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(A Government of Rajasthan Undertaking)
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REVISED GUIDELINES FOR NEW COAL DISTRIBUTION POLICY
FOR THE YEAR 2009-10
(03/06/2009)

As per the New Coal Distribution policy issued by the Ministry of Coal dated 18/10/2007, consumers in small & medium sector of Rajasthan having annual requirement less than 4200 tonne of coal and having no Fuel Supply Agreement with a subsidiary Company of Coal India Limited or Coal India Limited can source their coal requirement from the Nodal Agency appointed by Government of Rajasthan. The said policy is also applicable to the coal consuming units of the State.

The Rajasthan Small Industries Corporation Limited has been appointed as Nodal Agency for the State of Rajasthan vide letter No. F.17 (3)Ind/2/2004 dated 13/12/2007 of Industries Department, Government of Rajasthan.

For the formation of transparent, guidelines for distribution of coal a meeting with coal consuming units was held on 19/2/2009 under the Chairmanship of CMD, RSIC, Jaipur. On the basis of suggestions given by the units during the discussions in the meeting held on 29/5/2009 and subsequent discussions with Hon'ble Industries Minister, Addl. Chief Secretary (SSI & Khadi) and Secretary SSI on 3/6/2009 and suggestions given by Commissioner Industries vide letter No. P. F 7/2(1) CI /Rama-Anu/Coal/2002/II dated 29/5/2009 the following guidelines are hereby issued regarding distribution of coal for the year 2009-10:

APPLICATION

1. All eligible units of Rajasthan will be invited for registration through an advertisement published in the newspapers.

REGISTRATION

2. The application along with the annual coal demand will be received from the interested units, duly verified and recommended by the concerned DICs after their field and physical verification. The units will be registered for a period of one year.

TECHNICAL SPECIFICATION

3. The units will provide details about their production, plant and other technical specification to justify matching of the quality and grade of coal required by them.

Accordingly registration will be finalized on the basis of basis of category and quality of coal required by the unit.

REFUNDABLE SECURITY

4. Each eligible and selected unit will deposit security amount on demand by the Corporation @ Rs. 50/- per MT payable in two parts – Rs. 25/- at the time of registration and before first allotment and Rs. 25/- before release of second allotment through DD/banker cheque in favour of The Rajasthan Small Industries Corporation Limited payable at Jaipur. No interest is payable on the security amount deposited by the Unit and refundable at the end of its validity subject to successful completion of requirement and lifting of coal by the unit during the year and complete settlement of claim of RSIC , if any

COST RECOVERY

5. In the event of failure to lift the required quantity, or if compensation is imposed over RSIC by Coal India Limited for short lifting, compensation, so imposed and other dues will be recovered from the unit.

COAL ALLOCATION / DISTRIBUTION

6. Coal shall be sold to the purchaser (end user) only after verification of existence of unit by concerned District Industries Centre under Department of Industries, Government of Rajasthan and also on the demand projected and security deposited at the time of registration. Allotment of coal shall be based on production category & quality of coal eligibility.
7. Coal shall be sold to the purchaser (end user) against 100% advance payment at the rate of coal price charged by the coal company as per invoice plus 5% at present permissible service charges and realization of other charges in actual including freight, taxes, levies etc.
8. The purchaser shall ensure that the coal is not resold or traded. The utilization of coal supplied to the unit shall be monitored by the concerned District Industries Centre. Unit shall also have to submit an affidavit on the Non Judicial Stamp Paper of Rs. 100/- regarding proper utilization of coal as end-user.
9. In case any unit is found defaulter or makes breach of any of the conditions, supply of coal will be stopped with immediate effect, legal action initiated and security amount will be forfeited.
10. The first allotment for the year 2009-10 will be made to SSI units on the basis of self declaration of use of coal for previous year for which copy of the declaration submitted to DIC will be endorsed to RSIC.

The next allotment to the unit will be based on submission of Utilization Certificate of Coal with a self declaration by the SSI units to DIC with a copy to RSIC.

A DIC's receipted copy of the declaration will be submitted to RSIC for release of the next allotment. Further allotment will be made only after DIC verification.

11. The matter of Coal allotment to the brick and PoP units will be examined by a Technical Committee set up by RSIC having experts from MSME Institute (GoI), Malviya Engineering College, Jaipur, Coal India representative, representative of CI and DGM (Coal) RSIC. The Committee will submit its report in June on an early date for final decision. Allotment to brick kiln / PoP units will be finalized after the report of the Committee. For April 09 quota these units will not be considered.

