

NOTICE FOR E-AUCTION SALE OF IRON ORE/FINES
AUCTION NO –MSTC/BBR/NEELACHAL ISPAT NIGAM LTD/4/KALINGANAGAR
INDUSTRIAL COMPLEX/21-22/23790

Neelachal Ispat Nigam Ltd (NINL) intends to sell various grades of Iron ore lumps/Iron ore Fines produced at Neelachal Iron Ore Mine at Koira region in Sundargarh District of Odisha through MSTC's e auction portal as per the agreement between NINL & MSTC.

Terms & conditions for sale of Iron Ore lumps/Fines of NINL through e-auction.

1. Iron Ore Specification, Quantity, Floor price & Earnest Money Deposit (EMD)

Lot No.	Location	Grade band Size Tolerance: ±10%	Basis Fe	Quantity (in WMT)	Floor price (Rs./WMT)	EMD @ 4% (Rs./WMT)
1	2	3	4	5	6	7
Iron Ore (CLO)						
A	Neelachal Iron Ore Mine, Mithirda, Patmunda, Koira region, Sundergarh-770048	Iron Ore Lumps Size: 5-18 mm Grade: 62% to below 65% Fe	62%	4,000	8,200	328
B				4,000	8,200	328
C				4,000	8,200	328
D				4,000	8,200	328

2. ELIGIBILITY CRITERIA:

Buyers having Valid IBM registration certificate shall be eligible to participate in the e-auction. Traders are also allowed to participate in the e auction subject to submission of their valid license in this regard.

The successful buyers shall be required to submit copies of statutory documents at NINL like copies of IBM Registration certificate, valid license/permission in relevant form issued by S & M Dept, Govt of Odisha, GST & PAN certificate, Copy of latest IT return any other relevant documents which may be applicable from time to time.

3. Registration:

To become eligible to participate in e-auction, the intending buyers are required to register their names with MSTC on any date before 5 days of e-auction to be conducted. For the purpose of registration, the buyers are required to submit the following documents before MSTC Ltd along with registration fees of Rs.10,000/- plus 18% GST thereon.

Documents required for Registration:

- (i) Duly signed print out of the email received from MSTC regarding confirmation of online Registration.
- (ii) Income Tax PAN Card Original & Photocopy (the Original will be returned after verification) or Notarised copy. In case of Partnership firm, PAN of the firm and that of the Authorized partner.
- (iii) In case of Partnership firm, Notarised copy of Partnership deed and in case of Limited Company Memorandum and Articles of Association.

- (iv) Latest Income Tax Return Original & Photocopy (the Original will be returned after verification) or Notarised copy. In case where it is not available, an undertaking should be taken on letter head that as soon as the same is filed, it will be submitted.
 - (v) GST Registration Certificate Original & Photocopy (the Original will be returned after verification).
 - (vi) Registration Fee of Rs.11,800/- including GST (Non-Refundable) by way of e-payment favoring MSTC Ltd. for life time validity.
 - (vii) Signature of the Proprietor/Partner/Director verified by Bank (For Proprietorship/ Partnership Firm/Company) on Bank's Letter-head. If such verification is done on Customer's Letter-head, then the full Address of the Branch of the Bank must be mentioned.
 - (viii) Two identical Passport-size Color Photographs of the Proprietor / Partner / Director (For issue of Photo ID Card by MSTC) – The Proprietor / Partner/ Director (or a person authorized by the Director in case of Public / Private Limited Company) with proper identification of such authorized person will be required to put his specimen signature on the ID Card. In case of Proprietorship/ Partnership Firm, the Proprietor/Partner will be required to personally visit MSTC's Office for signing the Photo ID Card.
 - ix) IBM Registration Certificate under Rule MCDR (Amendment), 2011.
 - x) Consent to establish and/or consent to operate from State Pollution Control Board indicating utilization of iron ore for obtaining finished product. This is applicable for manufacturers only (the Original will be returned after verification).
4. **Inspection:** NINL may allow inspection of materials under this e-auction at Neelachal Iron ore Mine, Mithirda, Patmunda, Koira region to all interested prospective buyers registered with MSTC upon their written request and with prior appointment from NINL.
6. **Earnest Money Deposit (EMD):**
The MSTC Ltd shall collect pre-bid non-interest bearing EMD from the prospective bidders to enable them to participate in the e-auction. The EMD amount shall be displayed lot wise for each lot against respective grade. The pre-bid EMD amount needs to be paid by the participating buyers through MSTC's e-commerce portal through "Pay Pre-Bid EMD" provided in the buyer account.

