

## **ADVANCE e-AUCTION NOTICE**

The Iron Ore as mentioned in the e-auction schedule is available for sale through online advance e-auction process.

The physical location of the lot is indicated by markers of suitable type and they are only indicative and not geometrical.

The bid value quoted shall be the basic price in Rupees per WMT (Wet Metric Ton) for the mineral. Royalty, Forest Development Tax, Sales tax, Cess and other statutory duties and levies etc. applicable at the time of supplies will be extra and payable by the successful bidder.

1. **Eligibility:** The e-auction is for registered Steel Plants, Pig Iron Plants, Pelletisation Plant, Sponge Iron Plants and Beneficiation Plants who have been wholly/partly dependent on the iron ore from Karnataka for their own use. No middlemen/traders are eligible to participate in the e-auction and no exports will be permissible.

2. Customers intending to participate in the Advance e-Auction would be required to submit the following to M/S MSTC Ltd. The last date and time of submission of EMD and e-Auction documents is as mentioned in clause No. 3 below.

i) **Earnest Money Deposit(EMD): Non-interest bearing EMD, of Rs.5,00,000/- (RS. FIVE LAKH) per LOT of 4000 WMT**, to be submitted in the form of Demand Draft drawn on any Scheduled commercial/Nationalized bank in favour of 'MONITORING COMMITTEE' payable at BANGALORE. The EMD against the respective lots has to be paid before bidding. Bidders interested in participating for more than one lot need to submit EMD for the total number of lots they intend to participate in.

ii) Online auction notice duly signed and stamped on every page.

iii) A letter of interest duly signed and stamped. Annexure A

iv) Terms and Conditions of sales through Advance e-Auction signed and stamped on every page. Annexure B

v) Affidavit on a non judicial stamp paper of Rs.100/-, in the prescribed format (Annexure-C), that the products would be used only by the domestic end-user.

vi) General Rules & Regulations governing conduct of online auctions on the service provider platform signed and stamped on every page. Annexure D

vii) Valid Central/State Sales Tax registration certificate.

viii) Proof of ownership of Steel/Pig iron/Sponge iron/Pelletisation Plant issued by appropriate authority.

ix) Proof of authority to sign the tender documents and the affidavit.

x) Registration of End Users of mineral as per Rules framed under Sec 23 (c) of MMDR Act 1957 to be furnished.

xi) Approval letter from Monitoring Committee for participation in Iron Ore e-auction.

NOTE: It is the responsibility of the willing parties who have submitted documents expressing interest to participate in the particular e-Auction, to go through the requirements and submit all documents as per conditions mentioned in this auction document. Hence the parties are advised to carefully go through the requirements of this auction document and submit all relevant information. Any deviation to the requirements of this auction document (lack of information etc) will be construed as Conditional and measures as decided by Monitoring Committee will be applicable. The decision of Monitoring Committee in this regard will be final and binding on the bidder.

3. Last date of submission of EMD and e-auction documents is up to **10.00 AM for auction scheduled at 11.00 AM and 02.00 PM for auction scheduled at 03.00 PM, on or before the date of e-auction.**

4. Before actual participation, the bidders may obtain necessary help from MSTC Ltd so as to enable them to participate in the online auction process without any difficulty.

5. The successful bidder has to submit following documents in addition to the documents required in the contract.

- A) Affidavit on a non judicial stamp paper of Rs100/-, ensuring that the material purchased from the Monitoring Committee will be used in their own plant only (to be submitted to state Govt at the time of obtaining geological permit (Bulk Permit) in the format prescribed state authority).
- B) Copy of the monthly excise returns corresponding to the month in which supply is made to the successful bidder by MONITORING COMMITTEE.
- C) Copy of LR confirming the receipt of the material received at factory with inward register copy.

6. If for any reasons beyond the control of MONITORING COMMITTEE all the mineral offered through the advance online auction or part thereof cannot be delivered, the liability of MONITORING COMMITTEE will be limited only to refund of proportionate amount paid by the customer as applicable for the quantity not delivered.

7. The sale of mineral shall be governed by MONITORING COMMITTEE Terms and Conditions of sale through online auction and online auction notice- Annexure B.

8. MONITORING COMMITTEE reserves the right to withdraw from the sale after advertising or after issue of Acceptance Letter of any quantity of the material without assigning any reasons thereof to the customer. MONITORING COMMITTEE will not be responsible for any damages/loss what so ever to the customer on account of such withdrawal.

9. MONITORING COMMITTEE reserves the right to defer or prepone date for conduct of auction, through internet, mentioned in the notice for auction through internet at its sole discretion. Conditional bids will not be considered.

The e-auction will be conducted through the site <http://www.mstcecommerce.com>. Auction document containing terms and conditions of the auction may also be downloaded from <http://www.mstcindia.co.in>.

For registration and submission of documents please contact any of the numbers of M/s MSTC Ltd. as given below.

**KOLKATA:**

225-C, A.J.C. Bose Road, Kolkata-700020

Contact No.: (033) 2290-0964, 2287-7557 / 0568 / 77 16/9627/7568

**MUMBAI :**

607-608 Raheja Centre, Nariman Point, Mumbai-40002 1.

Contact No.: (022) 2288 6261 / 22823767 / 22872011 / 22822789.

(022) 2202 2296.

**NEW DELHI :**

30/3 1A Jeevan Vikas Building ,

1st Floor, Asaf Ali Road ( Opp. Hamdard) New Delhi- 110002.

