

THE RAJASTHAN SMALL INDUSTRIES CORPORATION LTD. (A Government of Rajasthan Undertaking) Udyog Bhawan, Jaipur-302005

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No. RSIC: Coal: 2010-11 -76

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REVISED GUIDELINES FOR NEW COAL DISTRIBUTION POLICY FOR THE YEAR 2010-11

1. REGISTRATION OF APPLICATION

The registration application in the prescribed format "annexure A" along with annual coal demand will be received from the interested units duly verified and recommended by concerned DICs after their field and physical verification. The units will be registered for a period of one year. All eligible units of Rajasthan will be invited for registration through an advertisement published in the newspapers and also displayed on RSIC website "www. rajsico.gov.in".

The units will provide details about their production, plant, capacity of coal consumption and other technical specification to justify matching of the quality, quantity and grade of coal required by them for which unit will obtain Entrepreneur Memorandum Number from MSME Development Institute, Government of India. The required fees of MSME Development Institute will be deposited by the unit.

REFUNDABLE SECURITY

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/- after a period of six months through DD 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. The refund will made within thirty days of finalization of claims / dues and others from SECL.

Units who have deposited the security amount of Rs. 50/- per MT in previous years will be carry forward for next financial year and difference, if any, will be payable by the unit at the time of registration.

Besides above, units will deposit additional mandatory security amount demanded by SECL @ Rs. 50/- per MT of their annual demand of coal. If any other amount is demanded by SECL in future will also be payable by the units.

The CMD RSIC is authorized to decide amount of coal security deposit from time to time.

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3. COST RECOVERY

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.

4. COAL ALLOCATION / DISTRIBUTION

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.

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.

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.

In case any unit is found defaulter or makes breach of any of the conditions, supply of coal will be stopped with immediate effect and security amount will be forfeited.

5. UTILISATION CERTIFICATE

Coal allottee unit will submit self declaration certificate of utilization of coal for each allotment to RSIC under intimation to their concerned DICs within one month from the date of receipt of coal only thereafter next allotment will be considered.

6. INSPECTION

10% random verification shall be conducted by the concerned DIC and Corporation at any time and random numbers shall be generated by computer.

7. TRANSPORTATION

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.

Coal will be transported by the Handling and Transportation Agent appointed by the Corporation from the mines by rail for delivery within Rajasthan. SSI units (MSME) will take the delivery of coal at railway siding.

Road transportation of coal shall be done out of panel of the transporters made by RSIC on the basis of tenderers participated in the tender for transporting the coal through road from mines to the doorstep of SSI units. Units are free to get their allotted coal transported through road from any of the transporters whose names are mentioned in the panel on the rates mutually decided by the SSI units and the transporter. Road transportation charges will be paid by the units at the time of receipt of coal directly to the truck driver.

SSI units will provide the delivery note to RSIC duly signed by the unit & transporter along with two independent witnesses of the area who will confirm about the delivery of the coal to the allottee unit premises in case of road transportation. No delivery will be permitted to the SSI unit or their agents at any interim point outside Rajasthan.

No self transportation by road or rail will be allowed to the unit from outside Rajasthan and no delivery through agent or middleman will be allowed.

H&T contractor will provide dispatch intimation of the coal to RSIC from the collieries. H&T contractor will also provide intimation of delivery to the unit at the rail or unit / plant level to RSIC immediately after delivery.

8. SUBMISSION OF DOCUMENTS

In the case of road transportation by Corporation authorized transporter from colliery to the unit's premises, unit will provide the following documents.

- 1. Weightment slip of their nearest dharamkata
- 2. Proof of two independent witnesses
- 3. Copy of GTR,
- 4. Proof of payment made to the truck driver,
- 5. Copy of gate pass issued by collieries.

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

Deduction and depositing of service tax & TDS charges as per law on freight / transportation will be the responsibility of the unit / H&T contractor.

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.

9. DELIVERY

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.

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.

Any penal freight towards over loading charges by Indian Railways for any consignment shall be payable by the purchaser.

Full responsibility for delivery of full quality & value of coal will be of the Handling & Transportation agent till receipt is given by SSI unit before its delivery.

10. PRICE REVISION

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.

11. INFORMATION ON INTERNET

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 2010-11 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.

12. PAYMENT TO RSIC

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.

13. ALLOTMENT TO SSI UNITS (MSME)

On the basis of the priority of the unit, coal may be allotted after certifying by the respective DICs / <u>MSME</u> on the prescribed registration form.

14. AFFIDAVIT

Unit shall also have to submit an affidavit on prescribed form of RSIC (annexure "B") the Non Judicial Stamp Paper of Rs. 100/- regarding proper utilization of coal as end-user.

If any SSI unit withdraws its application for allotment after registration, security amount shall be forfeited.

15. The CMD is authorized to give relaxation in approved guidelines in these guidelines for the year 2010-11, if required.

Chairman & Managing Director

Note: Also put on RSIC Website $\underline{www.rajsico.gov.in}$ for public information.