

**NOTICE INVITING APPLICATIONS FROM EXISTING LINKAGE HOLDERS/
LOA HOLDERS/ FSA HOLDER OF WCL FOR SUPPLY OF COAL FROM
COST PLUS PROJECTS**

1. Entitlement:

Any consumer who has obtained Linkage/ LOA/ FSA till last date of submission of the application shall be entitled to apply.

2. Applications, duly signed, are invited from Existing Linkage Holders/ Letter of Assurance (LoA) Holders/ Fuel Supply Agreement (FSA) Holders of WCL (including the FSA/LOA holders on Cost Plus basis) for supply of Coal from Cost Plus Project of WCL as mentioned below:

	<u>Project Name</u>		<u>Quantity</u>
1.	Ukni Deep OCP	—	0.90 MTY
2.	Bellora- Naigaon Deep OCP	—	0.45 MTY
3.	Gouri Deep OCP	—	0.11 MTY

The details of the above projects are attached as **Annexure-A(i,ii,&iii)**. The format of application for allocation of Coal supply from Cost Plus Projects is attached as **Annexure-B**.

3. Submission of Application:

All the applications, complete in all respect, are to be submitted through the website link www.westerncoal.gov.in → Marketing & Sales → Notices. No application shall be accepted offline.

4. Time schedule of Application:

Sr. No.	Particulars	Date	Time
01.	Website Publication Date	22.03.2018	20.00 Hrs
02.	Documents Download Start Date	23.03.2018	10.00 Hrs
03.	Document Download End Date	12.04.2018	14.00 Hrs
04.	Pre Offer meeting	03.04.2018	12.00 Hrs
05.	Application Submission Start Date	04.04.2018	10.00 Hrs
06.	Last date of Submission/ Resubmission/ withdrawal of Application	16.04.2018	14.00 Hrs
07.	Date of opening	16.04.2018	15.00 Hrs

5. Existing Non-Cost plus LOA/ FSA holders may apply to the extent of their existing entitled quantities. The allocated quantity, if any, to such applicant shall be reduced from non cost plus entitled quantity and such quantity will be deemed as converted from notified price linkage to cost plus linkage.

6. Existing Cost Plus FSA/LOA holders may apply only to the extent of unallocated quantity, if any, from existing cost plus source(s) of WCL vis-à-vis their total entitlement.

7. Validity of Application: The application shall be valid for 180 days from the last date of submission of application.

8. EMD –

- i) The consumer shall furnish earnest money (EMD) of the amount equivalent to 7.10% of the price of the applied annual quantity subject to maximum of Rs.60 Lakhs for each project/mine separately.
- ii) EMD shall be deposited only through online by the consumers as per the Bank details given below

Particulars of Bank Details	
Name of the Bank	State Bank of India
Bank Branch	Nagpur Main Branch
Bank Account no	30413308683
IFSC No	SBIN0000432
MICR No	440002002

- iii) In proof of deposit as EMD the applicant shall enclosed a scan copy of the UTR details of RTGS.
- iv) Any application not accompanied by an acceptable EMD details shall be rejected by the Company as non-responsive.
- v) The EMD of the successful consumer(s) shall be discharged on deposit of Security Deposit as per the provisions of Model Coal supply agreement and signing of the agreement by the consumer.
- vi) The EMD of the unsuccessful applicant(s) shall be refundable after finalization of allocation and without carrying any interest.
- vii) The EMD may be forfeited if the successful consumers withdraw their application and/or fails within 45 days of issuance of Project specific Coal allocation letter to
 - a. Sign the agreement, and/or
 - b. Furnish the required Security Deposit as per the Model Cost Plus FSA.
- viii) Forfeiture of EMD shall attract GST at applicable rates. Present rate of the GST is 18%.
- ix) The EMD deposited with the company shall not carry any interest.

9. Settlement of Dispute

It is incumbent upon the consumers to avoid litigation and disputes during the course of execution. However, if such disputes take place between the consumers and the company, efforts shall be made to settle the disputes at company level in the first instance.

10. Legal Jurisdiction

Matter relating to any dispute or difference arising out of the Coal allocation from the projects mentioned herein and subsequent allocation, if any, shall be subject to the Jurisdiction of Nagpur Court Only.