Contact No.: (011) 23214201, 23213945.

**CHENNAI:**

Leelavati Building, 2nd Floor, 69 ,Armenian Street, Chennai-60000 1.

Contact No.: (044) 2521 9004, 2522 2842, and 2523 1584.

**BANGALORE:**

3<sup>rd</sup> Floor, Kareem Tower, 19/5 & 19/6, Cunningham Road, Bangalore-560052.

Contact No.: (080) 2226 0054, 22266417.

**VISAKHAPATNAM:**

6th Floor " Jeevan Prakash" LIC Building, Jeevitha Bima Road, Visakhapatnam-530004.

Contact No.: (0891) 274 6948, 270 1066.

**VADODARA:**

21, Kamalanjali Apartment, 2nd Floor, Opp. Tube Company, Old Padra Road, Akota,

Vadodara-390020.

Contact No.: (0265) 2339 672, 2310 629.

**THE e-AUCTION WILL BE DONE AS PER THE FOLLOWING  
METHODOLOGY:**

1. The price bidding would consist a single stage.

2.1. In this Stage of e-Auction, the bidders have to bid for the per WMT price and the number of units they want to book at that price with a maximum limit of Units for which bidders had provided Pre Bid EMD.

2.2. Methodology for the single stage online bidding is mentioned here under. The above is illustrated below for unit wise bidding. Assume that the total quantity available is 580 Units and customers bid for certain number of units at a certain price as illustrated in the following:

Bidder Bid Time (Hr: Min)	Bid	Quantity(no. of Units)	Bid Price (Rs/MT.)	Allocated (no. of units)
B	9.40	100	9500	100
F	9.39	200	9250	200
D	9.36	150	9250	150
A	9.32	100	9250	100
E	9.34	100	9250	30
C	9.30	300	9000	00

Explanation for the Allocation of Quantity

1 .Bidder B is the highest bidder @ Rs.9500/MT, hence the system allocates his bid number of units i.e, 100 units.

2. There are 4 bidders @ Rs.9250/MT.

3. Since bidder F's bid was for 200 units (Highest at Rs.9250/MT) the system allocates his bid quantity in full.

4. Bidder D's bid was for 150 units and since the quantity was still available at Rs.9250/MT, the software allocates bidder D 150 units.

5. Since bidder A placed his bid earlier than bidder E ie 9.32 Hrs hence the software gives first preference to Bidder A and allocates him the available quantity first.

6. After this allocation, since only 30 units are available the same is allocated to Bidder E.

7. Since, all the quantity is exhausted at higher bid price than Rs.9000/MT, therefore no units are allocated to Bidder C. If Bidder C wants to win any units then he/she has to place bid in terms of higher price or greater number of units.

So in summary, allocation/deallocation is carried out by the e-auction software on following basis:

**PHASE-I: RESIDUAL QUANTITY AVAILABLE & BOOKING AT FLOOR PRICE.**

**A:** Till the entire quantity is exhausted, the bidders can book their requirements at floor price, as long as the total booking quantity is less or equal to the offered quantity.

**B:** If the last bidder tries to book at floor price for a booking quantity more than the residual quantity, only the residual quantity will be allotted to him and the residue will become nil.

**PHASE-II: NO RESIDUE / PRICE INCREMENT / DE-ALLOCATION.**

In this phase the preference for allotment is given on the basis of higher price. The requirements of the bidders with higher prices are fulfilled by de-allocating the L1 bidders quantity.

**C: De-allocation on the basis of allotted quantity.**

If there is more than one bidder at L1 price with different allotted quantities, the first de-allocation takes place from the bidder whose allotted quantity is least. The de-allocation may take place from the allotted quantities of more than one bidders (in ascending order of allotted quantity), to fulfil the requirement of the bidder with higher booking price.

**D: De-allocation on the basis of booking time.**

In case of situation where the bidders at L1 price have equal allotments, the de-allocation takes place on the basis of booking time. De-allocation targets the bidder who has booked their quantity at last with reference to time. The allotments of the bidders, who submitted bids earlier, with reference to time, will be de-allocated later.

## Annexure – A

### LETTER OF INTEREST

To  
THE MONITORING COMMITTEE  
KHANIJA BHAVAN, RACE COURSE ROAD  
BANGALORE-560 001

THROUGH: M/S MSTC Ltd.

REF: e-Auction vide Auction Notice No: \_\_\_\_\_  
Dated: \_\_\_\_\_

Dear Sir,

(1) We \_\_\_\_\_ are interested in participating in the e-auction notified vide your notice under reference.

(2) We are hereby submitting EMD of Rs. \_\_\_\_\_ (Rupees \_\_\_\_\_ only) vide DD/PO. No. \_\_\_\_\_ dated \_\_\_\_\_ drawn on \_\_\_\_\_ (Bank) in favour of "MONITORING COMMITTEE" payable at BANGALORE for participating in the above mentioned Online auction as per the details below:-

Sl No	Earnest Deposit	Money	No of Lots Interested in (4000 WMT per lot)	Total EMD (Rs.)
1				

(3) We agree to abide by all the instructions contained in the above indicated Online auction notice, your terms and conditions of sales and General Rules and Regulation Governing conduct of online Auction on the Service provider's platform/ website.

(4) I/We understand that my/our bid in an e-selling event would be construed as my/our acceptance to the terms and Conditions of this sale, General Rules & Regulations governing the conduct of Online Auctions on the Service Provider Platform, Auction Notice. I/We understand that if our bid is accepted by the service provider, and approved by MONITORING COMMITTEE, I/We are obliged to complete the transaction and abide by all Terms & Conditions mentioned in this auction document.

