

AUCTION OF COAL MINES FOR SALE OF COAL

(11th TRANCHE OF AUCTION UNDER THE COAL MINES (SPECIAL PROVISIONS) ACT, 2015)

(1st TRANCHE OF AUCTION UNDER THE MINES AND MINERAL (DEVELOPMENT AND REGULATIONS) ACT, 1957)

Corrigendum No. 1 to Part-I of Queries & Responses dated July 8, 2020

to

Standard Tender Document

dated June 18, 2020

Nominated Authority

Ministry of Coal

Government of India

New Delhi

September 14, 2020

A. Queries and Responses to Standard Tender Document dated June 18, 2020

The following clarifications and the clarifications issued on July 8, 2020 (Part-I of Queries & Responses) are applicable to the Standard Tender Document dated 18 June, 2020 as well as to i) mine-specific Tender Documents dated 18 June, 2020, under 11th Tranche of auction under the CMSP Act & 1st Tranche of auction under the MMDR Act and ii) mine-specific Tender Documents dated 01 September, 2020, under 1st Tranche of auction under the MMDR Act.

S. No	Reference to Queries in Part A – Queries to Standard Tender Document dated June 18, 2020	Original Response	Amended Response
1	<p>Query at Sl. No. 21 in published responses:</p> <p>We request that tentative calendar for future coal block auctions be shared for people to take informed decisions. This is critical for the prospective bidders to be able to take informed decisions over the long term.</p>	The tentative calendar for future coal block auctions shall be provided in due course.	Details on future coal mine auctions would be provided, as and when the same is decided by Ministry of Coal.
2	<p>Query at Sl. No. 22 in published responses:</p> <p>Peak Rated Capacity mentioned in the documents are for combined mine or first phase of the mine?</p>	The peak rated capacity mentioned is for the combined mines.	For (i) Chhendipadal & Chhendipada II and (ii) Machchakata & Mahanadi, the peak rated capacity mentioned is for Phase I as per approved mining plan for the combined blocks. For Gotitoria East & Gotitoria West, the peak rated capacity mentioned is for the combined mines.
3	<p>Query at Sl. No. 33 in published responses:</p> <p>A. When is the schedule being released for the auction process? B. We expect that Govt to expedite auctioning process. Whether any timeline decided by Government? C. What are the timelines for auction?</p>	The timelines have been uploaded on MSTC Portal. Please refer to the same. The last date for submission of Technical Bid and Initial Offer is 1400 hours on Tuesday, August 18, 2020.	The timelines have been uploaded on MSTC auction portal. In case of any change in timelines, the revised timelines shall be uploaded on the auction portal and also intimated through a Corrigendum to the Standard Tender Document.
4	<p>Query at Sl. No. 35 in published responses:</p> <p>A. Please share the computations of NCI for March 2020, including price of imported coal considered. B. Sir if it is possible, kindly share excel sheet containing details as to how National Coal Index arrived and representative price arrived against</p>	Please refer to the following Office Memorandum: 1. Roll out of National Coal Index - OM No. NA-102/3/2017-NA dated June 4,	Please refer to the following Office Memorandum: 1. Roll out of National Coal Index - OM No. NA-102/3/2017-NA dated June 4,

