

Sub :-E-Auction Procedure.

The following e-auction procedure concerning the extracted ore lying in the State, as laid down by Government of Goa is hereby published for information of the public:

1. The E-auction is conducted as per the directives of Hon'ble Supreme Court in Writ Petition © 435 of 2012.
2. The material that is being Auctioned is on as and where is basis.
3. The Government reserves right to change the procedure for e-auction, the quantity proposed to be auctioned or any issue concerning e-auction without giving any reason.
4. The object of the e-auction is to ensure that the state earns the highest revenue in the disposal of the ore.
5. The ore purchased from e-auction could be utilised for sale, domestic consumption or can be exported.
6. The State Government reserves the Right to entertain higher offer and call upon highest bidder in the auction to match such higher offer in the interest of the Revenue.
7. In case Iron ore remains unsold in the auction, it will be offered in the subsequent e-auction by revising the base price as per the formula for fixation of base price. This process will continue till ore is sold in the bidding process.

8. Periodicity of E-Auction: E-Auction to be held once a week (any working day of the week).
9. All payments like VAT (in case of domestic sale), Ad valorem 10% Royalty, Cess, etc shall be paid by the successful bidder before actually lifting the material . Proof of its end use, such as export/domestic consumption is to be produced by such bidder. Appropriate NOC etc shall be required to be filed by such bidder with Director of Mines and Geology as documentary evidence thereof.

10. **Enrolment of bidders:**

- The details procedure of enrollment of bidder is already published and same is not reproduced herewith to avoid repetition.
- It is hereby clarified that the EMD also includes processing fee of 1% and no separate processing fee is to be paid.
- The EMD allows the registered bidder to continue in the entire e-auction period till all the stocks are exhausted or till he wishes to discontinue from e-auction.
- EMD also includes registration fee for registration as bidder as such till the EMD is paid, the Application shall be treated as incomplete for all purposes.
- The balance EMD excluding the non refundable processing fee of 1%, shall be refunded on completion of E-Auction

process or at any time if the bidder wants to D-register. Upon request for D-registration or completion of E-Auction process, EMD shall be refunded within a period of 30 days without interest thereupon.

- Enrolment can be done at any time; however for participation in E-Auction prospective bidder has to enroll at least 5 days in advance of the date of auction of notice.

11. Base Price: The base price shall be as declared by State Govt. The base price can be varied or changed by the State Govt. any time but at least 24 hrs before the commencement of E-Auction and the same shall be intimated to the prospective bidder through the website/platform. The base price shall be intimated in relation to grade of ore and the place where the ore is stored, i.e. the same grade of ore at different locations may have different base price.

12. Quantity of Ore: The stack wise quantity of ore shall be listed on the website of the department with details of near to approximate quantity and grade and location details.

13. The grade of ore shall be declared as per the grade given by the lease holder/person claiming the stack ore. In case

of unclaimed or ceased ore, the grade shall be verified by DMG. The DMG shall use recognized/authorized agencies by MOEF or other Govt. authorities for the purpose. In any event, it shall be the declared grade and the registered bidders shall be permitted to lift max 12 samples of not more than 100 grams each as per the location as per the choice of registered bidder. Inspection/ samples of ore for at least for a period of 8 days and participating in bid and correctness of grade shall be the responsibility of the bidder. Grade of the ore as declared by the leaseholder/authorised person will be accepted for declaration; only if it was declared before the decision of the Hon'ble Supreme Court; all other cases the same procedure as in case of ceased ore will apply.

14. All E- auctions shall be in Indian Rupees per ton (and not based on lots) and shall exclude Royalty, taxes, E-Auction service charges and other Govt. taxes and fees if any.

15. **Lot Size:**

- Lots shall be preferably of 50000 Metric Tons. However, smaller lots if available shall be offered in quantities as they are available.
- The bidders shall be permitted to bid in multiples/units of 10,000 MT or the lot size. In case

one lot has more than one bidder due to partial bidding the allotment priority for lifting the material shall be issued first to one who has the largest quantity offer that has been accepted.

- In situation not foreseen or any kind of difficulty that arises the decision of Director of Mines and Geology shall be final.
- In all such multiple bids the time period granted for each one of them for lifting of material will be half the time granted to singular bid auction and will be one followed by the next.
- There shall be no right to a bidder for claiming any specific part of lot auctioned. Choice of bidder will be considered for actual lifting. However the decision of Director of Mines & Geology shall be final.

16. **Declaration of E-Auction:-** Declaration of E-Auction shall be done through website of DMG, website of E-Auction platform and if need be by advertisement in at least two National newspapers circulated in Delhi, Kolkata and Mumbai. After declaration of auction, the E-Auction shall be concluded on the 12th day. From 2nd day till 10th day, the prospective bidder can take sampling. On 11th day, the base price shall be declared on the E-Auction platform. The name of highest bidder shall be declared on the day of conclusion

of E-Auction. On 12th day the auction shall be concluded, if the highest bid is accepted by the DMG/Government and communicated to the platform developer who will in turn communicate the same to the successful bidder. In case the bid offer is not accepted by the DMG/Government , the lot shall be disposed of as per the decision of the Government/DMG which shall be final.

17. Payment:

The successful bidder is required to deposit the auction price and other outgoings of the Govt. including the service charges for E-Auction. Payment of bid price shall be in two stages.

Stage I:

- 40% of bid amount shall be deposited within four bank working days after the declaration of the successful bidder in e-auction. Apart from 40% of the amount, the successful bidder has to also deposit 10% advalorem royalty and other taxes including service charges payable to the service provider of E-Auction. In case the successful bidder fails to deposit the amount, the EMD shall be forfeited in favour of Govt. In case the same bidder wishes to continue in E-Auction, he has to furnish fresh EMD inclusive of non-refundable fee of 1%

- The 2nd highest bidder shall be given liberty to match the price of price quoted by the successful bidder who failed to deposit 40 % in four days by another seven days. If he agrees to buy, 2nd highest bidder shall be allowed to lift the ore on same terms and conditions or else there shall be re-auction of the lot.

Stage II:

- The balance 60% of bid amount shall be deposited within 30 days from the date of declaration of E-Auction in favour of such bidder. In case the 60% balance amount is not deposited and a letter of extension of time is received from successful bidder within such period, the same may be granted by DMG subject to payment of simple interest payable @18% per annum upto maximum further period of 30 days. In case such 60% amount with interest is not deposited the EMD along with 40% deposit shall stand forfeited in favour of the Govt.

18. Lifting of Ore:

Upon payment of 100% amount with other deposits taxes and all other charges etc. the DMG shall issue a bulk sale, export or transit permit and shall facilitate lifting of cargo by electronically generated trip sheets on weigh bridges set up at the site. It shall be duty of successful bidder to lift the ore

within a period of 30 days which may be extended by DMG on request by such bidder by further period of maximum of 30 days.

The successful bidder shall pay jetty charges, loading charges etc. as auction is on as and where basis. The bidder should have access to internet etc. to participate in E-Auction and he shall be given a login and a password to participate in E-Auction. The transportation of ore shall be undertaken through registered Carriages (Trucks/Barges).

19. Bidding increments:

Bidding increments shall be @Rs. 20 per dry metric tons i.e minimum of 10 lakh rupees at a time taking lot of quantity of 50,000 tons.

Place: Panaji

Dated 28th January, 2014.

Sd/-
(Prasanna A. Acharya)
Director of Mines & Geology