(5) I/We agree that I/we have been provided training by service provider in order to participate in Online auction. I/We agree to update ourselves regarding any changes made to the catalogue from the website of the Service Provider/MONITORING COMMITTEE and bid accordingly.

(6) I/We request service provider to allot User-id and password to me/us and activate the same to participate in the above mentioned online auction.

(7) I/We agree that I/we shall change the password on receipt by me/us and keep it confidential. I/We agree that Service Provider and MONITORING COMMITTEE shall not be held responsible in any way for any losses that may be suffered by me /us as a result of disclosure of the password to any other person by me.

(8) I/We understand that my/our inability to participate in an e-selling event due to disruption of my /our internet services, or due to bandwidth problems with my/our local internet service providers are beyond the control of the Service Provider or MONITORING COMMITTEE.

(9) In the event of any failure on our part to comply with all or any of the Terms & conditions regarding the online auction, I/We irrevocably agree for the forfeiture of our security deposit and earnest money deposit whichever is applicable.

(10) I/ We also agree that MONITORING COMMITTEE is not bound to accept the highest or any bid or to assign any reason for such non-acceptance.

(11) I/We are providing the following details to you:-

**NAME & ADDRESS OF THE FIRM:**

- a) Name of the Contact Person on our behalf
- b) Our contact Telephone Nos
- c) Our contact FAX No
- d) Our contact e-mail Particulars
- e) Bank name
- g)Branch name
- h) Branch address
- i) Branch telephone no
- j)Account type
- k)Account no.
- l) No of lots for which EMD is submitted:
- m)Other documents required by MONITORING COMMITTEE. If any

Yours faithfully

Signature of Authorised Person  
(Name of the person signing)

Date:

For M/S \_\_\_\_\_

Place: (With Company's Seal)

## **Annexure-B**

### **MONITORING COMMITTEE DEPARTMENT OF GEOLOGY AND MINES KHANIJA BHAVAN, RACE COURSE ROAD BANGALORE- 650 001**

Invitation to advance e-auction for the sale of Iron ore, from Iron Ore Mines, as mentioned in the e-auction schedule.

MONITORING COMMITTEE intends to offer sale of Iron ore, by advance e-auction, on weekly delivery basis, as mentioned in the e-auction schedule, on terms and conditions/clauses mentioned herein below:

#### **1. Product & Indicative Specifications:**

1.1 Specifications of iron ore mentioned in the e-auction schedule are only indicative. The firms may satisfy themselves about the quality specifications of the product (Chemical and Physical) and acquaint themselves with other operational aspects relating to logistics etc. (without in any manner causing any hindrance to the operations of MONITORING COMMITTEE) before bidding.

1.2 Wherever the buyer is not satisfied with the grade etc. he will be at liberty to make a formal written complaint before the Monitoring Committee along with a fee of Rs.1 Lakh. After receiving the complaint from the buyer, the Convener, Monitoring Committee will get the representative sample (kept for the Monitoring Committee) analysed to determine the actual grade etc. and which will be binding on the Lease holder and the buyer. If the complaint made by the buyer is not found to be genuine, the amount of Rs.1 Lakh deposited by him will stand forfeited. Wherever the complaint is found to be genuine the amount deposited by him will be refunded.

1.2.1 After the re-analysis if the Fe grade reported by the Chemical Lab at DMG Bangalore is found to be differing with the one advised by NMDC by 0.5 and above the fee of Rs. 1 lac shall be refunded to the buyer. If found otherwise, the fee of Rs. 1 lac shall be forfeited. The Fe grading reported by the Chemical Lab at DMG's Office, Bangalore after the re-analysis, shall be advised to NMDC, who in turn, shall intimate the same along with the corresponding price to the buyer for information.

1.3 On the basis of weekly delivery schedule, four lots of Lumps & Fines each (viz. 1W, 2W, 3W & 4W) and three lots of Low Grade Fines (viz. 1W, 2W & 3W) are being put up for sale by advance e-auction, every month.

1.4 In advance e-auction notice the lot-wise details of the indicative grade, quantity, moisture content, percentage of under-sized lumps etc. will be provided along with the base pricing for Iron Ore of various grades with an interval of 0.1% Fe variation.

1.5 Normally the permissible moisture content will be between 4-6% in case of lumps and 6-8% in case of fines. Whenever, the moisture content is found to be more than the above limits, in such cases the Monitoring Committee may take appropriate decision for payment of modified sale price, if any.



1.6 A maximum of 10% undersize Lump (-10mm) in the lumps will be permissible. However, wherever the sampling is done at the "Transfer Stock Point", in such case the undersize (-10mm) in Lumps up to 12% will be permissible. Percentage of undersize (-10mm) in lump sample drawn at the time of loading in presence of the representative of the buyers, DMG and NMDC official shall be final. Whenever the undersize in lumps are found to be more than permissible limit, in such cases the fines prices of supplied grade (including suitable adjustment of premium obtained over floor price of lump in the e-auction) will be paid by the buyer for the % undersize (-10mm) present in the lump in excess of permissible limit. For example: if undersize is 15% and permissible limit is 10%, then buyer has to pay sale value of 5% of supplied quantity at the fines rate (including suitable adjustment of premium obtained over floor price of lump in the e-auction) of supplied Fe grade.