11. The procedure for process of application for allocation of coal from cost plus projects is attached as **Annexure-C**.
12. Terms & conditions of approved Model Cost Plus Agreement as amended up to date by CIL for different category of applicants shall be applicable. Any further details/ clarification in this regard may be obtained from the office of GM (P&P) if required.
13. The allocation of coal from these Cost Plus Project will be made as per the guidelines issued by the Ministry of Coal vide Notification No.23022/14/2008-CPD dated 7th October 2008 and any other guidelines issued by the Ministry of Coal / Coal India Limited / Western Coalfields Limited, from time to time in this regard.
14. Allocation of coal shall not be a guarantee for supply of coal in any circumstances. The company shall not be liable for any failure or delay in supply of coal to the extent such failures or delays are proximately caused due to delay in mine development activity due to any unforeseen reasons/circumstances beyond its control, which may arise, including but not limited to
 - a. The act of God,
 - b. Delay in land acquisition,
 - c. Delay in rehabilitation & resettlement of villages,
 - d. Delay in environmental and forestry clearances.

Mine development activity includes starting of the project.

No claim shall lie against Western Coalfields Ltd. in the above circumstances.

General Manager (P&P)

Annexure – A(i)

Information related to the Cost Plus Projects

1	Name of the Project	Ukni Deep	
2	Type of Project (i.e. UG or OC)	Opencast	
3	Name of the Area/Sub Area	Wani North Area/ Ukni Sub Area	
4	Location of Project	Dist: Yeotmal, Maharashtra, about 160 KM from Nagpur	
5	Extractable/Mineable Coal Reserve (Balance as on 01.01.2018)	16.36 Mt	
6	Targeted Annual Production Capacity	100%	85%
		2.0 MTY	1.7 MTY
7	Balance quantity available for allocation	0.90 MTY	
8	Weighted Avg. GCV as per project Report	Non-coking, Weighted Avg GCV- 4835 kcal/kg	
9	Life of the Project at targeted capacity (as on 01.01.2018)	8.5 Years	
10	Expected Gestation Period (as on 01.01.2018)	Project is already in operation,	
11	Method of Mining (i.e. Continuous Miner Technology/Shovel Dumper Combination/ LHD-SDL, etc.)	With Shovel - Dumper Combination on partial hiring basis.	
12	Total Capital (as on Feb.2012) including WDV (PR will be updated once the Cost Plus Agreement for the quantity mentioned above is done)	Rs. 298.8324 Crs.	
13	Average Cost of Production at 85% capacity (as on Feb 2012) (PR will be updated once the Cost Plus Agreement for the quantity mentioned above is done)	Rs. 1983.04/-	
14	Price to yield 12% IRR at 85% capacity as per PR (Feb 2012)	Rs. 2337.48	
15	Price to yield 12% IRR at 85% capacity (i.e. Base Price) with reduced working capital interest for cost plus project (as on Feb 2012)	Rs. 2261.14*	
16	Escalated Price as on 01.01.2018 (As per present index based norms)	RS. 2963.37	
17	Nearest Railway Siding / Road	Wani Railway Station/ Siding 17 km approx.	
18	Means of transport	Rail/ Road	

(*)The base price shall be subject to price escalation formula with a provision for price revision in every six months.

Annexure – A(ii)

