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Subject: E-auction Policy for Dump Handling in the State of Goa

The Policy for E-auctioning of Mining Dumps lying at various locations in the State, formulated in terms of clause 5.1 of the Policy for Regulating Iron Ore Dump Handling in the State of Goa dated 14/09/2023, is as under:

1. The Dumps that are being auctioned are on as is where is basis.
2. The persons/entities interested in participating in the e-auction should be registered under the Goa (Prevention of Illegal Mining, Storage and Transportation of Minerals) Rules, 2013 and should be in possession of a State License granted under sub rule (2) of rule (6A) of the said Rules, 2013. Further, the person participating should be an Exporter or an End User. If the Successful Bidder is an Exporter, then he will be permitted to export or sell the ore recovered from dumps to other Exporters or End Users for captive consumption. The subsequent Exporters will be permitted to export or sell the ore further only to End Users for captive consumption. If the Successful Bidder is an End User, then he will be permitted to sell the ore to other End Users. The subsequent End Users should use the ore for captive consumption. The persons/entities interested in participating in the e-auction should pay an amount of ₹1 lakh towards the purchase of '**Tender Document**' containing the details of the mining dumps put for e-auction.
3. The Bidders should have a Net Worth as specified in the Tender Document and should submit a certificate thereto, which should be duly certified by Statutory Auditors along with Income Tax Returns and annual Balance Sheet both for last 3 years.
4. The Bidders who comply with the conditions spelt out in the Tender document shall be declared as '**Technically Qualified Bidders**'.
5. The Bidders should make payment towards processing fees and EMD as specified in the Tender Document. The EMD of all the Bidders who were not declared as Technically Qualified Bidders will be refunded without interest. The EMD of the Successful Bidder will be adjusted

against the Upfront Payment. The highest bidder shall be declared as the Successful Bidder. The Successful Bidder should submit a Bank Guarantee at the rate of ₹ 5 per metric tonne of tendered quantity, within 07 days of being declared as the Successful Bidder. In the event of failure to make the Upfront Payment, the Bank Guarantee will be encashed. Bank Guarantee will be refunded once the Upfront Payment is effected.

6. The Successful Bidder should obtain all the necessary approvals/permissions/clearances from all the concerned authorities within a period of 180 days or within such extended period as may be permitted by the Director of Mines and Geology (DMG) from the date he was declared as the Successful Bidder. The Successful Bidder shall start the dump handling as per law thereon and clear the dump within a period of two years from the date of grant of permission from the DMG or within such extended time as may be permitted by the DMG on case to case basis. The period of two years excludes the period specified for obtaining approvals/permissions/clearances. If the Successful Bidder fails to clear the dump within the extended time, then the State Government will decide such matters on case to case basis including the need to forfeit the Upfront Payment. The Successful Bidder should comply with all the relevant environmental protection laws.
7. Screening/crushing/beneficiation of dump at the primary location will be permitted subject to the condition that the Successful Bidder should take all the necessary approvals as may be required from the DMG and other competent authorities before actually undertaking Screening/crushing/beneficiation at its own risk and responsibility. After Screening/crushing/beneficiation the Successful Bidder should report to the DMG the quantity and type of processed ore for taking its stock on Bhumija portal for issuing permits. The DMG, if required, may arrange for inspection of the stocks.
8. The Successful Bidder should prepare and submit to the DMG within a period of 180 days from the date he was declared a Successful Bidder or within such extended period as may be permitted by the DMG, a proper plan of handling dump, which should include the manner in which the dump will be processed and transported and should also include details of disposal of waste material generated in the process.
9. The Government will not be responsible for any dispute between the Successful Bidder, the landowners and/or any other party. The Successful Bidder should indemnify the Government to that extent by submitting an Indemnity Bond on a Stamp Paper of ₹100 to the DMG.
10. The State Government may decide the land rate for payment of any dues to the surface right holder by the Successful Bidder.



11. The 'Reserve Price' will be 22%. The 'Bid Percentage' will be the highest percentage quoted by the Successful Bidder above the Reserve Price. The Premium payable by the Successful Bidder shall be the Bid percentage of the ASP published by the IBM on the actual grade of the ore recovered and shall be determined as on the date of dispatch of the ore.

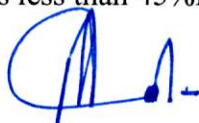
Example: If the Bid Percentage is 30% and dump quantity dispatched is 1,000 metric tonnes of fines of grade 45% to 51% Fe, in the month of August 2024, then the Premium to be effected will be as below;

1,000 metric tonnes x 30% of ₹689 (ASP for fines of grade 45% to 51% Fe available for August 2024 for Goa State) = ₹ 2,06,700.

Explanation 1: For the purpose of calculation of Premium, the latest ASP rate published for the State by the IBM, for a particular type and grade of mineral, available during the time of dispatches, shall be considered, and if not available, then the latest all India rate for the particular type and grade shall be considered. Upon publication of the ASP for the State for the month in which the dump is dispatched, the Successful Bidder shall pay the differential amounts towards Premium, failing which, all India rate for the month of dispatches shall be considered.

Explanation 2: If the grade of the dispatched mineral is below 45% Fe then the Premium shall be payable on the latest ASP rate published for the State by the IBM, available during the time of dispatches, for the type and grade 45% to 51% Fe, and if not available, then the latest all India rate for the type and grade 45% to 51% Fe, shall be considered. Upon publication of the ASP for the State for the month in which the dump is dispatched, the Successful Bidder shall pay the differential amounts towards Premium, failing which, all India rate for the type and grade 45% to 51% Fe for the month of dispatches, shall be considered.