1.7 Representative samples from each lot supplied to the buyers will be drawn by M/s. NMDC Ltd and divided into three equal parts. One part will be used by M/s. NMDC Ltd to ascertain the grade, moisture content, percentage of under-size lumps etc. and based thereon the amount payable by the buyer will be decided. Second part will be given to the buyer and the third will be kept in sealed pack for further use of Monitoring Committee. The representative samples will be drawn from the stockpiles before supply. If the supply is being made directly the samples will be drawn at the "transfer stock point". The samples will be drawn in the presence of the authorized representatives of the concerned buyers and DMG.

1.7.1 NMDC will intimate the Fe grading and other relevant parameters to the buyer along with the corresponding price within 48 hours of the delivery of the lot into the rake. The buyer will have 48 hours time to raise dispute on the Fe grading, if any, as stated in 1.2 herein above from the time the buyer receives intimation from NMDC regarding Fe (%) grading and corresponding price.

2. **Quantity:** The quantity of iron ore as mentioned in the e-auction schedule is intended to be offered for disposal within the contractual period will be as mentioned below in clause No. 3. MONITORING COMMITTEE reserves the right to deliver or cancel any unexecuted quantity against the booking after expiry of the contract. The Quantity tolerance is +/- 10% at seller's option.

3. **Contract period:** The periods of contract for lots of various weekly delivery schedules are as given below. The period is reckoned from the date of advance e-auction.

<b>LOTS FOR VARIOUS WEEKLY DELIVERY SCHEDULE</b>	<b>PERIOD OF CONTRACT (FROM THE DATE OF E-AUCTION)</b>
<b>1W</b>	<b>13 DAYS</b>
<b>2W</b>	<b>20 DAYS</b>
<b>3W</b>	<b>27 DAYS</b>
<b>4W</b>	<b>34 DAYS</b>

The successful bidders have to lift the allocated quantity under this contract within the contractual period as mentioned above and delivery schedule as mentioned in clause No. 10. Time is the essence of the contract. The time period given is firm and fixed. Any extension of time may be granted in exceptional

circumstances at the sole discretion of the MONITORING COMMITTEE. This contract does not in any way grant the successful bidder any right to claim extension of time. The bidder shall acquaint himself with the local conditions and shall not complain on any issue later.

**4. Earnest Money Deposit (EMD): Non-interest bearing EMD, of Rs.5,00,000/- (RS. FIVE LAKH) per LOT of 4000 WMT,** to be submitted in the form of Demand Draft drawn on any Scheduled commercial/Nationalized bank in favour of 'MONITORING COMMITTEE' payable at BANGALORE. The EMD against the respective lots has to be paid before bidding. Bidders interested in participating for more than one lot need to submit EMD for the total number of lots they intend to participate in.

(ii) On receiving written request from the bidder, M/s. MSTC Ltd will refund the EMD amount to the unsuccessful bidders after the auction is completed.

**5. Bidding:** Intending buyers should give their offer lot wise only. Offer for part quantity will not be accepted. The bidders have to bid for the Per WMT price and the number of lots for which EMD has been deposited.

**6. Rate:** Best rate is to be quoted online on internet site <http://www.mstcecommerce.com> in Indian Rupees PER WMT. The rates shall be exclusive of royalty, sales tax, forest development tax (wherever applicable) and any other statutory duties, levies and taxes etc applicable at the time of supplies or that may be introduced in future will be extra and payable by the bidder. This rate should be valid for 7 (seven) working days from the date of online auction.

However, the final rate payable by the buyer will be equal to the floor price of the grade of the iron ore supplied plus an amount equal to the percentage by which the auction price quoted for the indicative grade is above the floor price of that grade. For example, if the indicative grade was 62% Fe, its floor price was Rs.3000/-, the accepted bid was Rs.3600/-, i.e., 20% above the floor price for the indicative grade and if the grade of the supplied material was 60% Fe with floor price of Rs.2800/-, in that case the price payable by the buyer would be Rs.2800/- + 20% of Rs.2800/-, i.e. Rs.2800/- + Rs.560, i.e. Rs.3360/-.

**7. Issuance of Acceptance Letter:**

A contract shall be deemed to have been concluded between successful bidder and MONITORING COMMITTEE upon issuance of Acceptance Letter by MONITORING COMMITTEE in writing. When a bid is accepted by MONITORING COMMITTEE, the successful bidder shall be notified by an "Acceptance letter which will be dispatched by post / courier / fax / email or handed over to the authorized representative of customer. This will indicate relevant details viz. description of goods, quantity, accepted rates and last date of making payments/ completing commercial formalities and other terms and conditions of supplies etc.

**8. Security Deposit (SD):** On issuance of Acceptance Letter by the Monitoring Committee, the EMD amounts, corresponding to the Nos. of lots allotted, paid by the successful bidder, will be automatically converted into Security Deposit. The security deposit will not carry any interest.

The Security deposit will be returned only after satisfactory performance of contract of sale upon written request from the successful bidder. In case, MONITORING COMMITTEE is held liable to pay any claims to outside agencies due to lack of diligence, skill or care in the performance of duties of the successful bidder, such claims will be recovered from the security deposit. If the amount of such claims exceeds the SD amount, the differential amount shall also be paid by the successful bidder.

The Security deposit will be forfeited in case successful bidder fails to comply with all or any of the Terms & conditions regarding the online auction or to lift allocated quantity within the contract period.