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	<p>each grade of coal.</p> <p>C. The Work Sheet/ Excel File for National Coal Index may please be shared so that the stakeholders can get a detailed grasp on the same.</p>	<p>2020</p> <p>2. Notification of Representative Prices for March 2020 - OM No. NA-102/3/2017-NA dated June 4, 2020</p> <p>3. Operational Methodology for Computation of National Coal Index - F. No. 102/3/2017/NA dated June 17, 2020</p> <p>The details of the calculation of the final NCI numbers shall be shared on the MSTC website.</p>	<p>2020</p> <p>2. Notification of Representative Prices for March 2020 - OM No. NA-102/3/2017-NA dated June 4, 2020</p> <p>3. Operational Methodology for Computation of National Coal Index - F. No. 102/3/2017/NA dated June 17, 2020</p>
5	<p>Query at Sl. No. 46 in published responses: Upfront amount calculated on GR or extractable reserves ?</p>	<p>As per Clause 1.1.32 of the Standard Tender Document, Geological Reserves are gross reserves mentioned in the Geological Report and Upfront Amount is calculated in accordance with Clause 3.9.1 of Standard Tender Document on the basis of Value of Estimated Geological Reserves.</p>	<p>Upfront Amount is calculated in accordance with Clause 3.9.1 of Standard Tender Document on the basis of Value of Estimated Geological Reserves.</p>
6	<p>Query at Sl. No. 49 in published responses: How the royalty is worked out</p> <p>Query at Sl. No. 52 in published responses: Please elaborate on whether royalty and all such cess are applicable on power price or non power price</p>	<p>Royalty and all other statutory duties, levies etc shall be as per Applicable Laws. Presently, royalty on coal is ad-valorem on the price of coal reflected in the invoice.</p>	<p>Royalty and all other statutory duties, levies etc shall be as per Applicable Laws.</p>
7	<p>Query at Sl. No. 67 in published responses: Is the interest on capital employed by prior allottee is admissible</p>	<p>Compensation for land and mine infrastructure shall be calculated in accordance with CM(SP) Act, 2015. In accordance with Section 16 of CM(SP) Act, 2015, while simple interest of 12% is permitted on registered sale value for</p>	<p>The value of land shall be estimated in accordance with the provisions of the CM(SP) Act, 2015 and as per the judgement dated March 9, 2017, delivered by Hon'ble High Court of Delhi in W.P. (C) 973/2015. Compensation for</p>

S. No	Reference to Queries in Part A – Queries to Standard Tender Document dated June 18, 2020	Original Response	Amended Response
		land, the mine infrastructure shall be valued on the basis of written down value.	mine infrastructure shall be calculated in accordance with CM(SP) Act, 2015.

S. No	Reference to Queries in Part B – Queries to Standard Tender Document dated June 18, 2020	Original Response	Amended Response
1	<p>Query at Sl. No. 2 in published responses: Gotitoria (East) &Gotitoria (West)</p> <p>Clause 3.9 - Value of Estimated Geological Reserves and Upfront Amount Coal Block Summary included in the Mine Dossier, mentions that 2.658 MT of coal has already been extracted from this mine till 31.03.2014 which implied balance geological reserve in the mine got depleted due to extraction of 2.658 MT of coal. Balance Geological Reserve may be estimated as follows: Geological Reserve - G1; Mineable Reserve - X1; Coal Extracted - X2; Depletion , $G2 = G1/(X1*X2)$ Balance Geological Reserve = $G1-G2$ This would amount to $10.41-10.41/(7.88*2.658) = 6.9$ MT. Therefore all calculations should be based on 6.9 MT.</p>	As per Clause 1.1.32 of the Standard Tender Document, Geological Reserves are gross reserves mentioned in the Geological Report and Upfront Amount is calculated in accordance with Clause 3.9.1 of Standard Tender Document on the basis of Value of Estimated Geological Reserves. Accordingly, for Gotitoria (East) &Gotitoria (West) Coal Mine, Upfront Amount has been calculated on the basis of value of estimated gross geological reserves of the Coal Mine as given in the Geological Report.	Upfront Amount shall be as provided in the Clause 3.9.1 of the Tender Document.
2	<p>Query at Sl. No. 4 in published responses: Gare Palma IV/1</p> <p>For GP IV/1 - The mine summary says that about 60 Mt has been excavated by prior allottee (prior to 2014). Also SECL being the custodian has been producing coal from this block since 2014.</p> <p>Thus, the estimated geological reserves used for upfront payment</p>	As per Clause 1.1.32 of the Standard Tender Document, Geological Reserves are gross reserves mentioned in the Geological Report and Upfront Amount is calculated in accordance with Clause 3.9.1 of Standard Tender Document on the basis of Value of Estimated Geological Reserves. Accordingly, for	Upfront Amount shall be as provided in the Clause 3.9.1 of the Tender Document.

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	should consider this reduced reserves or not ? Please clarify.	Gare-Palma-IV/1 Coal Mine, Upfront Amount has been calculated on the basis of value of estimated gross geological reserves of the Coal Mine as given in the Geological Report.	