Performance Security shall be the aggregate amount of: (a) one year royalty calculated on the basis of peak rated capacity of the Coal Mine as per the approved mining plan, payable to respective State Government with respect to the Coal Mine; and (b) the annual peak rated capacity of the Coal Mine as per the approved mining plan multiplied by the Reserve Price. The Performance Security shall be in substantially the form as provided in the Allotment Agreement.

For the purpose of computation of the amount of Performance Security, 90% of peak rated capacity shall be considered in case of opencast mines and 80% of peak rated capacity shall be considered in case of underground mines.

However, in case of regionally explored coal mines, the Performance Security shall be equal to 10% (ten percent) of the estimated exploration expense during the exploration period i.e. till completion of exploration and preparation and submission of Geological Report in accordance with the Allotment Agreement.

7.1.2. The amount of Performance Security shall be revised in following events:

- a) Every financial year, the amount of Performance Security shall be revised upwards on the basis of escalation to the amount of Reserve Price as specified in Clause 3.8.2. It is clarified that for the purposes of escalation in a subsequent financial year, the escalated Reserve Price of the immediately preceding year shall be considered. The subject escalation would be applicable after the issuance of the Allotment Order; and/or
- b) In case of any revision in rate of royalty, the amount of Performance Security shall be revised accordingly. Such revision shall take place at the beginning of the financial year which is subsequent to the financial year in which the rate of royalty is revised, as stipulated in Clause 7.1.3; and/or
- c) In case of any revision in CIL Notified Price, the amount of Performance Security shall be revised accordingly. Such revision shall take place at the beginning of the financial year which is subsequent to the financial year in which the CIL Notified Price is revised, as stipulated in Clause 7.1.3; and/or

- d) In case of any revision in the mining plan in accordance with Clause 8.1, the amount of Performance Security shall be revised accordingly upon approval of revision to the mining plan. Such revision shall take place at the beginning of the financial year which is subsequent to the financial year in which the mining plan is revised, as stipulated in Clause 7.1.3.

It is clarified that revisions to the amount of Performance Security may occur under sub-clause (a), (b), (c) and (d) above, simultaneously, if such sub-clauses are applicable.

7.1.3. The revision to the amount of Performance Security shall be carried out once in every financial year. Upon such revision, the bank guarantee constituting the Performance Security shall be substituted with another bank guarantee of the revised value issued in accordance with this Clause 7, within a period of 30 days of revision of the Reference Index in the month of April, in case of revision under each of sub-clause (a), (b), (c) and (d) of Clause 7.1.2.

7.1.4. The Performance Security should remain valid for such duration as specified in the Allotment Agreement.

7.2. **Appropriation of Performance Security**

7.2.1. The Performance Security may be appropriated by the Nominated Authority in the manner specified in the Allotment Agreement.

8. Other Provisions

8.1. Revision of Mining Plan upon allocation

8.1.1. Upon allocation of the Coal Mine, the Allottee may revise the mining plan for extraction of more coal in accordance with the provisions of Applicable Law and the Allotment Agreement.

8.2. Flexibility in Production

8.2.1. The Allottee shall produce coal not below 80% of scheduled production in a year in opencast mine and not below 70% in case of underground mine subject to the condition that Allottee shall not produce coal less than 90% of scheduled production in any five year block in opencast mine and 80% in case of underground mine. It is clarified that five year block shall be counted from the first financial year of commencement of production in the Coal Mine.

8.3. Miscellaneous

8.3.1. The allotment process shall be governed by, and construed in accordance with the laws of India and the dispute resolution shall be subject to Section 27 of the Act.

8.3.2. The Nominated Authority, in its sole discretion and without incurring any obligation or liability, reserves the right, at any time, to;

- a) suspend and/ or cancel the allotment process and/ or amend and/ or supplement the allotment process or modify the dates or other terms and conditions relating thereto;
- b) consult with any Applicant in order to receive clarification or further information;
- c) retain any information and/ or evidence submitted to the Nominated Authority by, on behalf of, and/ or in relation to any Applicant; and/ or
- d) independently verify, disqualify, reject and/ or accept any and all submissions or other information and/ or evidence submitted by or on behalf of any Applicant.

8.3.3. It shall be deemed that by submitting the Application, the Applicant agrees and releases the Nominated Authority, its employees, 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 allotment 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.

8.3.4. An Applicant having coal linkage for the Specified End Use Plant shall surrender such coal linkage without any reservation or condition in case the Applicant is declared as Allottee in accordance with Clause 3.2.2.