9. **PAYMENT:** Full payment, as per the Acceptance Letter issued by Monitoring Committee, shall be made for the entire allotted quantity in advance in the form of Demand Draft/RTGS as per the following schedule:

<b>LOTS FOR VARIOUS WEEKLY DELIVERY SCHEDULE</b>	<b>PAYMENT SCHEDULE (FROM THE DATE OF E-AUCTION)</b>
<b>1W</b>	WITHIN 3 DAYS
<b>2W</b>	WITHIN 7 DAYS
<b>3W</b>	WITHIN 14 DAYS
<b>4W</b>	WITHIN 21 DAYS

The advance amount shall include the bid value, royalty, sales tax, forest development tax (wherever applicable) and any other statutory duties, levies and taxes etc. In addition to the above, the Party has to deposit in cash @ Rs.100/- per tonne to meet the variance in royalty, or other taxes, which may arise in future.

Wherever the buyer has purchased more than one lot in the advance e-auction, in such case the amount payable by the buyer will be based on the weighted average of all the lots purchased by him.

All payments are to be made in the form of Demand Draft in favor of "MONITORING COMMITTEE" drawn on a Scheduled Commercial / Nationalized bank payable at Bangalore. Bank charges if applicable shall be borne by the successful bidder.

In case of failure of the buyer to deposit the sale price within the stipulated time (a) the SD will stand forfeited and (b) the iron ore will be put up for re-auction at the risk and cost of the buyer. The difference in the sale price, if any, will be payable by him. Till such payment is deposited by the buyer, he will not be eligible to participate in the e-auction/advance e-auction being conducted by the Monitoring Committee. The amount received on re-sale will be treated as part of the sale price and will be dealt with in accordance with the directions passed by the Hon'ble Supreme Court from time to time.

In the eventuality of buyers failing to lift entire quantity within the contract period as per clause No. 3, the advance amount equal to the value of the

unlifted quantity will be refunded to the buyer and the security deposit will be forfeited.

10. **Delivery:** The successful bidders should take the delivery of the mineral from Mine/stockyard as mentioned in Acceptance Letter. The delivery of the materials will be as per the following schedule:

<b>LOTS FOR VARIOUS WEEKLY DELIVERY SCHEDULE</b>	<b>DELIVERY SCHEDULE (FROM THE DATE OF E-AUCTION)</b>
<b>1W</b>	<b>8TH TO 14TH DAY</b>
<b>2W</b>	<b>15TH TO 21ST DAY</b>
<b>3W</b>	<b>22ND TO 28TH DAY</b>
<b>4W</b>	<b>29TH TO 35TH DAY</b>

The product will be weighed at the weighbridge provided at site or a designated place indicated by MONITORING COMMITTEE. The mineral will be loaded from the designated STOCKPILE, located at mines/stockyard as mentioned in Acceptance Letter at the buyer's cost (Loading Charges etc.,). The delivery of mineral as per the bulk permit issued shall be taken by the successful bidder and also according to delivery programme or any other instruction as per para 2 above given by MONITORING COMMITTEE from time to time. The party/ buyer has to ensure that all the applicable statutes are followed. Notwithstanding anything contained in this document MONITORING COMMITTEE is not in any way responsible for transportation or carting away of the mineral sold from stockpile.

The indents for railway racks will be placed by M/s. NMDC Ltd and for which the buyers will submit all the documents daily between 8am and 10 am. The documents received after 10am will be considered for placing the indents for the next date.

If due to some reason M/s. NMDC Ltd. is not able to deliver lot(s) of iron ore during the week in which these were to be delivered, in that case the delivery of the lot(s) will be made in subsequent week(s) and the payment schedule for the subsequent weeks may be modified accordingly.

The successful bidders should authorize one or two (maximum) persons for lifting of material from the designated mines/ stockyard. Such an authorization form as shown in **Annexure E** should be submitted (in the form of hard copy and soft copy) to the Monitoring Committee at the time of obtaining bulk permit.

At the time of delivery of mineral the authorized person should also carry the Identity Card issued by the company.

11. **Weightment:** MONITORING COMMITTEE shall arrange for weightment of the mineral by weighbridge at Mine Head / stockyard or at a designated weighbridge and the weight so determined shall be final for all-purposes including for payment.

**12. Requirement of equipments:** The successful bidder should have valid registration certificate for the equipments i.e. trucks/ tippers owned/ hired by him.

**13. Execution of Supplies:**

The successful bidder(s) should be in a position to undertake all the operations within the prescribed time limit. The lifting of mineral should be continuous and consistent so as to lift the entire offered quantity within the contract period. The failure to complete the lifting within prescribed time limit may result in termination of the contract without any notice to the successful bidder(s).

**14. Transferability of Contract:** The bidding firm cannot assign or transfer or sublet the contract or any part thereof to anyone else. They do not have the right or power to appoint any person(s) or firm(s) to perform the agreement on behalf of the bidding firm.

**15. Right to Terminate:** If the successful bidder fails to perform the contract as per terms and conditions as stipulated in our acceptance letter, MONITORING COMMITTEE reserves the right to terminate the contract with immediate effect and forfeit the Security deposit. Consequential losses and additional expenditure if any incurred by MONITORING COMMITTEE to carry on operations or for making alternative arrangement for the balance period of agreement would be to the account of the successful bidder. MONITORING COMMITTEE shall have the right to recover the losses / expenditures from the security deposit of the firm to

the extent possible. The successful bidder shall also replenish the amount paid if any, in addition to the amount recovered from the security deposit. In the event of irregularities/illegalities or violation of any acts or rules by the successful bidder the Monitoring Committee shall have unilateral right to terminate the contract without any prior notice to the bidder.

