

GOVERNMENT OF GOA
DIRECTORATE OF MINES & GEOLOGY

Sub :-E-Auction Procedure 2023 (28th e-auction)

The procedure for e-auctioning the extracted iron ore (herein after termed as ‘cargo’) lying at various locations in the State,

1. The iron ore (herein after termed as ‘cargo’) that is being auctioned is on as is where is basis lying on the jetties or within the erstwhile mining leases or on the plots other than jetties/erstwhile mining leases. The cargo that is being auctioned may be in the form of fines, lumps and ROM or a mixture of the same.
2. The e-auction will take place on MSTC platform.
3. It will be a single stage forward auction.
4. All payments shall be done on MSTC portal only. Only upon receipt of the confirmation from MSTC that all the payments have been received from the winning bidder, the said winning bidder will be declared as successful bidder by DMG
5. Only an end-user or an exporter is eligible to participate in the e-auction.
6. The cargo purchased in the e-auction by the end-user must be utilized for domestic consumption only. No intermediate sale is permitted.
7. The cargo won in the e-auction by the exporter shall be compulsorily exported. No intermediate sale is permitted.
8. The cargo won in the e-auction by the end-user cannot be diverted for export and vice versa.
9. The cargo won in the e-auction by an end-user or an exporter shall be transported from the primary location of e-auction within 90 days of declaration of winning bidder as the successful bidder by the DMG. However, this 90 days’ period doesn’t include the ‘no transportation’ period from 7th June to 2nd September.

10. The end-user who won the cargo in the e-auction on any location shall transport the cargo by taking transit permit from the DMG within 90 days from the date of declaration of winning bidder as successful bidder by the DMG.
11. If the cargo won by the exporter in the e-auction is within the erstwhile mining lease or on the plots, then same shall be transported to another location of the exporter within 90 days of declaration of exporter as the successful bidder. However, in case the cargo won by the exporter is at the jetty point then the exporter shall transport the said cargo either exporting it directly or transporting it to another location within 90 days of declaration of the exporter as successful bidder. If the exporter wants to directly export from the jetty point, then the exporter is only eligible for export permit from DMG and such an export shall be done by the exporter within 90 days of declaration as successful bidder. If the exporter who is the successful bidder wants to shift the cargo to another location, then the exporter shall take transit permit from DMG and transport the cargo within 90 days of declaration of the exporter as successful bidder.
12. In case of ROM, screening and processing at the place of e-auction lot is not permitted. The successful bidder shall transport the ROM from the e-auction plot location within 90 days of declaration of winning bidder as successful bidder. After transportation of ROM to his/her own location, the successful bidder may do screening and processing of ROM by taking all necessary approvals as may be required from the competent authorities.
13. The cargo proposed for e-auction will be in the form of lots along with lump sum base price (herein after called as 'the base price') is available MSTC portal. Each lot may have different stacks with indicative quantity and Fe grade as available in the records of DMG as declared by the erstwhile lessees. All the stacks at one location are clubbed as one lot. The base price and Fe grade of each lot is estimated based on Average Sale Price of IBM. The DMG shall not take the responsibility of quantity and quality of cargo of any lot or any stack within the lot. It shall be the responsibility of the bidder to visit the location of the cargo and make own assessment of quantity and quality of the cargo put for auction. The interested bidders shall be permitted to visit the location of cargo and is allowed to take not more than one sample of 100 grams each from each

stack within the lot in the presence of officials of DMG. For instance, if a lot has 5 stacks, then the interested bidder is allowed to take one sample of 100 gm each from the 5 stacks in that lot. The last date for visiting the location of cargo and taking sample is given in the bid schedule at the end of this document. Any interested bidder purchases this document after the last date for visiting the location of cargo and taking sample, then he/she is not entitled to visit the location of the cargo and take sample.

