

Corrigendum/Addendum issued on 21st July 2016 by the Commissioner, Department of Mines and Geology, Government of Karnataka to amend the Model Tender Document and All the Mine Specific Tender Documents for auctions pertaining to Category C Iron Ore Mines issued pursuant to the Notice Inviting tender issued by the Commissioner /Director, Department of Mines and Geology, Government of Karnataka on 22nd December 2015.

S. No.	Reference to Model Tender Document/mine specific Tender Document	As appearing in original Model Tender Document/ mine specific Tender Document/Addendum/Corrigendum #3	Amended to Read as / Amendment vide insertions	Rationale
1.	<p>Schedule I:Format of Technical Bid</p> <p>B. Bid Letter</p> <p>1) Instructions for submission of the bid letter</p> <p>(d)</p>	<p>//new insertion//</p> <p>(vii) In case the Bidder is a subsidiary of another company incorporated in India and is using the net worth of such holding company for the purpose of eligibility, then the Bidder shall submit its shareholding pattern including name of the promoter(s)/ owner (s) as on 31st March 2015 duly certified by the statutory auditors. In addition, in such case, the Bidder shall submit a board resolution by the holding company in favour of the Bidder for permission to use net worth for the purpose of eligibility.</p>	<p>(vii) In case the Bidder is a subsidiary of another company incorporated in India and is using the net worth of such holding company for the purpose of eligibility, then the Bidder shall submit its shareholding pattern including name of the promoter(s)/ owner (s) as <u>per the immediately preceding financial year</u> duly certified by the statutory auditors. In addition, in such case, the Bidder shall submit a board resolution by the holding company in favour of the Bidder for permission to use net worth for the purpose of eligibility.</p>	<p>The bidding process was earlier envisaged to be complete in FY 2015-16. With the onset of the new financial year i.e. FY 2016-17, latest shareholding pattern is required.</p>

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2.	12. Payments by the Successful Bidder	<p>The Upfront Payment paid by the Successful Bidder shall be adjusted in full against the amount payable in accordance with the percentage of Value of Mineral Despatched quoted as the Final Price Offer within the first 5 years of commencement of production of mineral(s). This adjustment of Upfront Payment shall be done each year in proportion of production stated in Mining Plan for that year to the aggregate of the production stated in the Mining Plan for first five years. Any unadjusted portion of the Upfront Payment remaining at the end of fourth year shall be adjusted in full in the fifth year.</p> <p>12.2 Periodic Payments</p> <p>A holder of mining lease shall make such payments as specified in rule 13 of the Auction Rules. It is clarified that the holder of mining lease shall make monthly payments with respect to the Value of Mineral Despatched. The holder of mining lease shall also make annual payments if the actual annual despatch is lower than the Minimum Annual Despatch Requirement in accordance with the</p>	<p>The Upfront Payment paid by the Successful Bidder <u>(including Upfront Payment paid as the Preferred Bidder)</u> shall be adjusted in full against the amount payable in accordance with the percentage of Value of Mineral Despatched quoted as the Final Price Offer within the first 5 years of commencement of production of mineral(s). This adjustment of Upfront Payment shall be done each year in proportion of production stated in Mining Plan for that year to the aggregate of the production stated in the Mining Plan for first five years. Any unadjusted portion of the Upfront Payment remaining at the end of fourth year shall be adjusted in full in the fifth year.</p> <p>12.2 Periodic Payments</p> <p>A holder of mining lease shall make such payments as specified in rule 13 of the Auction Rules. It is clarified that the holder of mining lease shall make monthly payments with respect to the Value of Mineral Despatched. The holder of mining lease shall also make annual payments if the actual annual despatch is lower than the Minimum Annual</p>	<p>There are three instalments of Upfront Payment. While two are paid by the bidder as Preferred Bidder, one is paid upon being the Successful Bidder. Accordingly, for ample clarification, it is suggested to include the Upfront Payment paid by the bidder as Preferred Bidder as well as it is the total amount of Upfront Payment that has to be adjusted. This is in consonance with Rule# 11 of the Mineral (Auctions) Rules, 2015</p>