**16. General Conditions:**

(i) According to Rule 5(1) of The Karnataka (Prevention of illegal mining, transportation and storage of mineral) Rules, 2011, every industry within the State and outside the State, utilizing or intended to utilise minerals as raw materials from the State of Karnataka shall register with the Director of Mines and Geology Department. Every prospective/successful bidder should compulsorily get registered with the DMG and Indian Bureau of Mines (IBM). As per the Rule 5(4) every mineral based industry should file monthly returns.

(ii) The movement of the mineral shall be executed from the stockpile area during the hours as decided by the Monitoring Committee from time to time. The successful bidder shall be responsible for fulfilling all the statutory / legal requirements pertaining to the work, operation and movement of the mineral and acceptance of the tendered work is deemed that the bidder is well conversant with the applicable Rules, Regulations and Bye laws.

(iii) Successful bidders should take appropriate measures to prevent air pollution and avoid damage to Ecology and Environment in the operational/residential areas. The successful bidder shall keep MONITORING COMMITTEE indemnified against any claims/losses from anybody on this account.

(iv) All the persons employed in connection with fulfilling the contract shall be provided with necessary safety appliances like helmet, safety shoes, etc. by successful bidder.

(v) Successful bidder shall be responsible for the damages to the property of MONITORING COMMITTEE as well as to any third party in the course of contract period if caused due to negligent acts attributable to the successful bidder.

(vi) Successful bidders shall keep MONITORING COMMITTEE indemnified against all claims and liabilities arising out of and during contract period. MONITORING COMMITTEE shall not be responsible for any loss or damage incurred by the successful bidders during the course of contract period. Any claim arising out of any accident or injury to any person engaged by successful bidders under workmen compensation Act or any other act in this regard or any damages to the equipments or injuries to persons of the third party shall be the sole responsibility of the successful bidders.

(vii) The successful bidders shall comply with all the conditions of MONITORING COMMITTEE applicable to the subject work from time to time and shall abide by all prevailing Laws and Rules.

(viii) Statutory Requirements: The successful bidder shall comply with and shall be responsible for fulfilling all the provisions under the Workmen Compensation Act 1923, ID Act 1947, Contract Labour (R&A) Act 1970, PF Rules / or any other similar enactment laws / labour Laws / Rules, etc. in respect of all persons engaged by the successful bidders for contract period. The successful bidders shall indemnify MONITORING COMMITTEE and keep MONITORING COMMITTEE indemnified and harmless against all claims whatsoever in respect of the said personnel under the Workmen's Compensation Act 1923 or any other statutory modifications there of or otherwise in respect of any accident or injury sustained by any workmen or other person during the course of operation of work or any other liability shall be payable by the successful bidder and MONITORING COMMITTEE shall not in any way be responsible for the same. The bidder shall also comply with the provisions of the Contract Labour (Regulations and Abolition) Act, Provident Fund, Minimum wages Act etc. and Rules made there under from time to time by State / Central Govt. authorities.

(ix) The Monitoring Committee will have the liberty to prescribe appropriate terms and conditions including payments schedule, delivery schedule and quantity verification process.

### **17. Other Conditions:**

MONITORING COMMITTEE is not bound to accept the highest or any other bid or to assign any reason for such non-acceptance. MONITORING COMMITTEE's decision in this regard shall be final and binding on all the concerned.

1. Bidding documents are non-transferable.
2. Joint Bids will not be considered.
3. Successful bidder(s) should be in a position to undertake all the operations including commencement of lifting the minerals within the stipulated time. Any information on tie up of infrastructural facility found to be incorrect on subsequent verification shall be met with termination of contract, besides other legal remedies.

4. The bidders shall carefully examine the bid document, and other details relating to the work and acquaint themselves fully with all the conditions and matters which may in any way affect the work/contract.
5. The bidders shall be deemed to have obtained all information as to risks, responsibilities and other circumstances which might influence or affect their bids and the progress and performance of the contract and have taken into account all such conditions and matters that may affect the work / contract.
6. The bidders shall acquaint themselves with the local conditions and shall also at their option visit the site and its surroundings and carefully examine and satisfied themselves about the existing site conditions, availability of local facilities, means of transport, etc., and quote the rate, taking into consideration all such conditions and matters which may in any way affect the work/ contract.
7. The bidders shall be deemed to have acquainted themselves with all prevailing applicable Laws, Regulations, Taxes, Levies and other charges relating to the work / product.
8. Any negligence or omission or failure on the part of the bidding firm in obtaining necessary and reliable information upon the foregoing or any other matter affecting the bid shall not absolve them of any risk or liabilities or responsibilities for performance of contract.

**18. Title and Risk of loss, damages etc:** The title or ownership of the mineral sold shall continue to be with MONITORING COMMITTEE till MONITORING COMMITTEE realizes the entire value of the sold quantity. The Risk of the minerals sold shall stand passed on to the buyer on loading of the mineral onto rakes within the contract period / delivery period.

**19. Special Conditions:**

(i) Based on the bulk permit the successful bidder will obtain online trip sheet (mineral dispatch permit) at the mine head/ stockyard. For printing of online e-permits the lessee shall fully cooperate with the successful bidder by offering the computer and its accessories, weigh bridge and online e-permit system. In cases of non-cooperation by lessee or any technical difficulties resulting in non-printing of the e-permits, the matter should be immediately brought to the notice of the concerned Deputy Director, Mines & Geology and Monitoring Committee. In such an event alternate arrangements will be made wherever it is required, which will be binding upon the successful bidder to abide by.