In order to participate in bidding for lots which require pre bid EMD, the bidder is required to have sufficient balance in the EMD wallet provided to the bidder for the purpose. A bidder can add money to its EMD wallet anytime through e-payment mode only and by following the link "Pay Pre Bid EMD" provided in the dashboard. Bidders in their own interest are advised to keep sufficient balance in their EMD wallet to bid in any auction and avoid any last minute hiccup. MSTC/Seller shall not be responsible for any delay in crediting of the money in MSTC's bank account due to any reason resulting in delay in updating the EMD wallet of the bidder.

Bidders after successful login will get three new links at their home page as:

Pre-Bid EMD must be paid by the bidder (NEFT/RTGS) through "Pay Pre-Bid EMD " link. The buyer should check the EMD Ledger link after making and the same amount should be reflected in this link. For Refunds, Bidders need to request through the link EMD Refund Request. Refund to bidder online request will also be processed from HO on the next working day.

If any bidder wants to remit the money through PNB, the same can be done only if its PNB details are registered with MSTC, otherwise such deposit will not be entertained.

remitting the money through PNB to MSTC, Bidder has to ignore virtual Beneficiary Bank Account Number generated through portal and use actual Beneficiary Bank Acc

which is 3190002101015254. After deposit through PNB, Bidder has to send i) MSTC Portal generated challan copy and ii) Deposit / Transaction reference number to email

nmohan@mstcindia.co.in and aksingh@mstcindia.co.in for crediting to EMD ledger

Procedure for making Pre-Bid EMD payment:

STEP 1	ENTERBUYERUSERID&PASSWORD https://www.mstcecommerce.com/auctionhome/index_new.jsp
STEP 2	CLICKON"PayPre-BidEMD"link
STEP 3	AgainstPre-bidEMDfee,insertthetotalPreBidEMDyouwanttopay
STEP 4	CLICKON"RTGS/NEFT"linkandfill" RTGSFUNDSTRANSFERAPPLICATIONFORM " WITHYOURDEBITBANKA/CDETAILSandthenCLICKON"GENERATECHALLAN"
STEP5	REMITTHEPREBIDEMDAMOUNTTOBENEFICIARYA/CDETAILSGENERATED BYSYSTEM(PunjabNationalBank , ShakespeareSarani Branch A/CNO.STARTINGWITHMSTCxxxxxxxxxxx,IFSC:PUNB0319000) Ifany bidder wantstoremit themoneythrough PNB,the samecan bedoneonly if itsPNB detailsare registeredwithMSTC,otherwisesuch deposit willnotbeenentertained.Further for remittingthemoneythroughPNBtoMSTC, Bidder hastoignorevirtualBeneficiaryBankAccountNumbergeneratedthroughpo rtalanduse actualBeneficiaryBankAccountNumberwhichis 3190002101015254. AfterdepositthroughPNB,Bidder has tosendi)MSTCPortalgeneratedchallancopyand

NO OTHER MODE OF PAYMENT SHALL BE ACCEPTED.

The EMD amount should commensurate with the bidding quantity. The bidding shall not way exceed the quantity for which EMD is deposited by the buyer. MSTC shall refund the EMD amount of unsuccessful bidders at their end within two (2) working days on request.

EMD of successful bidders as per e auction shall be forwarded by MSTC to NINL after the approval of bids by NINL.The EMD of the allottees shall be retained byNINL till completion of the lifting period and the same shall not bear any interest during that period.

The EMD shall be refunded after successful lifting of at least 80% of the auctioned/allotted quantity. However, if the buyer fails to lift 80% of the allotted quantity, penalty shall be charged @2% plus GST of the sale value of the unlifted quantity.

In case of extension of supply period, sale value (to be calculated at the higher price comparing the price at the time of allotment and the price prevailing at the time of extension) applicable during the extension period shall be considered for calculation of Penalty.

