



COAL INDIA LIMITED
MARKETING DIVISION
KOLKATA

No. CIL/M&S/Linkage Auction/02

Date: 01.01.2024

NOTICE

Sub : Modalities for change of Mode from Rail to Road under NRS Linkage auction for non cost plus sources

In suppression to the decision of 362nd CIL Board held on 28.4.2018, the modalities communicated vide CIL letter no. CIL/M&S/New Pol(47252)/Change of Mode/273 dated 05.05.2018 & other related letters and existing provisions of NRS Linkage auction FSAs CIL Board in its 460th meeting held on 29.12.2023 has approved for revised modalities/enabling conditions of 'Change of Mode from Rail to Road under NRS FSA Linkage Auction' for **non cost plus sources** which is as under:

Quote

- a) Successful bidders under NRS Linkage Auction sourcing coal through Rail mode (Primary Source or Secondary Source) may be given an additional option by the concerned coal company to take coal through temporary road source(s) in cases where supply through Rail mode is not possible.
- b) The Temporary Road Source(s) of coal would be decided by the coal company in the following preference order:
 - I. Road despatch point of mine(s) linked to the Primary Source
 - II. Road despatch point of mine(s) linked to the Secondary Source.
 - III. Any other road source(s) within the coal company from where linkage has been booked in the same subsector in the latest two concluded tranches of the NRS linkage auction
 - IV. Any other road Source(s) within the coal company.
- c) The Grade of coal of the Temporary Road Source preferably be same as that of the Primary Rail Source.
- d) The price payable by the willing FSA holder for supply of coal through the Temporary Road Source would be higher of the following three cases:
 - I. the As Delivered Price (considering the Modulated/notified Price, as applicable, and Winning premium [%]) for the Primary Rail Source, or
 - II. the highest As Delivered Price (considering the Modulated/Notified Price, as applicable, and Winning premium [%]) of the bids for the Temporary Road Source within the same subsector during latest two (2) concluded tranches of NRS Linkage Auction.
 - III. In case no linkage has been booked from the Temporary Road source in the same subsector in latest two concluded tranches of NRS linkage auction, the price payable by the willing FSA holder for supply of coal through Temporary Source would be the higher of the weighted average As Delivered Price(considering the Modulated/Notified Price, as applicable, and Winning premium[%]) of the bids of each tranche within the same subsector for all the Road Sources of the coal company in latest two (2) concluded tranches of the same subsector of NRS Linkage Auction. The weighted average for each

tranche shall be calculated separately and the higher of the two shall be used for comparison in this option.

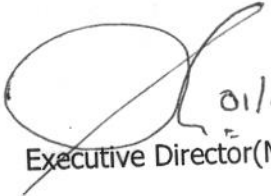
- e) This dispensation is to be offered against those Primary Rail Source(s) where more than one month's rakes are pending to be supplied under Linkage auction NRS.
- f) Any revision in the Notified/Modulated price, as applicable, of the declared grade of the Primary Rail Source and Temporary Road source post auction shall be applicable while exercising this option.
- g) In case of conversion of mode from Rail to Road for rakes having a validity of 180 days, the validity for lifting of the Road Delivery Order (DO) shall be as per the extant rule but not exceeding the original validity of 180 days from the date of allotment of concerned rake.
- h) The facility will be available to the willing bidders opting for applicable payment modes (including Usance LC) for deposition of coal value subject to adherence of other conditions, as may be notified from time to time.
- i) Coal Company would endeavor to re-instate the supplies from the Primary Rail Source as soon as possible.
- j) Such facility may be extended/exercised by Coal Company to the willing consumers considering the coal availability and evacuation capacity scenario.
- k) Such a decision, whenever taken by the subsidiary coal company, should be executed in a transparent manner duly notifying the same on company website/ notice boards etc.

Unquote

In this regard, the following may also be noted:

- The above modalities shall not be applicable for change of mode in cost plus sources under NRS linkage auction and the existing modalities as approved in the 303rd CIL CFDs Meeting held on 5th April 2023 & as mentioned in NRS Linkage auction FSA will continue.
- The above modalities shall be applicable in case of the road sale orders (under change of mode from rail to Road) issued subsequent to this notification of Change of mode
- This new guideline will be considered as amendment of existing NRS Linkage Auction Fuel Supply Agreements and the same will be suitably incorporated in all prospective FSA of NRS Linkage auction.

This is for your information and further necessary action.


01/01/2024
Executive Director(M&L)

Copy to:

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