It is in the interest of the successful bidder to follow up and obtain the permit from DMG with the help of the lessee in time in order to avoid forfeiture of Security Deposit.

(ii) Forest permit wherever required for transportation of mineral from the mine shall have to be obtained by the successful bidder from the Forest Department. On receipt of the bulk permit the concerned Deputy Conservator of Forest shall make arrangement for issue of Form 27 permits immediately and in any case within 24 hours of receipt of the bulk permit.

I/We have read and understood the conditions of the advance e-auction as detailed out above and as a token of my / our acceptance of the same without any alterations and modifications, I/We affix my/our signatures below:

**Authorized Signatory for tendering firm with seal and date**

**PLACE:**

**DATE:**

Witness 1. \_\_\_\_\_

Witness 2. \_\_\_\_\_



**Annexure – C**

**AFFIDAVIT**

I....., s/o..... , working as ..... with ..... (Name of the company) do solemnly affirm and state as follows:

1. That I am a bona-fide employee of the Company and am fully conversant with the activities and operations of the Company;
2. That I am authorized to sign and submit this Affidavit;
3. That .... (Company’s name) is the owner of .... Plant located at ..... (Place).
4. That the Iron Ore being procured through e - auction on ..... (OA No. /date) from .....would be used only in the said plant and that the same will not be resold/exported/transferred.
5. I understand that the information given are correct and no false information is provided. I also understand that if at any stage the information given by me is found to be incorrect, the EMD amount submitted by us will be forfeited and the firm will be blacklisted for participation in any further e-auction, in addition to any other penal action.

.....  
Authorized signatory

Sworn and signed before me

Notary Public

## Annexure - D

### **GENERAL RULES AND REGULATIONS GOVERNING CONDUCT OF ONLINE AUCTIONS ON THE "SERVICE PROVIDER" PLATFORM**

#### **INTRODUCTION :**

This Online auction is being conducted for MONITORING COMMITTEE (hereinafter referred as the "**Client**") on the Auction Platform of M/s MSTC Ltd. (hereinafter referred as "**Service Provider**").

The General Rules and Regulations provided herein govern the conduct of Online auctions arranged by "**Service provider**" on its Auction Platform. These rules cover the **roles and responsibilities** of the parties in the online auctions on the Auction Platform. **Acceptance in-toto to these General Rules and Regulations governing conduct of online auctions and General Terms and Conditions for Sale of Minerals from The MONITORING COMMITTEE, is a pre-requisite for securing participation in the online auctions.**

#### **ROLE OF "SERVICE PROVIDER"**

1. "Service Provider" is the agency (operator) primarily providing the service of the online auction to the "client".
2. Finalisation of the auction items in consultation with the client.
3. Defining of bidding rules for each auction in consultation with the client.
4. Enhancing bidder awareness of and comfort with the auction mechanism and bidding rules.
5. Input of the Auction items and defining the bidding rule in the auction engine.
6. Enlarging the successful bidder base by introducing new bidders.
7. Collection of EMD, Letter of Interest etc. from the willing bidders and forwarding the same to the Client.
8. Providing access to the approved bidders to participate in the Auction.
9. Summarizing the Auction proceedings and communicate the outcome to the Client. The responsibility of fulfillment of the contract rests between the bidders and the client and the responsibility of the "Service Provider" shall be restricted to the extent of the services provided by them.

#### **ROLE OF BIDDER**

The role of the bidder is outlined below:

1. The bidder would participate in the auction with the aim of bidding to secure the auctioned item in the auction
2. The bidder would be provided access to the Auction through a "User ID" protected by a "Password". The bidder needs to ensure that the "User ID" and

"Password" is not revealed to unauthorized persons. Bidders are also requested to change the password allocated to them by the "Service Provider" to keep their confidentiality. However it would be bidder's sole responsibility to ensure the security and privacy of the same and he/they would not hold the "Client" / "Service Provider" responsible in any manner whatsoever for any misuse of these user IDs and/or Password. Access to the auction mechanism shall be provided to all the approved bidders subsequent to obtaining their written consent to the General Rules & Regulations and the Letter of Interest. Payment of EMD before the start of the auction will be one of the necessary conditions for participating in the auction.

3. Bidders hereby confirm that they shall commit to lift the item (being bid for) at the price entered by them in the auction engine AND at the terms and conditions specified herein by the Client. All Prices entered shall be legally binding on the bidders. Bidders are strongly advised to exercise due diligence while placing bids. Failure to honour the bids placed during online bidding shall render the bidders liable for penal action as deemed fit by "Client" / "Service Provider".

4. In the event of winning an allotment in the auction mechanism, the bidder shall commit to fulfill outlined obligations under the contract.

5. The bidders shall bid on the terms specified by the client & place their bids in the auction engine in the manner specified by "Service Provider". The bidders shall not stipulate any conditions on their own unless the terms of the client (the client's terms & conditions) expressly permit such conditions being stipulated by the bidder. Bids entered with conditions attached shall be considered Conditional bids & "service provider" retains the right of rejecting these bids even without intimating the client.

