

Date: September 02, 2019

Corrigendum No. 2 to the Standard Tender Document dated August 03, 2019
For Auction of Coal Mines for Iron & Steel, Cement and Captive Power Plants [excluding steel (coking)] Sector - 8th Tranche

The following amendment is applicable to the Standard Tender Document dated August 03, 2019 for the coal mines being auctioned where the Specified End Use is 'production of Iron & Steel, Cement and Captive Power Plants [excluding steel (coking)]'. The following amendments are also applicable to mine-specific Tender Documents of Brahampuri, Bhaskarpara, Bundu, Chitarpur, Gare Palma IV-1, Gondulpara, Jaganathpur A, Jaganathpur B, Khappa & Extn., Koser Dongergaon, Marki Mangli – IV and Sondiha Coal Mines (Tender Document dated August 03, 2019) & Marki Mangli-II Coal Mine (Tender Document dated August 09, 2019).

S. No.	Reference to Tender Document	As appearing in the Original Tender Document	To be read as
1.	Clause 3.9.3	<p>In case of a Schedule III Coal Mine, the Upfront Amount shall be payable in following three instalments:</p> <p>(a) 50% of the Upfront Amount shall be payable in accordance with Clause 3.3.2(g);</p> <p>(b) 25% of the Upfront Amount shall be paid on or prior to expiry of 15 (fifteen) Business Days from the date of execution of Mining Lease or, notification under Section 11 (1) of the Coal Bearing Areas (Acquisition and Development) Act, 1957, as the case may be; and</p> <p>(c) the remaining 25% of the Upfront Amount shall be paid on or prior to expiry of 15 Business Days from the date of grant of mine opening permission.</p>	<p>In case of a Schedule III Coal Mine <u>and Schedule I Coal Mine (other than Schedule II and Schedule III Coal Mine)</u>, the Upfront Amount shall be payable in following three instalments:</p> <p>(a) 50% of the Upfront Amount shall be payable in accordance with Clause 3.3.2(g);</p> <p>(b) 25% of the Upfront Amount shall be paid on or prior to expiry of 15 (fifteen) Business Days from the date of execution of Mining Lease or, notification under Section 11 (1) of the Coal Bearing Areas (Acquisition and Development) Act, 1957, as the case may be; and</p> <p>(c) the remaining 25% of the Upfront Amount shall be paid on or prior to expiry of 15 Business Days from the date of grant of mine opening permission.</p>
2.	Clause 4.1.1	<p>Section 4(3) of the Act and Rule 10(4)(d) of the Rules prescribes eligibility to bid in an auction of Schedule II and/or III coal mine, <u>which includes the Coal Mine.</u></p> <p>Bidders are required to ensure that they meet the conditions mentioned in Section 4(3) of the Act and Rule 10(4)(d) of the Rules <u>which are quoted below</u></p>	<p><u>Section 4(2) of the Act prescribes eligibility to bid in an auction for Schedule I coal mine (other than Schedule II and Schedule III coal Mine).</u> Section 4(3) of the Act and Rule 10(4)(d) of the Rules prescribes eligibility to bid in an auction of Schedule II and/or III coal mine.</p>

S. No.	Reference to Tender Document	As appearing in the Original Tender Document	To be read as
		<p>for reference: Section 4(3) of the Act:</p> <p><u>“(3) Subject to the provisions of section 5, the following persons who fulfil such norms as may be prescribed, shall be eligible to bid in an auction of Schedule II coal mines and Schedule III coal mines and to engage in coal mining operations in the event they are successful bidders, namely:—”</u></p> <p><u>(a) a company engaged in specified end use including a company having a coal linkage which has made such investment as may be prescribed;</u></p> <p><u>Explanation.—A “company with a coal linkage” includes any such company whose application is pending with the Central Government on the date of commencement of this Act.</u></p> <p><u>(b) a joint venture company formed by two or more companies having a common specified end use and are independently eligible to bid in accordance with this Act;</u></p> <p><u>(c) a Government company or corporation or a joint venture company formed by such company or corporation or with any other company having common specified end use.”</u></p> <p>Rule 10(4)(d) of the Rules:</p> <p><u>“A person who is eligible under sub-section (3) of section 4 of the Ordinance shall also meet the following eligibility criteria, namely:—</u></p> <p><u>(i) a company eligible to bid for any Schedule II coal mine under sub-section (3) of Section 4 of the Ordinance shall have incurred an expenditure of not less than eighty per</u></p>	<p>Bidders are required to ensure that they meet the conditions mentioned in Section 4(2) or Section 4(3) of the Act and Rule 10(4)(d) of the Rules (as applicable).</p> <p><u>In case of Schedule I Coal Mine (other than Schedule II and Schedule III Coal Mine) being auctioned under Section 4(2) of the Act, the eligibility criteria as prescribed in Rule 10(4)(d)(ii), 10(4)(d)(iii), 10(4)(d)(iv) and 10(4)(d)(v) of Coal Mines (Special Provisions) Rules, 2014 for Schedule III coal mines shall additionally be applicable.</u></p>

