



**COAL INDIA LIMITED  
MARKETING & SALES**  
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REF: CIL/M&S/47252(new Pol)/ 261

Date :27.07.2020

To

The General Manger/HOD (M&S)  
BCCL/CCL/ECL/SECL/WCL/MCL/NCL &  
GM, NEC.

**Sub: Modalities regarding change in name/ control with respect to Scheme Document of Non  
Regulated Sector (NRS).**

Dear Sir,

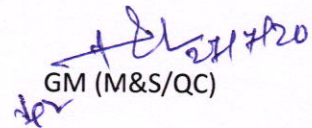
Modifications in Modalities regarding change in name/control of NRS FSAs was conveyed vide Letter no. CIL/M&S/47252/(New Pol)/127, dated 18.03.2020. To extend similar dispensation to the successful bidders prior to signing of FSA, relevant clauses of scheme Document of NRS have been modified/ deleted/ incorporated doing away with stipulation of taking prior approval in change of control cases and incorporating procedure for taking change of name on record. Comparative table of existing and modified clauses of scheme document is enclosed as Annex-X.

For Pending cases of change of name/ control of successful bidders, Coal Company shall issue a notice for compliance with conditions similar to Annexure C of above mentioned letter dtd. 18.03.2020. After issuance of such notice the compliance is to be done within three months from the succeeding month in which notice is issued or before signing of FSA, whichever is earlier, as per extant guidelines and practice in vogue. Procedure and timeline in such cases shall remain same as dealt in the modified clause relating to change of name.

Consequent to taking change of name on record, Coal Company shall inform Service Provider for effecting change in name of such registered bidder.

Yours faithfully,

Encl: as above.

  
GM (M&S/QC)

Copy to:

GM (Legal) CIL  
HOD (M&S/Operations), CIL  
HOD(M&S/Comml.), CIL  
TS to D(M), CIL.



Comparative table of existing and proposed modified clauses	
Existing	Modified
<b>Scheme Document - Non Regulated Sector linkage Auction – various tranches/ sub sectors</b>	
<b>5.2 Change in Control and transfer</b>  <b>5.2.1 Change in Control or transfer subsequent to determination of Successful Bidder</b> Change in Control of the Successful Bidder and/ or any transfer of the Specified End Use Plant along with the rights in relation to the Allocated Quantity shall be permissible with prior approval of the relevant Subsidiary if:  (a) such change in Control does not result in the Successful Bidder becoming noncompliant with any of the Eligibility Conditions or the transferee of the Specified End Use Plant along with the rights in relation to the Allocated Quantity continues to satisfy all of the Eligibility Conditions; and  (b) such change in Control and/ or transfer occurs in accordance with Applicable Law and the conditions for transfer and/ or assignment contained in the Agreement.  <b>5.2.2 Change in Control prior to determination of Successful Bidder</b>  5.2.2.1 Upon submission of the documents and payments relating to the Conditions to Auction but prior to determination of the Successful Bidder, no change in Control of a Bidder Scheme Document for coking coal for steel sub-sector Page 27 of 65 shall be permitted without the prior approval of CIL.  5.2.2.2 CIL shall grant such approval only if such change in Control does not result in the Bidder becoming non-compliant with any of the Eligibility Conditions.  5.2.2.3 The Bidder acknowledges and agrees that in the event of a change in Control of a Bidder during the auction process until the determination of the Successful Bidder, the Bidder would be deemed to have knowledge of the same and shall be required to inform CIL forthwith along with all	<b>5.2 Change of name</b>  <b>5.2.1 Change in name subsequent to determination of Successful Bidder</b> Any Change of name of the Successful bidder, with or without change in control shall be taken on record provided that the nature of Specified End Use Plant and its location remains unaltered/ unchanged and new Successful bidder complies the eligibility conditions as per Scheme Document.  <u>Explanation</u> – For the purpose of Clause 5.2, change of name means any change in the names of the parties who are successful bidders.  <b>5.2.1 Procedure &amp; timeline</b> a) Where change in name of Successful bidder is for a -  (i) Company registered under the Companies Act, 2013,  (ii) Company registered under the Companies Act, 2013, and the change of name of Successful bidder is consequent to sale of Specified End Use Plant to a Company registered under Companies Act, 2013,  (iii) partnership firm or individual who is owner of sole proprietorship and consequent change of name is due to sale of Specified End Use Plant to a partnership firm or sole proprietorship or vice versa,  (iv) Company registered under the Companies Act, 2013, and the change of name of Successful bidder is consequent to sale of Specified End Use Plant to a partnership firm or sole proprietorship or vice versa,  (v) Company registered under the Companies Act, 2013 and the change of name is on account of inter alia amalgamation, merger,