### **BIDDING RULES**

The Bidding Rules refer to the information and terms defined specifically for a particular auction. The purpose of the Bidding rules is to provide approved bidders with the information and terms specific to the auction in which they are bidding. This would include:

- x Definition of the lot bidding
- x Start Time and duration of the auction
- x Any extension of the duration of the auction in the event of bids being received towards the end of the pre-specified duration
- x Start Bid Price
- x Specified Unit for Bidding
- x Price Increments and any reduction in the price increment in the auction in the event of inactivity
- x Other attributes (informational/non-negotiable in nature)

While it shall be the endeavour of "Service Provider" to specify these rules at the earliest for each online auction, the "Service Provider" shall retain the right to delay the announcement of these bidding rules or modify rules specified earlier at the time of the online bidding. These details would be available to the bidders on the Auction Engine at the time of bidding. Participation in the auction process presumes complete awareness and understanding of the bidding rules.

## **CONDUCT OF THE AUCTION:**

Only those bidders who have been approved by the "Client" and handed over stamped and manually signed "General Rules and Regulations governing conduct of online auction alongwith Letter of Interest, required EMD amount and other necessary documents to the "Client"/ "Service Provider" within the specified time will be given "Login ID" and "PASSWORD" to enable them view and participate in online auction.

The Auction shall be conducted on pre-specified date. The Key Terms pertaining to the conduct of Auction such as "START TIME", "DURATION", "END TIME" AND "AUTO EXTENSION FACILITY" Shall be specified separately for each Auction.

"Service provider" retains the right to cancel or reschedule the auction, with the approval of the Competent Authority of the Client, on any of the following reasons:

x The number of confirmed bidders is deemed insufficient to conduct the auction.

X There are no bids.

x Any other reason which in the opinion of "Service Provider" / "Client" requires such action to be initiated. The duration of auction may also vary from the pre-specified period of time either on account of termination of the auction by "Service Provider" on the advice of the Client

Or

In case of situations where it is felt that continuance of the auction proceedings is prejudicial to the smooth conduct and / or the integrity of the auction process.

In the event of any problems being faced in the smooth conduct of the auction, "Service Provider" with the approval of the Competent Authority of the Client, shall have the right to undertake one or more of the following steps:

x Cancellation/ premature termination of the auction with/ without a subsequent rerun of the auction on a mutually decided date

x Cancellation of a bid

x Locking / deactivate a bidder's account (suspension of operations in the account), etc.

## **LIABILITY OF "SERVICE PROVIDER"**

"Service Provider" shall not be liable to the bidders participating in the auction or any other person(s) for:

x Any breach of contract by any of the parties in the fulfillment of the underlying contract.

x Any delays in initiating the online auction or postponement / cancellation of the online auction proceedings due to any problem with the hardware / software

/ infrastructure facilities or any other shortcomings.

While, reasonable care and diligence will be taken by "Service Provider" in discharge of its responsibilities such as design of the online bid, communication of bid details and rules, guidance to client/ bidders in accessing the Auction Engine and placing bids, etc. the bidders shall specifically indemnify "Service Provider" from all liabilities for any shortcomings on these aspects.

It is clearly understood that these activities are undertaken by "Service Provider" to assist the bidders in participation but the ultimate responsibility on all these counts lies totally with the bidders.

**RIGHT OF THE CLIENT:**

The Client reserves the right to partially or totally accept or reject any / all bids placed in the Online Auction without assigning any reason whatsoever. The decision of the client would be final and binding on the bidder in any such case.

**CONFIDENTIALITY CLAUSE:**

"Service Provider" undertakes to handle any sensitive information provided by the client or confirmed bidders for the auctions conducted with utmost trust and confidentiality.

**JURISDICTION**

Any disputes relating to the online auction module shall be subject to the sole jurisdiction of Kolkata High Court only.

**LETTER OF AUTHORITY**  
IN NON-JUDICIAL STAMP PAPER OF VALUE OF RS.100/= BOUGHT  
IN THE NAME OF THE COMPANY

---

Ref. No.

Dated

To  
THE MONITORING COMMITTEE  
DEPARTMENT OF MINES & GEOLOGY  
KHANIJA BHAVAN, RACE COURSE ROAD  
BANGALORE- 01

Dear Sir,

Sub: Letter of Authority – Reg.

Ref: 1) E-Auction No.  
2) ACCEPTANCE LETTER NO.

..... DATE:.....  
                                ^^^^^^^

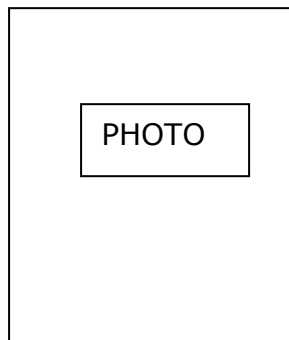
We hereby authorise Shri..... (Name & Designation) of M/s..... for taking delivery of the Iron Ore covered under the e-Auction referred above.

We confirm that we are taking delivery of materials through our authorised representative/s at our risk and sole responsibility and no claim shall lie against MONITORING COMMITTEE on any account whatsoever if it is found at a later date that the delivery has been effected to wrong person.

We further confirm that we are liable and bound by all acts committed and obligations incurred by the above said authorised representative while operating the Sale Order/taking delivery of materials from mine heads/stockyards. All acts committed by the above authorised representative/s shall be treated as if these acts were committed by us.

The specimen signature of Shri.....is attested below: -

Specimen Signature of  
Shri .....



Yours faithfully,  
(Signature)

Attested.....

Signature of the Purchaser  
Date  
Seal

Signature of the Notary Public with seal