However, refund of EMD may be considered in favour of a buyer even in the case of non-lifting/ partial lifting if the buyer happens to be a victim of some insurmountable/hostile conditions arising out of strikes/break down of weighbridge/order of statutory authorities etc. and any other reason beyond the control of the bidder/NINL.

7. **Date & Time of e-auction:** The e-auction for Iron ore lumps/Fines shall take place on **10.12.2021 from 1:00 PM to 4:00 PM**. The service provider shall conduct e-auction on the appointed date and time in a fair and transparent manner or on any other date if re-scheduled.

8. **Quantity & lot size:**

There are four (4) different stacks/lots of material of 4000 MT each. E-auction shall be conducted for the lots separately. The intending bidders have to bid for minimum 4000 MT against each lot (i.e. for full lot quantity). Bids less than 4000 MT against any lot shall not be acceptable.

9. **Price:** The price per WMT offered by the successful bidders at the time of e-auction includes Royalty, additional royalty as per Gazette notification dt.28.03.2021, District Mineral Fund (DMF) & NMET charges, weightment & analysis charges etc and is on ex-mines/plot basis. Final bids given by the bidder in online forward auction should be kept valid for 15 (fifteen) working days from the date of conduct of the online auction for acceptance by NINL.

If for any reasons NINL could not supply the material offered through online forward auction or part thereof could not be delivered, the liability of NINL shall be limited only to refund the proportionate amount paid by the customer for the undelivered quantity alongwith EMD without any interest.

Taxes and duties are applicable extra. Besides, the quoted price is meant for the base grade of ore (mentioned as basis) and the actual percent of Fe basis shall be applied for computation of the price on prorata basis. Tax invoice shall be issued by NINL based on base grade price at the time of removal/dispatch of material. Subsequently, upon receipt of Lot-wise test certificate/Composite test report, NINL shall issue debit note(s) recovering the differential amount.

The price on basis of which the bidder is declared successful shall be exclusively applicable to itself only. There shall be no complaint by any buyer about price even the same grade material receives different prices. A successful bidder shall be allotted the quantity it quoted at the price/final price offered by it subject to approval by NINL.

10. **Website & e-mail ID:** All the prospective buyers should have their internet connection & e-mail ID. Each registered buyer shall be given an auto generated "Unique User ID" & a "Password" by MSTC based on which they can log in.

11. **Bidding Process:**

The entire bidding process shall be regulated by the MSTC Ltd. The buyers from their respective offices shall visit the website of MSTC Ltd i.e. www.mstcecommerce.com for

bidding purpose. The buyer shall offer the quantity and price of the material of their choice (for which EMD is deposited) through on-line. During the bidding process, the buyers may change the price & quantity of the material subject to EMD amount deposited.

The increase in ore price must be in terms of Rs.50/WMT minimum or multiple of Rs.50/- .

The buyer can not reduce the price once quoted. It can reduce the quantity with a higher price. The price quoted shall not be less than the floor price.

The e-auction shall auto extension facility as per MSTC's standard auction procedure. MSTC, immediately after completion of e-auction shall communicate each successful bidder through auto e-mail about the bid quantity and price. However, this bid quantity and price communicated to the bidders by MSTC Ltd is provisional and subject to approval by NINL.

NINL has the absolute right to confirm or disapprove the sale of any particular lot made successful in e-auction without assigning any reason for such non-acceptance. NINL's decision in this regard shall be final and binding on all concerned.

12. Allotment: After receipt of bid sheet, NINL shall examine the same. After due approval of the price & quantity by the competent authority, NINL shall allot Iron Ore to the successful bidders.

13. Payment Terms:

The buyer has to lift the material against 100% non-interest bearing advance payment covering approximate cost of ore plus tax (GST) corresponding to highest grade of the band calculated on pro-rata basis, to be deposited in NINL account as per NINL's bank mandate to be submitted along with allotment letter/ Offer Letter.

100% advance payment shall be deposited by the successful buyer within 7 days of issuance of Allotment letter/Offer letter.

Failure to deposit of above payment within the stipulated period as per the allotment letter /Offer letter may result in termination of contract without any notice to successful bidder and forfeiture of EMD.

i) Payment in phased manner shall not be acceptable.

ii) This price is inclusive of Royalty and additional royalty payable, DMF & NMET charges, Weighment & Analysis charges.