8.4. **Proprietary Data**

8.4.1. All documents and other information supplied by an Applicant to the Nominated Authority shall remain or become the property of the Nominated Authority. It will not return any Application or any information provided by the Applicant.

9. Annexure I: Format of Power of Attorney

(To be stamped in accordance with relevant Stamp Act)

Power of Attorney for signing of Application

Know all men by these presents, We, (name and address of the registered office) do hereby irrevocably constitute, nominate, appoint and authorise Mr. / Ms (Name), son/daughter/wife of and presently residing at, who is presently employed with us and holding the position of, as our true and lawful attorney (hereinafter referred to as the “**Attorney**”) to do in our name and on our behalf, all such acts, deeds and things as are necessary or required in connection with or incidental to submission of our Application for the [.....] Coal Mine (“**Coal Mine**”) in response to the Allotment Document dated [.....] issued by Nominated Authority, Ministry of Coal (the “**Nominated Authority**”) including but not limited to signing and submission of all applications, affidavits and other documents and writings, participate in applicants’ and other conferences and providing information / responses to the Nominated Authority, representing us in all matters before the Nominated Authority, and generally dealing with the Nominated Authority in all matters in connection with or relating to or arising out of our application for the said Coal Mine and/or upon award thereof to us and/or till the entering into of the Allotment Agreement with the Nominated Authority.

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.

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

For.....

(Signature, name, designation and address)

Witnesses:

- 1.
- 2.

Accepted Notarised

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

Notes:

The mode of execution of the power of attorney should be in accordance with the procedure, if any, laid down by the Applicable Law and the charter documents of the executant(s) and when it is so required, the same should be under common seal affixed in accordance with the required procedure.

Wherever required, the Applicant 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.

To be submitted separately for each Application.

10. Annexure II: Format of Affidavit

To be submitted separately for each Application.

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

Affidavit

I, _____ aged _____ years, resident of _____ working as _____ an authorised signatory on behalf of _____ (name of Applicant) (the "Applicant") hereby state as under:

1. I say that I am the [Insert designation of the deponent] of the Applicant. 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 _____. I am filing this Affidavit to place on record verification of facts and documents in connection with the allotment process concerning [insert name of the coal mine].
2. That the Applicant has coal linkage [insert details of coal linkage and linked Specified End Use Plant(s)] and commits to surrender such coal linkage without any reservation or condition in case the Applicant is declared as Allottee.
3. [Insert separate paragraphs for each document brought on record on the website of the MSTC or physically submitted with the Nominated Authority, in a chronological sequence].
4. That nothing has been concealed in the information submitted as mentioned above. Solemnly affirmed and verified on this _____ day of (month) 2018 at (place).

(Signature)

Name, Designation & Seal

VERIFICATION

I, [●], the [Insert designation of the deponent] of the Applicant above named, having my office at [●], do hereby solemnly declare that what is stated above in paragraphs [●] to [●] are on the basis of the books and records of the Applicants, 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 there from.

Verified at _____ day of (month) 2019 at (place).

Deponent
(Signature)
Name, Designation & Seal

11. Annexure - III: Format for Seeking Clarifications.

(Applicable only for the Pre-Application meeting before submission of the Application in response to the Allotment Document)

S. No	Document	Clause No. and Existing Provision	Clarification Required	Suggested Text for Amendment, if any	Rationale for Clarification or Amendment

12. Annexure - IV: Formats to be submitted by the Applicants

SCHEDULE I	Application Form
SCHEDULE II	General Information

** Above Schedules are to be filled, signed, stamped, scanned and uploaded alongwith Application on the MSTC's digital platform.*

SCHEDULE I: APPLICATION FORM

ALLOTMENT OF COAL MINES TO ELIGIBLE APPLICANTS FOR SPECIFIED END USE

Applicant's Ref. No.:

Applicant's Name &
Address

Person to be contacted

Designation

Tel. No(s).

Mobile No.

Fax No(s).

E-mail address

To

The Nominated Authority

Ministry of Coal

Government of India

Shastri Bhawan,

New Delhi - 110001

Dear Sirs,

Having read and examined in detail the Conditions of Allotment Document dated and subsequent Amendment(s) Nos and Clarification(s) Nos, we do hereby furnish our Application for Allotment of [name of coal mine] Coal Mine as mentioned at number of the list of coal mines at Annexure VI available for coal extracted from the coal mine to be used for own consumption for generation of power.

We have understood the instructions and the terms & conditions mentioned in the Allotment Document furnished by you and have thoroughly examined the specifications of the aforementioned Coal Mine as provided by you in the Allotment Document and are fully aware of the technical and other details of the Coal Mine and are otherwise fully satisfied with respect to the information provided.