14. In case the quantity of cargo in the auctioned lot won by the successful bidder is more than the quantity indicated in the Annexure-1 then the successful bidder is entitled to transport the cargo only to the extent the quantity put for the bid and no additional quantity shall be allotted to the successful bidder. In case the quantity of cargo in the auctioned lot won by the successful bidder is less than the quantity put for the bid as per Annexure-1 then the successful bidder is neither entitled for any refund of bid amount towards shortage in quantity nor is entitled for some other cargo from another location.
15. The auction will take place on MSTC platform. The interested bidders need to register with MSTC to participate in the auction. The process will comprise single stage forward auction with the base price for each lot as indicated in the Annexure-1. The initial auction window will be of two hours, beyond which there will be an incremental provision of 8 minutes if the time lag between two bids is less than 8 minutes. Minimum increment allowed in the bid is Rs.1000 or multiples thereof. For instance, if the lump sum base price is Rs. 50,000 the next bid may be increased to Rs. 51,000; Rs. 52,000 and so on. The bid schedule will be declared on MSTC portal.
16. For participation in the auction the interested bidder shall register on MSTC portal.
17. The interested bidders need to make payment of pre-bid EMD, which is 2% of the bid value (i.e. base price) for each lot. The date on which the auction of each lot is completed is considered as the auction conclusion date for that particular lot. The pre-bid EMD of all the unsuccessful bidders will be refunded. The winning bidder need to pay post-bid EMD of 25% of the bid value (i.e. the highest bid price quoted by the winning bidder in the e-auction) within 48 hours of conclusion of e-auction (the 48-hour period shall exclude bank holidays). The entire amount of bid value along with

royalty, GST etc. shall be paid within 30 days of the auction conclusion date for each lot.

18. An illustrative example of making payment by the winning bidder is as follows.
(Say quantity 1000 tonnes)

1. Winning bid value (say)	: Rs. 1,00,000
2. SGST 9%	: Rs. 9,000
3. CGST 9%	: Rs. 9,000
(In case of IGST 18% : Rs. 18,000)	
4. Royalty 15%	: Rs. 15,000
5. Total invoice value (1+2+3+4)	: Rs. 1,33,000
6. TCS on invoice value (1%)	: Rs. 1,330
7. TCS on Royalty (2%)	: Rs. 300
8. Processing fees (Rs.1 per ton)	: Rs. 1,000
9. MSTC service charges (0.2%) of sale value	: Rs. 200
10. 18% IGST on Sl. No. 9	: Rs. 36

(Tax rates are indicative subject to change if any)

Total amount payable to DMG (5+6+7+8+9): Rs. 1,35,866

All the above payment is to be done on MSTC portal only. (In each case, payment in respect of 4, 6, 8, 9 and 10 will be worked out by DMG and informed to MSTC).

19. In case the winning bidder fails to pay the post-bid EMD within 48 hours then the pre-bid EMD of the winning bidder stands forfeited.
20. Upon making payment of post-bid EMD, if the winning bidder fails to make the full payment within 30 days of the auction conclusion date for each lot then the post-bid EMD of the winning bidder shall stand automatically forfeited without any further notice to the winning bidder in this regard.
21. The winning bidder will be declared as successful bidder by the DMG upon receipt of confirmation from MSTC to DMG that the winning bidder has made the payment of

100% amount including taxes. The intimation regarding successful bidder will be sent to the winning bidder by e-mail by the DMG for lifting of the cargo within 90 days indicating the last date for lifting the cargo. In case the 90th day is a Saturday or Sunday or any other public holiday then the next Government working day will be considered as the last day for lifting the cargo.

22. In case the successful bidder fails to lift the cargo from the erstwhile mining lease or plot or from the jetty point within 90 days' of declaration of the winning bidder as the successful bidder by the DMG then both the cargo and the entire amount paid to the DMG stands forfeited without any further notice to be given by the DMG to the successful bidder for the same.
23. Any deviation in the e-auction procedure before the conclusion of e-auction process shall require prior approval of the Government, which shall be notified to all the interested bidders through the MSTC portal.
24. The Government reserves the right to notify any deviation/changes in the auction procedure suo-moto without giving any reasons.
25. No deviation in the e-auction procedure shall be considered after conclusion of the e-auction process, save in unforeseen circumstances like act of God, flood, pandemic, earth quake etc. Any change in duty/tax structure or price fluctuations in the domestic and/or international market shall not be considered as unforeseen circumstance.
26. The decision of the Government with regard to the treatment during unforeseen circumstances shall be final and binding on the successful bidder.
27. The Government reserves the right to annul the entire auction process at any point of time without assigning any reason and in such an event the interested bidders cannot claim any amount of whatsoever towards expenditure incurred by them if any.

Auction Schedule

1. Last date for site visit for self-assessment of quantity and quality of cargo and taking sample: **2-5-2023**
2. Lot-wise auction schedule: 9th May onwards (schedule will be given separately)