However, in case royalty, DMF, NMET and additional royalty is enhanced during the scheduled delivery period, the enhanced amount shall be charged against the buyer from the date of its implementation as per the Govt. Order.

iii) Any tax or duty to be levied by the Govt. other than royalty, DMF, NMET charges shall be borne by the buyer.

iv) Sale order shall be issued by NINL subsequent to receipt of payment at NINL along with following documents:

(a) On-line forward auction notice with terms & conditions duly signed and stamped on every page as a token of acceptance.

(b) Copy of IBM registration.

(c) Copy of License/permission issued by S&M Deptt, Govt. Odisha indicating NINL as supplier

(d) Copy of GST registration & PAN certificate of purchaser

(e) Copy of latest IT return

- v) It is clarified that, it is the sole responsibility of the successful bidder to follow up with department of Steel & Mines for obtaining necessary permits if required and any other statutory requirements as notified by Govt which may be applicable at the time of dispatch.
- vi) Successful buyers shall be required to submit authorization letter duly signed and stamped in favour of their authorized persons, authorized transporter & their representatives as per NINL's approved format before delivery of material.
- vii) The sale order shall constitute a contract between NINL & the successful bidder. The said e-auction notice shall form an integral part of the contract.

14. Delivery Period: 15 days from the date of contract/sale order.

Extension of supply period may be considered by NINL at NINL's sole discretion. While considering grant of time extension the contractual price or the price prevailing at the time of allowing extension whichever is higher shall be made applicable during the extended period of contract.

15. Place & mode of delivery: Ex-Mines/stack yard (Loaded on to Truck/ Lorry basis) at Neelachal Iron ore mine, Mithirda, Patmunda, Region-Koira. The buyer will arrange to lift the material by truck from the place where the Ore/Fines is lying for sale on his own arrangement. The vehicles engaged by the authorized transporters for loading at NINL iron ore mines are required to follow the instructions of Mines Manager/Loading point incharge, during loading and dispatch of material. Any deviation to the same shall be viewed seriously. The responsibility of NINL ceases once the material is delivered to the buyer and Transit pass is issued after weighment. The buyer shall keep the seller indemnified for any liability which may arise during the contract or thereafter on account of loading, transport and such other matters as are thereto to their exercise.

The bidders on their own interest are advised to acquaint themselves with the local conditions / logistics to avoid delay in getting supplies and also resultant penalties. Ignorance of ground realities is of no excuse for performance of this contract.

As per "The Environment Protection Act-2006" and guidelines, the buyer should ensure that the loaded trucks are to be covered with tarpaulin during transport.

16. Sampling & Analysis: Sampling & Analysis shall be carried out by a reputed public analyst appointed by NINL. The report of public analyst will be binding on both buyer and seller. Analysis charges are inclusive in the price quoted by the buyers in the e auction. The buyer may depute its representative for supervision of sampling & analysis and stock or ore/fines to be supplied to the buyer to avoid any complicity regarding quality and physical specification during the process. The responsibility of NINL ceases once the product is loaded in to the carrier and no complaint in this regard shall be entertained.

17. Goods & Services Tax: Goods & Services Tax (GST) as applicable shall be charged extra.

18. Weighment: For the purpose of payment, weighment as recorded in NINL's weighbridge shall be final and binding on both seller & purchaser. In case NINL's own weighbridge is not available, the weigh bridge as decided by NINL shall be final for this purpose.

19. Ethics & Integrity Clause:

The contractor/buyer acknowledges that it is obligated to meet high standards of ethics & integrity under this agreement. By signing this document, the contractor/buyer has

binding promise to NINL that it shall not take any action in the performance of this agreement to create an unfair, unethical or illegal competitive advantage for itself, its affiliates or others and have any financial or personal interest relating to this contract. The Bidder(s)/Buyer(s) commit themselves to take all measures necessary to prevent corruption. He commits himself to observe the following principles during his participation in the tender/e-auction process and during the contract execution.

- a. Bidder(s)/Buyer(s) will not, directly or through any other person or firm, offer promise or give to any of the Principal's employees involved in the tender process or the execution of the contract or to any third person any materials or other benefit which he/she is not legally entitled to, in order to obtain in exchange any advantage of any kind whatsoever during the tender process or during the execution of the contract.
- b. The Bidder(s)/buyer(s) will not enter with other Bidders into any undisclosed agreement or understanding, whether formal or informal. This applies in particular to prices, specifications, certifications, subsidiary contracts, submission or non-submission of bids or any other actions to restrict competitiveness or to introduce cartelization in the bidding process.
- c. The Bidder(s)/Contractor(s) will not instigate third persons to commit offences outlined above or be an accessory to such offences.