<p>relevant particulars about the same.</p>	<p>demerger, takeover</p> <p>(vi) consequent to any event not covered under clauses (a),(b),(c),(d) &amp; (e) of 5.2.1</p> <p>the Successful bidder (new name) shall intimate the Seller about change of name within the stipulated time for execution of FSA as per the Scheme document.</p> <p>b) The Successful bidder (new entity) while intimating the Seller shall submit the following documents, in case of: -</p> <p>a (i) above- Certificate of Incorporation</p> <p>a(ii) above - Instrument evidencing sale of Specified End Use Plant/ sale deed and Board Resolutions of both the companies (vendor and Vendee of Specified EUP)</p> <p>a(iii) above Instrument evidencing sale of Specified End Use Plant/ sale deed and declaration from all partners/ sole proprietor regarding the sale of Specified end use plant from the Vendor and Vendee of Specified EUP</p> <p>a(iv) above - Instrument evidencing sale of Specified End Use Plant/ sale deed and declaration regarding the sale of Specified end use plant from the partners of partnership firm or from the sole proprietor and the Board resolutions of the company as the case may be.</p> <p>a(v) above- approval of the amalgamation, merger, demerger, takeover by the court/tribunal of competent jurisdiction; wherever applicable</p> <p>a(vi) above - relevant document</p> <p>ii. PAN</p>
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	<p>iii. GSTIN</p> <p>iv. TAN as applicable</p> <p>v. Details of bank account</p> <p>vi. Amended Bank Guarantee or any relevant financial instrument</p> <p>c) The Successful bidder (new entity) shall provide any further documents/details as may be sought by the Seller.</p> <p>d) In the event of change of ownership of the plant or change of control necessitating a change of name and the Successful bidder fails to intimate about the change of name within the stipulated time for execution of FSA as per the Scheme document, the Seller shall be entitled to cancel the bid, LOI if issued and forfeit the bid security.</p> <p>e) Seller on acceptance of such change of name shall issue an acceptance letter. A copy of acceptance letter duly acknowledged by Successful bidder' authorized signatory shall be treated as part of LOI and deemed modification of change of name in LOI.</p> <p>f) Non acceptance of the change of name of the Successful bidder by the Seller or any violation of the above provisions shall entitle the Seller to cancel the LOI with forfeiture of Bid Security. The reason for non-acceptance of change of name shall be communicated to the Successful bidder by the Seller before effecting forfeiture of Bid Security.</p> <p>g) Consequent to taking change of name on record, coal company shall inform service provider for effecting change in name of such registered bidder.</p> <p><b>5.2.2 Change of name prior to determination of Successful Bidder</b></p> <p>a) The prospective bidder shall submit a declaration to the service provider in advance in case there is a possibility of change in name, for</p>
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<p><b>5.2.3 Consequences of default</b> Any change in Control of the Successful Bidder and/ or any transfer of the Specified End Use Plant along with the rights in relation to the Allocated Quantity which is not in conformity with this Scheme Document or Applicable Laws shall be deemed to be void ab-initio. CIL or the relevant Subsidiary, as the case may be, may in such situations, in its sole discretion, appropriate the Bid Security, Performance Security and/ or the Process Fee, disqualify the Bidder, terminate the Agreement and/ or cancel the LOI and allocations, as the case may be.</p> <p>9.4 (d) (Additional clause)</p> <p>9.6 (Additional clause)</p>	<p>whatsoever reason, in near future. However, he can participate in the auction in the already registered name i.e. old name.</p> <p>b) On being declared as successful bidder, provisions at 5.2.1 shall be complied in case of change of name.</p> <p><b>5.2.3 Consequences of default - Not in use</b></p> <p>9.4 (d) In case prospective/ Successful Bidder does not provide information as per clause 9.6</p> <p>9.6 Prospective/ successful bidders shall be required to inform pendency/ outcome of IBC proceedings, if any, through relevant Board resolutions/ intimation by Company Secretary/ self declaration by proprietors/ partners (in case of proprietorship/ partnership firm). In case of non-intimation about referral/ commencement of IBC proceedings before NCLT/ Debt Recovery Tribunal (DRT), as it be, by the bidder to the seller prior to participation in the bid process or signing of FSA, as the case may be, the bid security submitted by the bidder would be forfeited in case such a lapse comes to the knowledge of seller. FSA shall be signed only if the matter is resolved favorably by NCLT/ DRT.</p>
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