

Date: January 17, 2015

Corrigendum No. 2 to Standard Tender Document (Schedule II Coal Mines)
(For power sector)

S. No.	Reference to Tender Document	As appearing in Original Tender Document	To be read as
1.	1.1.3 Agreement	“Agreement” shall mean the Coal Mine Development and Production Agreement to be executed pursuant to <u>Rule 3(5) of the Rules</u> in substantially the same form as specified in Annexure IX.	“Agreement” shall mean the Coal Mine Development and Production Agreement to be executed pursuant to <u>Rule 13(5) of the Rules</u> in substantially the same form as specified in Annexure IX
2.	3.3.2 (a) Technical Qualification	In the first stage, the Bidders would be required to and (iii) the Financial Bid to the extent of specifying the Initial Price Offer, which should <u>not be higher than</u> the Ceiling Price. The Ceiling Price	In the first stage, the Bidders would be required to and (iii) the Financial Bid to the extent of specifying the Initial Price Offer, which should <u>be lower than</u> the Ceiling Price. The Ceiling Price
3.	3.3.2 (b) (i) Ranking and Qualification	In the event that the total number of Technically Qualified Bidders is less than three then no Technically Qualified Bidder shall be considered to be Qualified Bidder(s).	In the event that the total number of Technically Qualified Bidders is less than three then no Technically Qualified Bidder shall be considered to be Qualified Bidder(s) <u>and the Coal Mine may be subjected to re-auction or being granted to the custody of a Designated Custodian, and this tender process may be annulled.</u>
4.	3.10.3 Periodic Payments by the Successful Bidder	The <u>aforementioned payments</u> shall be subject to an escalation on the basis of a Reference Index, with the prevailing Reference Index on the date on which the Vesting Order has been issued being considered as the base. The last published Reference Index shall be used for computing the escalation. Provided however	The <u>amounts specified in Clause 3.10.1 and 3.10.2</u> shall be subject to an escalation on the basis of a Reference Index, with the prevailing Reference Index on the date on which the Vesting Order has been issued being considered as the base. The last published Reference Index shall be used for computing the escalation. Provided however
5.	4.1.2 (b) Eligibility on the basis of coal requirements	Extractable reserves of the Coal Mine should not exceed 150% of the annual coal requirement of the Specified End Use Plant(s), taken over a period of 30 (thirty)	Extractable reserves of the Coal Mine should not exceed 150% of the annual coal requirement of the Specified End Use Plant(s), taken over a period of 30 (thirty)

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		years, less the requirement of coal of such Specified End Use Plant met from any other coal mine allocated to the <u>Successful Bidder</u> pursuant to any other <u>auction process</u> conducted by the Nominated Authority under the Ordinance and the Rules.	years, less the requirement of coal of such Specified End Use Plant met from any other coal mine allocated to the <u>Preferred Bidder, Successful Bidder, Preferred Allottee or Allottee, as the case may be,</u> pursuant to any other <u>auction or allotment</u> process conducted by the Nominated Authority under the Ordinance and the Rules.
6.	5.2.1 (b) Joint Venture Company as Bidder	in the event that one of the JV Partner becomes ineligible or ceases to operate the Specified End Use Plant or ceases to be a JV Partner, then: (i) the joint venture company may supply coal to the remaining JV Partners subject to the condition that each such remaining JV Partners shall not be entitled to receive coal in excess of limit specified under Clause 4.1.2(b), which limit shall be computed independently for each Specified End Use Plant of the other JV Partners, based on information provided in the Technical Bid; and (ii) coal extracted in excess of the limit specified in sub-clause (i) above shall be required to be supplied to CIL at the Final Price Offer based on which the Successful Bidder has been selected.	in the event that one of the JV Partner becomes ineligible or ceases to operate the Specified End Use Plant or ceases to be a JV Partner, then: (i) the joint venture company may supply coal to the remaining JV Partners subject to the condition that each such remaining JV Partners shall not be entitled to receive coal in excess of limit specified under Clause 4.1.2(b), which limit shall be computed independently for each Specified End Use Plant of the other JV Partners, based on information provided in the Technical Bid; and (ii) coal extracted in excess of the limit specified in sub-clause (i) above shall be required to be supplied to CIL at the Final Price Offer based on which the Successful Bidder has been selected, <u>as escalated in accordance with Clause 3.10.3 or the then prevailing CIL Notified Price, whichever is lower.</u>
7.	5.6.3 Verification by the Nominated Authority and Disqualification	The rejection of a bid under Clause 5.6.2 shall lead to the disqualification of the Bidder for <u>bidding for</u> any auction conducted by the Nominated Authority for a period of one year starting from the date of appropriation of the Bid Security or any other earlier date specified by the Nominated Authority (" <u>Disqualification</u> "). Such	The rejection of a bid under Clause 5.6.2 shall lead to the disqualification of the Bidder for <u>participating in</u> any auction <u>or allotment</u> conducted by the Nominated Authority for a period of one year starting from the date of appropriation of the Bid Security or any other earlier date specified by the Nominated Authority (" <u>Disqualification</u> ").