TRANSPORTATION

12. Coal as supplied by the Coal India Ltd will be delivered in a minimum one truck load / one rail wagon. RSIC will arrange transportation by rail on preference.
13. Coal will be transported by the Handling and Transportation Agent appointed by the Corporation from the mines to the door step of the SSI unit by road and by rail for delivery within Rajasthan. SSI units will have the option to get delivery at the railway yard or at the delivery point at plant level of the SSI units.
14. H&T contractor will provide the delivery note duly signed by the unit & H&T agent along with two independent witnesses of the area who will confirm about the delivery of the coal to the allottee unit premises. No delivery will be permitted to the SSI unit or their agents at any interim point outside Rajasthan. Written undertaking will be given by the SSI unit who wish to get delivery at railway point.
15. No self transportation by road or rail will be allowed to the unit from outside Rajasthan. Within Rajasthan SSI units may apply to take full and proper delivery with written undertaking at the rail yard allotted for delivery of coal.
16. No delivery through agent or middleman will be allowed.
17. H&T contractor will provide dispatch intimation of the coal from the collieries to RSIC and concerned DICs. H&T contractor will also provide intimation of delivery to the unit at the rail or unit / plant level to RSIC and concerned DICs immediately after delivery.

18. Delivery note shall be endorsed by the H&T agent to RSIC & concerned DICs.
19. Verification of delivery of coal to the unit will be done by the concerned DICs within 5 (five) days from the receipt of coal by the unit. SSI units will inform the DICs and ensure that information of coal is made within the stipulated time period.
20. 10% deliveries will be physically verified on site by RSIC on computerized randomization / sampling basis.
21. Coal transportation payment will be paid by the SSI units at the time of receipt of coal to our H&T contractor M/s Mahalaxmi Continental Limited through an account payee cheque in favour of The Rajasthan Small Industries Corporation Limited, Jaipur.

Proof of payment by SSI units will ensure proof of delivery at designated delivery point. Proof of witnesses, copy of GTR, copy of gate pass issued by mines, invoices, proof of delivery to the units duly signed and cheque received from the SSI units against transportation will be submitted by the H&T agent. Payment to H&T agent for handling and other charges will be released only after full delivery has been made to all the SSI units for each lot.

22. The H&T contractor will collect and provide E-1 forms from collieries against the C form issued by the Corporation.

Service tax & TDS charges on freight / transportation will be collected by H&T agent from SSI unit at the time of delivery and deposited with receipted challan in RSIC.

23. In the event of any quantity remaining undelivered / unlifted at loading point, the purchaser shall be entitled to get the refund of the value deposited for such quantity after the amount received from the colliery by the Corporation.

DELIVERY

24. Once supplies of coal have been affected at the delivery point by the H&T contractor, purchaser and RSIC in no way be

responsible or liable for the security or safeguard of the coal so transferred. Transit insurance etc. will be the responsibility of the H&T agent.

25. Coal delivered shall be weighed at the delivery point on CII Weigh Bridge. The weight as recorded by the Indian Railways in the Railway Receipt shall be final and binding for all commercial purpose. In case coal is dispatched through Road Transport the weight recorded in the Dispatch document shall be final for all commercial purposes.
26. Any penal freight towards over loading charges by Indian Railways for any consignment shall be payable by the purchaser.
27. Full responsibility for delivery of full quality & value of coal will be of the H&T agent till receipt is given by SSI unit before its delivery.

PRICE REVISION

28. In case of revision of price of coal by the Coal Company the purchaser shall be liable to pay the revised price of coal as and from the date the revised rates become effective.

INFORMATION ON INTERNET

29. Units may see RSIC website www.rajsico.gov.in for details regarding the New Policy, guidelines from Coal India Limited, allotment offers, orders of coal allotment to units including the issue of Dos and other regular Information like new registration notice for the year 2009-10 given in the newspaper, coal offered by the SECL to the Corporation, coal allotted by SECL to the Corporation, Coal allotted by the Corporation to the units, time period by which units are required to deposit amount of coal in the Corporation which will be displayed on the website of the Corporation. Information regarding payment mode, railway station allotted for delivery, and electronic payment by the units will also be updated.

PAYMENT TO RSIC

30. Units will deposit money in the Corporation through banker cheque / DD / RTGS only in favour of The Rajasthan Small Industries Corporation Limited payable at Jaipur and produce banker's certificate as proof of their payment.

ALLOTMENT TO SSI UNITS

31. On the basis of the priority of the unit, coal may be allotted after certifying by the respective DICs on the prescribed registration form.

UTILISATION OF COAL

32. Full responsibility of delivered coal at the unit level will be of the SSI unit and utilization certificate will be furnished duly verified by the DIC for next allotment of coal. Failure to produce UC as proof of actual utilization will debar the unit from further allotment and also forfeiture of security if no further deliveries are taken.

AFFIDAVIT

33. Affidavit in the prescribed form on a non judicial stamp paper of Rs. 100/- is also to be submitted by the Unit.
34. If any SSI unit withdraw its application for allotment after registration, security amount shall be forfeited.

Chairman & Managing Director

Note: Also put on the RSIC Website: www.rajsco.gov.in for public information.