1	Name of the Project	Bellora-Naigaon Deep	
2	Type of Project (i.e. UG or OC)	Opencast	
3	Name of the Area/Sub Area	Wani Area/ Niljai Sub Area	
4	Location of Project	Dist: Yeotmal, Maharashtra, about 150KM from Nagpur	
5	Extractable/ Mineable Coal Reserve (Balance as on 01.01.2018)	12.7652 Mt	
6	Targeted Annual Production Capacity	100%	85%
		1.0 MTY	0.85 MTY
7	Balance quantity available for allocation	0.45 MTY	
8	Weighted Avg. GCV as per project Report	Non-coking, Weighted Avg GCV- 4420 kcal/kg	
9	Life of the Project at targeted capacity (as on 01.01.2018)	12.5 Years	
10	Expected Gestation Period (as on 01.01.2018)	Project was in operation, held up for physical possession of land, which will be done after the agreement for 85% capacity.	
11	Method of Mining (i.e. Continuous Miner Technology/Shovel Dumper Combination/ LHD-SDL, etc.)	With Shovel - Dumper Combination on partial hiring basis.	
12	Total Capital Investment to be made (as on Feb.2012) (PR will be updated once the Cost Plus Agreement for the quantity mentioned above is done)	Total capital – Rs. 178.6485 Crs.	
13	Average Cost of Production at 85% capacity(as on Feb 2012) (PR will be updated once the Cost Plus Agreement for the quantity mentioned above is done)	Rs 1898.37/-	
14	Price to yield 12% IRR at 85% capacity as per PR (Feb 2012)	Rs. 2166.54/-	
15	Price to yield 12% IRR at 85% capacity (i.e. Base Price) with reduced working capital interest for cost plus project (as on Feb 2012)	Rs. 2093.80*	
16	Escalated Price as on 01.01.2018 (As per present index based norms)	Rs. 2617.64	
17	Nearest Railway Siding / Road	Ghugus Railway Siding 5 km approx.	
18	Mode of transport	Rail/ Road	

(*)The base price shall be subject to price escalation formula with a provision for price revision in every six months.

Annexure – A (iii)

1	Name of the Project	Gouri Deep	
2	Type of Project (i.e. UG or OC)	Opencast	
3	Name of the Area/Sub Area	Ballarpur Area/ Gouri Sub Area	
4	Location of Project	Dist: Chandrapur, Maharashtra. about 190 KM from Nagpur, 35 KM from Chandrapur	
5	Extractable/ Mineable Coal Reserve (Balance as on 01.01.2018)	5.56 Mt	
6	Targeted Annual Production Capacity	100%	85%
		0.40 MTY	0.34 MTY
7	Balance quantity available for allocation	0.11 MTY	
8	Weighted Avg. GCV as per project Report Sept 2013	Non-coking, Weighted Avg GCV- 4462 kcal/kg	
9	Life of the Project at targeted capacity (as on 01.01.2018)	14 Years	
10	Expected Gestation Period (as on 01.01.2018)	Project is already in operation	
11	Method of Mining (i.e. Continuous Miner Technology/Shovel Dumper Combination/ LHD-SDL, etc.)	With Shovel - Dumper Combination on partial hiring basis (Total hiring was upto Feb 2017) thereafter By Departmental means	
12	Total Capital Investment to be made (as on Sept.2013)	Total capital – Rs. 164.9655 Crs.	
13	Average Cost of Production at 85% capacity (as on Sept 2013)	Rs 2828.30	
14	Price to yield 12% IRR at 85% capacity as per PR (Sept 2013)	Rs. 2662.38	
15	Price to yield 12% IRR at 85% capacity (i.e. Base Price) with reduced working capital interest for cost plus project (as on Sept 2013)	Rs. 2577.70*	
16	Escalated Price as on 01.01.2018 (As per present index based norms)	Rs. 2796.96	
17	Nearest Railway Station	Ballarshah Railway Station.	
18	Mode of transport	Road	

(*)The base price shall be subject to price escalation formula with a provision for price revision in every six months.

Annexure - B

FORM OF APPLICATION FOR ALLOCATION OF COAL FROM _____ MINE OPENED/ TO BE OPENED ON COST PLUS PRICING BASIS

1. Name of the Applicant
2. Address of the Registered Office:
3. Address of the plant:
4. Telephone No., Fax No and E-Mail ID:
 - i) Registered Office:
 - : Telephone No. with STD Code.....
 - : Fax No.
 - : e-Mail ID
 - ii) Plant:
 - : Telephone No. with STD Code.....
 - : Fax No.
 - : e-Mail ID
5. PAN No. of the Applicant
6. Name of the authorized signatory:
7. Photo ID of the authorized signatory:
(Self attested photocopy to be attached showing signature of the authorized signatory)
8. Contact Nos. of the Authorized signatory
Telephone No..... Mobile No.....
9. FSA / LoA reference of the Applicant
(Self attested photocopy of the document to be attached)
10. Type of Linkage
(FSA/LOA/LOA Cost Plus)
11. Type of Plant
(IPP/ CPP/Cement etc)

Signature of the Application/ Consumer/
Authorised Representative of the Consumer
(conti...)