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		Disqualification including annulment of the tender process	Such Disqualification including annulment of the tender process
8.	5.7.2 Utilization of Coal	Any coal which is extracted in excess of the entitlement of the Bidder in terms of this Tender Document shall be required to be supplied at CIL at the Final Price Offer based on which the Successful Bidder has been selected.	Any coal which is extracted in excess of the requirement of the Bidder in terms of this Tender Document shall be required to be supplied at CIL at the Final Price Offer based on which the Successful Bidder has been selected, <u>as escalated in accordance with Clause 3.10.3 or the then prevailing CIL Notified Price, whichever is lower.</u>
9.	7.1.1 Performance Security	The Successful Bidder 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 3.8. The Performance Security shall be an amount which aggregate of: (a) one year royalty 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 Mine Plan <u>multiplied by the Final Price Offer based on which the Successful Bidder has been selected.</u> The Performance Security shall be in substantially the form as provided in the Agreement.	The Successful Bidder 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 3.8. The Performance Security shall be an amount which aggregate of: (a) one year royalty <u>to be computed on the basis of peak rated capacity of the Coal Mine as per the approved Mine Plan,</u> 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 Mine Plan <u>multiplied by the fixed price in accordance with Clause 3.10.1.</u> The Performance Security shall be in substantially the form as provided in the Agreement.
10.	7.1.2 Performance Security	In case of any revision in Mine Plan in accordance with Clause 9.1, the amount of Performance Security shall be revised accordingly. In such case, bank guarantee constituting the Performance Security shall be substituted with another bank guarantee of <u>the same value</u> issued in accordance with this Clause 7, which is for the revised	In case of any revision in Mine Plan in accordance with Clause 9.1, the amount of Performance Security shall be revised accordingly. In such case, bank guarantee constituting the Performance Security shall be substituted with another bank guarantee of <u>the value</u> issued in accordance with this Clause 7, which is for the revised amount.

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		amount.	
11.	8.1.2 Fraud and Corrupt Practices	<p>Without prejudice to the rights of the Nominated Authority under Clause 8.1.1 hereinabove and the rights and remedies which the Nominated Authority may have under the Vesting Order or the Agreement, or otherwise if a Bidder, Preferred Bidder or Successful Bidder, as the case may be, is found by the Nominated Authority 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 tender process, or after the issuance of the Vesting Order or the execution of the Agreement, such Bidder, Successful Bidder or Successful Bidder shall not be eligible to participate in any <u>tender or Tender Document issued by the Nominated Authority during a period of 5 (five) years from the date such Bidder or Successful Bidder,</u> as the case may be, is found by the Nominated Authority to have directly or indirectly or through an agent, engaged or indulged in any Corrupt Practice, Fraudulent Practice, Coercive Practice, Undesirable Practice or Restrictive Practices, as the case may be.</p>	<p>Without prejudice to the rights of the Nominated Authority under Clause 8.1.1 hereinabove and the rights and remedies which the Nominated Authority may have under the Vesting Order or the Agreement, or otherwise if a Bidder, Preferred Bidder or Successful Bidder, as the case may be, is found by the Nominated Authority 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 tender process, or after the issuance of the Vesting Order or the execution of the Agreement, such Bidder, Preferred Bidder or Successful Bidder shall not be eligible to participate in any <u>process undertaken by the Nominated Authority for auction or allotment of any Schedule I coal mine (as defined in the Ordinance) during a period of 1 (one) year from the date such Bidder, Preferred Bidder or Successful Bidder,</u> as the case may be, is found by the Nominated Authority to have directly or indirectly or through an agent, engaged or indulged in any Corrupt Practice, Fraudulent Practice, Coercive Practice, Undesirable Practice or Restrictive Practices, as the case may be.</p>
12.	Annexure II – 3.b. Stage 2: electronic auction – Final Price Offer	<p>E-auction is the process ofwill not be displayed. The Qualified Bidder shall have to put its Final Price Offer below the displayed lowest bid by <u>an decrement of</u> Rs 2 per tonne to become the lowest Qualified</p>	<p>E-auction is the process ofwill not be displayed. The Qualified Bidder shall have to put its Final Price Offer below the displayed lowest bid <u>by a minimum decrement of</u> Rs 2 per tonne to become the lowest</p>

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		Bidder. The electronic auction process will have a scheduled start and close time which will be displayed on screen. A Qualified Bidder	Qualified Bidder. The electronic auction process will have a scheduled start and close time which will be displayed on screen. A Qualified Bidder

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Clause 3.3.2 (c) Final Price Offer

[To be appended at the end of the clause]

In the event that the Qualified Bidder that submitted the lowest Initial Price Offer i.e. the Applicable Ceiling Price, becomes ineligible to participate in the electronic auction, the next lowest Initial Price Offer shall become the Applicable Ceiling Price.

In case the auction process is annulled due to non-submission of at least one Final Price Offer on the electronic auction platform, the Bid Security of the Qualified Bidder(s) who has submitted the lowest Initial Price Offer i.e. the Applicable Ceiling Price, shall be forfeited in accordance with Clause 6.1.6.

Clause 3.10 Periodic Payments by the Successful Bidder

3.10.5 It may be clarified that the statutory royalty payable on coal shall be payable additionally as per extant law.

Annexure II – 3. a. (ii) Offline submission of certain original documents

[To be appended at the end of the clause]

The aforementioned documents shall be submitted at the following address:

The Nominated Authority
World Trade Tower, Ground Floor
Barakhamba Lane
New Delhi – 110001

Clause 6.1.6 Bid Security

[To be appended at the end of the clause]

e) In the case of Qualified Bidder(s) who has submitted the lowest Initial Price Offer i.e. the Applicable Ceiling Price, if the auction process is annulled due to non-submission of at least one Final Price Offer on the electronic auction platform.