S. No.	Reference to Tender Document	As appearing in the Original Tender Document	To be read as
		<p><u>cent of the total project cost of the unit or phase of the specified end use plant for which the company is bidding,</u></p> <p><u>Explanation.– For the purposes of this sub-clause in case the end use project is being commissioned in units or phases and one or more units or phases are eligible under the provisions of this sub-clause, the other unit or phase shall also be eligible provided that not less than forty per cent expenditure of the cost has been incurred for such other unit or phase;</u></p> <p><u>(ii) a company eligible to bid for any Schedule III coal mine under sub-section (3) of Section 4 of the Ordinance shall have incurred an expenditure of not less than sixty per cent of the total project cost of the unit or phase of the specified end use plant for which the company is bidding,</u></p> <p><u>Explanation.– For the purposes of this sub-clause in case the end use project is being commissioned in units or phases and one or more units or phases are eligible under the provisions of this sub-clause, the other unit or phase shall also be eligible provided that not less than thirty per cent expenditure of the cost has been incurred for such other unit or phase;</u></p> <p><u>(iii) capacity of the specified end use project shall be in proportion to the capacity of the Schedule II coal mine or Schedule III coal mine, as the case may be, for which a company is bidding;</u></p> <p><u>(iv) in case a company is the successful bidder, then the entitlement to receive coal pursuant to such coal linkage shall stand proportionately reduced on the basis of the requirement of coal being met from the mine allocated to</u></p>	

S. No.	Reference to Tender Document	As appearing in the Original Tender Document	To be read as
		<p style="text-align: center;"><i><u>such company;</u></i></p> <p style="text-align: center;"><i><u>(v) for the purposes of sub-clauses (i) and (ii), the total project cost and expenditure incurred shall be determined on the basis of a certificate issued by the relevant company, duly certified by the statutory auditors and/ or secured creditors, if any, of the relevant company."</u></i></p>	
3.	Clause 4.1.2(e)	<p>Certification of total project cost and expenditure</p> <p>For participation in the auction process of Schedule II Coal Mines, in case of Specified End Use Plant which has been developed or is being developed in units or phases, and one or more units or phases are eligible on the basis of having made an expenditure of eighty per cent of the total project cost, then the other units or phases of such project shall also be eligible, if with respect to each such other units or phases an expenditure of at least forty per cent of total project cost has independently been incurred and a certificate is provided to substantiate such expenditure for each such other units or phases, in the manner provided above.</p> <p>For participation in the auction process of Schedule III Coal Mines, in case of Specified End Use Plant which has been developed or is being developed in units or phases, and one or more units or phases are eligible on the basis of having made an expenditure of sixty per cent of the total project cost, then the other units or phases of such project shall also be eligible, if with respect to each such other units or phases an expenditure of at least thirty per cent of total project cost has independently been incurred and a certificate is provided to substantiate such expenditure for each such other units or phases, in the manner provided above.</p> <p>It is clarified that in case the Specified End Use Plant is operational, Bidders are required to submit either i) a certificate from statutory auditor confirming the</p>	<p>Certification of total project cost and expenditure</p> <p>For participation in the auction process of Schedule II Coal Mines, in case of Specified End Use Plant which has been developed or is being developed in units or phases, and one or more units or phases are eligible on the basis of having made an expenditure of eighty per cent of the total project cost, then the other units or phases of such project shall also be eligible, if with respect to each such other units or phases an expenditure of at least forty per cent of total project cost has independently been incurred and a certificate is provided to substantiate such expenditure for each such other units or phases, in the manner provided above.</p> <p>For participation in the auction process of Schedule III Coal Mines <u>and Schedule I Coal Mine (other than Schedule II and Schedule III Coal Mine)</u>, in case of Specified End Use Plant which has been developed or is being developed in units or phases, and one or more units or phases are eligible on the basis of having made an expenditure of sixty per cent of the total project cost, then the other units or phases of such project shall also be eligible, if with respect to each such other units or phases an expenditure of at least thirty per cent of total project cost has independently been incurred and a certificate is provided to substantiate such expenditure for each such other units or phases, in the manner provided above.</p>

S. No.	Reference to Tender Document	As appearing in the Original Tender Document	To be read as
		Specified End Use Plant is operational and its capacity or ii) Consent to Operate certificate issued by State Pollution Control Board for the Specified End Use Plant. In such a case, the project cost and expenditure certificates are not required to be submitted.	It is clarified that in case the Specified End Use Plant is operational, Bidders are required to submit either i) a certificate from statutory auditor confirming the Specified End Use Plant is operational and its capacity or ii) Consent to Operate certificate issued by State Pollution Control Board for the Specified End Use Plant. In such a case, the project cost and expenditure certificates are not required to be submitted.