12. SSI Registration certificate, if applicable
(Self attested photocopy of the document to be attached)
13. GST Registration No
(Self attested photocopy of the document to be attached)
14. Distance of Plant from the Project—
By Road (Kmtrs) –
By Rail (Kmtrs) --
15. Name of the product manufactured / to be manufactured with item-wise description
16. Status of power purchase agreement with DISCOM/INDUSTRIES with validity of such PPA. (in case of Private Power Utility Applicants).
17. Phase-wise schedule of installation / commissioning of the plant
(Applicable in case of LoA holders)
18. Details of coal burning/processing equipment installed / to be installed with flow chart indicating size / capacities of the unit
19. Year-wise anticipated production of the applicant and their coal requirement
Year Production Coal Requirement
20. Details of the Coal quantities applied for and the EMD deposited

Sr. No	Name of Projects	Quantity Applied for (MTY)	Amount of EMD Deposited (Rs.)	UTR Details of the EMD deposited
01	Ukni Deep OC			
02	Bellora-Naigaon Deep OC			
03	Gouri Deep OC			

21. Preferred mode of transportation / evacuation of coal (Road / Rail)

Signature of the Application/ Consumer/
Authorised Representative of the Consumer
(Conti...)

Declaration

1. I have thoroughly read, understood and accepted all the terms & conditions of the offer for sale of coal on cost plus basis from (**name of the project to be mentioned**) including detailed processes & procedures for applications as published in the website.
2. The information submitted in the application along with the documents is correct in all respect and if found otherwise, the application will be liable for rejection.
3. I undertake to shift the linkage for the quantity applied for, from notified category to cost plus category In the event of successful allocation from this cost plus project limited to the quantity of allocation.

Signature of the Application/ Consumer/
Authorised Representative of the Consumer

Annexure 'C'

Procedure for process of applications for allocation of coal from Cost Plus Projects

1. The applications received and found acceptable as per the conditions of the Notice inviting the Applications shall be processed for deciding the allocation. Incomplete applications and applications received after due date will be rejected without any notice.
2. Scrutiny and recommendation for allocation in accordance with the MoC guidelines dated 07.10.2008 shall be done through a committee duly constituted by WCL and the allocation shall be done after approval from the Board of WCL.
3. Priority list of the applicants/ consumers for the cost plus project shall be prepared separately for each Sector with Sector-wise priority, as per NCDP and MoC guideline dated 7.10.2008 and subsequent guidelines/ directives issued by MoC/CIL/WCL.
4. If there are more than one consumer belonging to the same category, priority shall be accorded to the distance from plant to mine in terms of MoC guideline 07.10.2008.
5. A project shall, ordinarily, be considered for allocation to the applicant(s), only if the total quantity applied by the applicant(s) is atleast 85% capacity of the project. In case the total applied quantity from a project is less than 85% capacity, further applications shall be invited for the balance quantity, to make the total applied quantity equal to atleast 85% capacity of the mine. Even after this process, if the total applied quantity is less than 85% of the project capacity, the shortfall can be offered on long term e-auction with a reserve price depending on the cost of production from such mine.
6. If more than one consumer apply, under same category, WCL Management reserves the right to distribute the quantity and the decision of WCL will be final.
7. Application can be resubmitted/ withdrawn as per the time schedule given, after which allocation process will start and no resubmission/ withdrawal will be considered.
8. The base price shown in the Annexures is subject to Updation before signing of agreement. Consumers are requested to keep updated base price in consideration while applications are made.
9. Consumers successful in getting allocations will be required to enter into cost plus agreement as per Model CSA approved by CIL and further amendments approved from time to time.

10. Successful applicant will have to sign agreement within 45 days of issue of allocation letter for the project as per Model Coal Supply Agreement from cost plus sources after observing all the formalities. Failure to do so will lead to forfeiture of EMD without any notice or reference.
11. In Principle only 85% capacity of the cost plus mine shall be considered for agreement.

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