We further confirm that no change or substitution in respect of reference Coal Mine, as specified in the Allotment Document, for meeting the specified Eligibility Conditions shall be offered by Applicant.

We understand that it is not mandatory for you to open our Application and it will be opened only if we are otherwise eligible for participating in the Allotment process. We understand and confirm that your decision in this regard shall be final and binding on us.

We understand and agree that the Nominated Authority does not bind themselves to accept any application or to give any reasons for their decision. The decision of the Nominated

Authority shall be final and binding on us in all matters /issues arising out this allotment process.

We confirm that we have furnished all the relevant information in respect of coal mines to the Nominated Authority for Specified End Use in the following Schedules:

SCHEDULE I	Application Form
SCHEDULE II	General Information

We further agree that if our proposal is accepted, we shall provide an irrevocable Performance Guarantee in your favour in the form of Bank Guarantee of amount calculated on the basis of formula specified in Clause 7.1.1 before the date of issue of Allotment Order, in accordance with Clause 7.1.1 of Allotment Document.

We confirm that our Application shall remain valid for your acceptance for a period of One Fifty (150) days from the Last Date of submission of the Application.

We hereby declare that only the Company, persons or firms interested in this proposal as principal or principals are named herein and that no other company, person or firm other than one mentioned herein, have any interest in this Application or in the Allotment Agreement to be entered into, if we are awarded this Coal Mine, and that this Application is made without any connection with any other persons, firm or party likewise submitting an Application and that this Application is in all respects for and in good faith without collusion or fraud.

In terms of Clause 4.5.2(b) of Allotment Document, we are enclosing herewith power of Attorney & affidavit in the name of the person who has signed this offer on behalf of the firm.

Date	Signature
	Name of Authorized Signatory
Place	
	Designation
	Company's Name

SCHEDULE II: GENERAL INFORMATION

ALLOTMENT OF COAL BLOCKS TO ELIGIBLE APPLICANTS FOR SPECIFIED END USE

(Data/information in respect of Eligibility criteria: as per Clause 6.1 of Allotment Document)

In line with the requirement of the Clause 6.1 of Allotment Document.

S.N.	Parameter	
1.	Name of Applicant	
2.	Registered Address	
3.	Name of shareholders equal to or more than 26% shareholding	
4.	Specified End Use Plant (s)*	
4.1.	Name	
4.2.	Capacity (MW)	
4.3.	Location	
4.4.	Distance of the Plant from specified railhead in Annexure VI (km)	
4.5.	Coal Requirement (MTPA)**	
4.6.	Whether Consent to Operate has been obtained or not (Yes/ No)	
4.7.	Whether Stage II Forest Clearance has been obtained or not (Yes/ No)	
4.8.	Whether Environment Clearance has been obtained or not (Yes/ No)	
4.9.	Coal Linkage (in MTPA), if any***	

* if the Application is for multiple End Use Plants, information required under 4.1 to 4.9 should be furnished for each of the End Use Plant.

** Coal requirement shall be calculated on the basis of following benchmarks (in accordance with the coal consumption norms provided by Central Electricity Authority vide Order No. 219/GC/BO/TPI/CEA/2019/322 dated March 27, 2019, as may be amended):

The coal consumption norm given is on per annum basis at 85% PLF.

Name of the Mine	Grade	Power (tonnes of coal/MW/annum)				
		Sub Critical Technology				Super Critical 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
Latehar	G15	7131	7131	6856	6514	6171
Mandakini	G10	4593	4593	4416	4196	3975
Utkal-C	G12	5355	5355	5149	4892	4634
Durgapur II/ Taraimar and Durgapur II/ Sariya	G11	4945	4945	4755	4517	4279

In case of power projects where approved heat rate by the Regulator is higher than above considered values, the Heat Rate approved by the Regulator would be considered for the purpose of working out normative coal requirement.