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		<p>provisions of MDPA. Such annual payments shall come into effect at the end of 18 months from the date of issue of order by the State Government acknowledging Preferred Bidder as the Successful Bidder in accordance with Clause 11 of the Tender Document. It is expressly clarified that the Successful Bidder is obligated to make such annual payments, as may be applicable for the financial year at the end of 18 months from the date of issue of such order by the State Government acknowledging Preferred as the Successful Bidder irrespective of the signing of MDPA. It is further clarified that if the MDPA has not been signed by the Successful Bidder then the Minimum Annual Despatch Requirement shall be 50% of the maximum permissible annual production as per the final R&R Plan for the purpose of calculation of shortfall quantity.</p> <p>It is also clarified that maximum permissible annual production, as per the R&R Plan, shall be prorated for the remaining months of the financial year subsequent to month in which such 18months period, as described above, ends for the purpose of calculation of</p>	<p>Despatch Requirement in accordance with the provisions of MDPA. Such annual payments shall come into effect at the end of 18 months from the date of issue of order by the State Government acknowledging Preferred Bidder as the Successful Bidder in accordance with Clause 11 of the Tender Document. It is expressly clarified that the Successful Bidder is obligated to make such annual payments, as may be applicable for the financial year at the end of 18 months from the date of issue of such order by the State Government acknowledging Preferred as the Successful Bidder irrespective of the signing of MDPA. It is further clarified that if the MDPA has not been signed by the Successful Bidder then the Minimum Annual Despatch Requirement shall be 50% of the maximum permissible annual production as per the final R&R Plan for the purpose of calculation of shortfall quantity.</p> <p>It is also clarified that maximum permissible annual production, as per the R&R Plan, shall be prorated for the remaining months of the financial year subsequent to month in which such 18months period, as described above,</p>	

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		<p>shortfall quantity.</p> <p>It is expressly clarified that the Upfront Payment paid by the Successful Bidder shall not be adjusted against the amount payable pursuant to such annual payments.</p>	<p>ends for the purpose of calculation of shortfall quantity.</p> <p>It is expressly clarified that the Upfront Payment paid by the <u>Preferred Bidder</u>/Successful Bidder shall not be adjusted against the amount payable pursuant to such annual payments.</p>	
3.	<p>MDPA,</p> <p>7.0 Payments,</p> <p>7.1. Payment of bid amount</p>	<p>7.1.3 The Upfront Payment paid by the Successful Bidder shall be adjusted in full against the amount payable in accordance with the per cent of Value of Mineral Despatched quoted as the Final Price Offer within the first five years of commencement of production of mineral(s). This adjustment of Upfront Payment shall be done each year in proportion of production stated in Mining Plan for that year to the aggregate of the production stated in the Mining Plan for first five years. Any unadjusted portion of the Upfront Payment remaining at the end of fourth year shall be adjusted in full in the fifth year. It is expressly clarified that the Upfront Payment paid by the Successful Bidder shall not be adjusted against the amount payable pursuant to Annual Payment.</p>	<p>7.1.3 The Upfront Payment paid by the Successful Bidder <u>(including Upfront Payment paid as the Preferred Bidder)</u> shall be adjusted in full against the amount payable in accordance with the per cent of Value of Mineral Despatched quoted as the Final Price Offer within the first five years of commencement of production of mineral(s). This adjustment of Upfront Payment shall be done each year in proportion of production stated in Mining Plan for that year to the aggregate of the production stated in the Mining Plan for first five years. Any unadjusted portion of the Upfront Payment remaining at the end of fourth year shall be adjusted in full in the fifth year. It is expressly clarified that the Upfront Payment paid by the <u>Preferred Bidder</u>/Successful Bidder shall not be adjusted against the amount payable pursuant to Annual Payment.</p>	- as above -