12. When the grade of the tendered quantity of the dump assessed by the DMG and specified in the Tender Document is equal to or more than 45%Fe, then the Successful Bidder should make an Upfront Payment towards 25% of such tendered quantity, within 30 days from issuance of permission by DMG to start the operations or before the actual sale, whichever is earlier, based on the Bid Percentage quoted by the Successful Bidder on the ASP published by the IBM available for the State during the time of making the payment, for lumps or fines, whichever is higher and for such grade of dump assessed. If the ASP is not available for the State then the all India rate for lumps or fines, whichever is higher, will be considered. When the grade of the tendered quantity of the dump assessed by the DMG and specified in the Tender Document is less than 45%Fe then the Successful Bidder should make Upfront



Payment towards 20% of the tendered quantity based on the Bid Percentage quoted by the Successful Bidder on the ASP published by the IBM available for the State during the time of making the payment, for lumps or fines, whichever is higher, for the grade 45% to below 51% Fe. If the ASP is not available for the State then the all India rate for lumps or fines, whichever is higher, will be considered. The Upfront Payment shall be adjusted against the Premium. If Upfront Payment is not made then the bid will be cancelled and the EMD will be forfeited.

Example 1: If the tendered quantity of dump is 1,00,000 metric tonnes with grade 50%Fe and the Bid Percentage offered by the Preferred Bidder over the Reserve Price (22%), is say 30%, then the Upfront Payment to be effected in the month of August 2024 will be as below;

25,000 metric tonnes x 30% of ₹689 (ASP for fines of grade 45% to 51% Fe available for August 2024 for Goa State) = ₹ 51,67,500.

Example 2: If the tendered quantity of dump is 1,00,000 metric tonnes with grade 43%Fe and the Bid Percentage offered by the Preferred Bidder over the Reserve Price (22%), is say 30%, then the Upfront Payment to be effected in the month of June 2024 will be as below;

20,000 metric tonnes x 30% of ₹895 (ASP for lumps of grade 45% to 51% Fe available for June 2024 for all India) = ₹ 53,70,000.

13. The Successful Bidder should install weighbridge near the dump and the dump handled should be weighed before its transportation from its primary location.
14. The waste material generated during the handling of dump should be the sole responsibility of the Successful Bidder.
15. Before dispatch the Successful Bidder should carry out the grade analysis of the quantity of ore to be dispatched from the primary location and submit the report to the DMG.
16. The DMG may carry out random analysis of the mineral to be dispatched, as and when required.
17. The area under the dumps and the area required by the Successful Bidder for processing and installing machinery, screening plants, weighbridges etc., should be geo-fenced by the DMG. Such geo-fenced area should be marked on the ground using pillars by the Successful Bidder.



18. The DMG will not be responsible for the quantity, quality and recovery of iron ore from the dump. It will be the responsibility of the Bidders to visit the location of the dump and make own assessment of quantity, quality and recovery of iron ore from the dump put for auction. The Bidders are permitted to visit the location of the dump and are allowed to take three samples of 10kg each from each dump. The Bidder by submission of its bid shall be deemed to have inspected the site and satisfied itself with respect to the quantity, quality and quantum of recovery of iron ore from the dump put for auction.
19. The Successful Bidder should file Monthly Returns/Annual Returns in Form-L and Form-M as prescribed under the MCDR, 2017.
20. The Successful Bidder should engage services of persons qualified in mining engineering for handling the dumps.
21. The Successful Bidder should pay on saleable ore dispatched, Premium, Royalty, DMF, GIOPF, NMET and all other statutory dues. The Royalty, DMF, GIOPF and NMET shall be payable in the same manner as specified in rule 40 of the Minerals (Other than Atomic and Hydrocarbons Energy Minerals) Concession Rules,2016.
22. The Government reserves the right to specify any deviation/changes in the auction procedure suo-moto without giving any reasons.
23. No deviation in the e-auction procedure will be considered after conclusion of the e- auction process, save in unforeseen circumstances like act of God, flood, pandemic, earthquake etc. Any change in duty/tax structure or price fluctuations in the domestic and/or international market will not be considered as unforeseen circumstance.
24. The decision of the State Government with regard to the course of action to be taken/ treatment during unforeseen circumstances will be final and binding on the Successful Bidder.
25. The State 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 parties cannot claim any amount of whatsoever towards expenditure incurred by them if any.
26. The Successful Bidder should ensure that during handling/removal of dumps he shall take all safety measures and work the dump in a scientific manner. He shall take all care and precaution to prevent any threat to life from sliding of dump etc. He should take measures to prevent run-off from the dump, siltation and pollution of fields and rivers, estuaries and marshes, and overall degradation of the surrounding environment.



27. The quantity of dumps to be dispatched will be in accordance with the upper cap/limit prescribed by the Hon'ble Supreme Court of India and as contained at clause 5.12 of the Policy for Regulating Iron Ore Dump Handling in the State of Goa dated 14/09/2023. The quantity to be dispatched for a particular period by each Successful Bidder will be decided by the DMG.
28. The Successful Bidder should obtain permission from the forest department where the dumps are situated in notified forest areas. For usage of existing forest roads, necessary fees shall be paid to the forest department in view of the notification No.2-1-2011/FOR/105 dated 29/04/2020 as amended from time to time and any other permission/fees, as decided by the Forest Department.
29. If any dump is situated/falling in Eco-Sensitive Areas, then the same should be dealt as per the environmental rules and regulations.
30. The State Government may take appropriate decision on any issue which is not specifically covered under this policy on a case to case basis.



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