**In case of main steam pressure 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.*

*Following formula may be used for conversion of coal consumption to MTPA per 1000 MW:
MTPA per 1000 MW = (Tonnes per MW per annum)/1000*

****in case of existing coal linkage, the Applicant shall add a separate paragraph in the affidavit for each Specified End Use Plant for surrender of coal linkage.*

Date

Signature

Name of Authorized Signatory

Place

Designation

Company's Name

13. Annexure - V: Allotment Agreement

<<<<to be provided>>>>>>

14. Annexure –VI: Particulars of the Coal Mine and Upfront Amount

S. No	Coal Mine	State	Prior Allottee	Specified End Use	Nearest Railhead	Distance from Nearest Railhead (km)	Fixed Amount (Rs.)	Upfront Amount (Rs.)		
								First Installment	Second Installment	Third Installment
1	Latehar*	Jharkhand	Jharkhand State Mineral Development Corporation Ltd.	Generation of Power	Latehar	1	To be provided separately	25,00,00,000.00	12,50,00,000.00	12,50,00,000.00
2	Mandakini	Odisha	Monet Ispat Energy Ltd., Jindal Photo Ltd., Tata Power Company Ltd.		Angul	40	To be provided separately	30,18,47,199.00	15,09,23,599.50	15,09,23,599.50
3	Utkal-C	Odisha	Utkal Coal Ltd. (formerly ICCL)		Angul	27	To be provided separately	11,01,53,786.00	5,50,76,893.00	5,50,76,893.00
4-5	Durgapur II / Taraimar	Chhattisgarh	Bharat Aluminium Company Ltd.		Kharsia	60	To be provided separately	21,47,93,527.50	10,73,96,763.75	10,73,96,763.75
	Durgapur II / Sariya	Chhattisgarh	DB Power Ltd.			65				

*Note: Upfront Amount has been estimated as a lump sum amount of Rs. 50,00,00,000/- for the mines where Mining Plan is not available. Upon approval of the Mining Plan, Upfront Amount shall be re-estimated in accordance with Clause 3.7 and shall be payable by the Allottee.

Important Notice

The information contained in this Allotment Document or subsequently provided to Applicant(s), by or on behalf of the Nominated Authority or any of its employees or advisors, is provided to Applicant(s) on the terms and conditions set out in this Allotment Document.

This Allotment Document is neither an agreement nor an offer by the Nominated Authority to the prospective Applicants or any other Person. The purpose of this Allotment Document is to provide interested parties with information that may be useful to them in making their Applications pursuant to this Allotment Document. This Allotment Document includes statements which reflect various assumptions and assessments arrived at by the Nominated Authority in relation to the Coal Mine. Such assumptions, assessments and statements do not purport to contain all the information that each Applicant may require. This Allotment Document may not be appropriate for all Persons, and it is not possible for the Nominated Authority, its employees or advisors to consider the investment objectives, financial situation and particular needs of each party who reads or uses this Allotment Document. The assumptions, assessments, statements and information contained in the Allotment Document, including specifically the Mine Dossier, may not be complete, accurate, adequate or correct. Each Applicant 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 Allotment Document and obtain independent advice from appropriate sources.

Information provided in this Allotment Document to the Applicant(s) has been collated from several sources some of which may depend upon interpretation of Applicable Law. The information given is not intended to be an exhaustive account of statutory requirements and should not be regarded as complete. The Nominated Authority accepts no responsibility for the accuracy or otherwise for any statement contained in this Allotment Document.

The Nominated Authority, its employees and advisors make no representation or warranty and shall have no liability to any Person, including any Applicant under any law, statute, rules or regulations 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 Allotment Document or otherwise, including the accuracy, adequacy, correctness, completeness or reliability of the Allotment Document and any assessment, assumption, statement or information contained therein or deemed to form part of this Allotment Document or arising in any way from participation in this Allotment process.

The Nominated Authority also accepts no liability of any nature whether resulting from negligence or otherwise howsoever caused arising from reliance of any Applicant upon the statements contained in this Allotment Document.

The Nominated Authority may in its absolute discretion, but without being under any obligation to do so, update, amend or supplement the information, assessment or assumptions contained in this Allotment Document.

The issue of this Allotment Document does not imply that the Nominated Authority is bound to select a Applicant or to appoint the Preferred Applicant as Allottee for the Coal Mine and the Nominated Authority reserves the right to reject all or any of the Applicants or Applications without assigning any reason whatsoever.

Each Applicant shall bear all its costs associated with or relating to the preparation and submission of its Application including but not limited to preparation, copying, postage, delivery fees, expenses associated with any demonstrations or presentations which may be required by the Nominated

Authority or any other costs incurred in connection with or relating to its Application. This Allotment Document is not transferable.

The Mine Dossier of the Coal Mine is being provided only as a preliminary reference document by way of assistance to the Applicants who are expected to carry out their own surveys, investigations and other detailed examination of the Coal Mine before submitting their Applications. Nothing contained in the Mine Dossier shall be binding on the Nominated Authority nor confer any right on the Applicants, and the Nominated Authority shall have no liability whatsoever in relation to or arising out of any or all contents of the Mine Dossier.