20. Arbitration:

In the event of any dispute or difference between NINL and successful bidder, such dispute or difference shall be resolved amicably by mutual consultation. If, however, any dispute or difference remains unreserved, the same shall be settled by arbitration by referring the claims to the sole arbitrator to be appointed by Managing Director(MD), NINL. The venue of arbitration shall be Bhubaneswar. And the cost of arbitration shall be as decided in the arbitration award.

Only the courts at Bhubaneswar will have the jurisdiction over any matter/ disputes etc pertaining to and arising out of the contract.

21. Applicable Law:

This contract will be governed by Indian laws. The contract shall be subject to exclusive jurisdiction of courts at Bhubaneswar.

22. Sale of Goods Act:

The provision of the Sale of Goods Act, 1930 and other prevalent laws shall apply to the sales in question.

23. Special conditions

- a) The buyer shall carry out loading and transporting of materials allotted by NINL and comply strictly with all provisions of Mines Act-1952, Rules-1955, Metalliferous Mines Regulation-1961, MMRD Act, Payment of wages (Mines Rules), Maternity benefit Act of 1961, Industrial dispute Act-1947, MV Act, Contract Labour (R&A)-1970 etc. and "other government/statutory regulations, decisions, recommendations prevailing and applicable from time to time.
- b) The buyer allotted ore/material, shall submit a true copy of the said contract with signature in each page to NINL prior to execution of SO (Sales Order), as a token of acceptance of terms and conditions of contract.

- c) The buyer shall be responsible for fulfilling all the statutory / legal requirements pertaining to the work, operation and movement of products and acceptance of the tendered work is deemed that the bidder is well versant of the applicable rules, regulation and bye-laws.
- d) All the persons employed in connection with fulfilling the contract shall be provided with necessary safety measures by the successful bidders.
- e) Successful bidders shall be responsible for the damages to the property of NINL as well as to any third party in the course of contract period, if caused due to negligent act attributable to the successful bidder.
- f) Successful bidder shall keep NINL indemnified against all claims and liabilities arising out of and during contract period. NINL shall not be responsible for any loss and damage incurred by the successful bidder during the course of the contract period. Any claim arising out of any accident or injury to any person engaged by the successful bidders under workmen compensation act or any act in this regard or any damages to the equipment or injuries to persons of third party shall be sole responsible of the successful bidder.
- g) The bidder shall acquaint themselves with the local conditions and shall also at their option visit the site and its surroundings and carefully examine and satisfy themselves about the existing site conditions, availability of local facilities, means of transport and quote the rate taking into consideration all such conditions and matters which may in any way affect the work / contract.
- h) NINL reserves the rights to withdraw from the sale after advertising or after issue of Sale Order/allotment letter / LOI of any quantity of the material without assigning any reasons thereof to the customer. NINL will not be responsible for any damage and loss whatsoever to the customer on account of such withdrawal.
- i) NINL reserves the right to defer/prepone/cancel/discharge the part or whole of e-auction without assigning any reason thereof at its sole discretion at any point of time without assigning any reason.
- j) Conditional bids shall not be accepted
- k) **Role of MSTC as an e-auction service provider:**
 - i) The MSTC Ltd shall act only as a Service Provider for conducting e-auction and shall not be a party to the Sale Contract(s) between NINL and the buyer(s).
 - (ii) Since materials to be sold will never come under the custody or possession of the MSTC Ltd, no complaint from the bidders on account of quality and/or quantity of goods shall lie against the MSTC Ltd.
 - (iii) The MSTC shall not be responsible for any inconvenience caused due to any disruption in internet service at bidders' end.
 - (iv) The MSTC shall be responsible for e-auction process and any dispute between MSTC and any bidder arising out of e-auction process shall be addressed by the MSTC even in the court of law.
- v) **JURISDICTION:** All disputes of differences arising out of this contract shall, have to be decided only by the courts or Tribunals situated in Odisha.

General Manager (commercial)
NINL