

**Instructions for Sale of Raw Rice Grade-A through e-auction:**

1. Raw Rice Grade-A shall be sold through the process of e-auction to the empanelled bulk consumers /traders.

2. The e-auction shall be a two stage process;

(i) Empanelment of bulk consumers/traders: Empanelment of bulk consumers/traders shall be carried out by the Service Provider appointed by FCI (NCDEX Spot Exchange Ltd. at present).

(ii) E-auction by the service provider on electronic platform.

3. GMs (Region) shall give wide publicity to the scheme by giving advertisement and press releases in one National daily and one Regional daily having wide circulation in State/UT besides hosting the same on FCI website, Service Providers website and on [www.fci.gov.in](http://www.fci.gov.in), [www.ncdexspot.com](http://www.ncdexspot.com) informing the prospective buyers about :-

(i) Open sale of Raw Rice Grade-A indicating the quantity intended to be auctioned and reserve price for same.

(ii) Empanelment of buyers for bulk sale with Service provider & issue of user id & password.

(iii) Dates for conducting e-auction in the month.

4. The Service Provider shall empanel the bulk consumers/traders on the basis of following documents after due verification. The process of empanelment is to be completed within two days of receipt of the application along with following documents:

(i) An attested copy of the current VAT/Trade Tax Registration.

(ii) An attested copy of PAN issued by Income Tax Department.

(iii) Attested copies of the Registration Certificate (RC) under State VAT Act and latest Annual/quarterly/monthly VAT return. In case of newly established firm or the existing firms which have recently started to deal in the business of rice, copy of the application submitted with the Tax authority to include rice in the Registration Certificate (RC) under VAT is to be furnished. The VAT return shall evidence that the firm is dealing in the business of rice, failing which the firms shall submit copy of

additional documents, to evidence that the firm is dealing in the business of rice such as attested copy of latest Annual balance-sheet and profit & loss account duly audited by a chartered accountant.

- (iv) An Undertaking on a stamp paper of Rs 100/- that the Raw Rice Grade-A so purchased from FCI under OMSS (D) will be utilized domestically and will not be exported by the bidder.

The Service Provider will ensure that the documents relating to empanelment of bulk consumers/traders are valid during the currency of the auction including lifting period.

The State Governments/ Union Territory Administrations are, however, permitted to participate in the e-auction, if they require raw Rice Grade-A outside TPDS & OWS, without empanelment. State Governments have to register for e-auction with NSPOT through FCI Regional Office and obtain the user id and password for participation in the bids.

5. The Service Provider will thereafter intimate the buyers about their empanelment and advise them to deposit Rs. 1000/- (Rs. One Thousands only) in its account for registration and issuance of user id and password. Service provider will generate user id and password within two days of receipt of requisite amount and communicate the same to the empanelled buyers. Empanelled buyers may contact Service Provider in Toll Free Number 1800210222 for any query. The Service Provider shall intimate the details of such parties immediately to concerned Regional Office.

6. The empanelment shall be an ongoing process through Service Provider. The Service Provider shall furnish copy of the documents alongwith complete details of the fresh empanelled parties such as name, address, contact/mobile/e-mail, TAN/VAT details, bank details etc. to concerned Regional Office within two days of empanelment.

7. Only those parties, who are empanelled with FCI and registered with Service Provider(NSPOT) before the day of issue of notice of e-auction on NSPOT/FCI website shall be permitted to participate in that e-auction. Newly empanelled buyers can however participate in subsequent e-auction(s) after receiving user id and password from Service Provider.

8. Parties empanelled in one State/UT can participate in the E-Auction of other States/UTs.

9. Depot-wise bids would be invited by R.O, FCI. Tenders may be invited from depots as decided by GM(Region)FCI. The quantity to be tendered from the depots would be decided by GM(Region),FCI within overall

quantity decided by Government for each State/UT. In case, FCI is unable to provide the full/part quantity from a depot approved in the auction, due to non-availability of stock or operational constraints of FCI, the shortfall in the quantity may be offered by the concerned Area Manager from other depot(s) on the request of the buyer without any additional cost to FCI.

While selecting the depots for offering Raw Rice Grade-A under e-auction, GMs(Region) shall follow the instructions contained in QC Division Circular No. 01 of 2014 dated 13.03.2014 and other instructions in vogue issued from time to time in relation to maintenance of FIFO principle.

While offering stocks from various depots under OMSS(D), GM(Region) may avoid depots incurring high demurrage.

10. The minimum and maximum quantity of Raw Rice Grade-A that a bidder can bid in an e-auction conducted by a Region for a State/UT is 50 MT and 3500 MT respectively. The limits for States per e-auction shall be fixed at 50 MT to 15,000 MT per state. The States are allowed to participate as a single unit.

11. Depot-wise quantity offered and reserve price would be provided to the service provider by the respective GMs (Region) to enable the service provider to invite bids on specified day/date. While conducting the e-auction, the service provider shall provide Notice of e-auction by e-mail and SMS to all empanelled buyers three days before conduct of each e-auction. The service provider shall also forward a copy of the notice to the concerned GM (Region) of FCI to facilitate its uploading on the FCI website and [www.tenders.gov.in](http://www.tenders.gov.in). Copies of e-auction notices may also be circulated by the service provider to known associations of traders/bulk consumers of Rice at the National, State or UT level. Besides, the detailed Notice of e-auction shall be made available in the website of the Service Provider

12. The Service Provider shall ensure that the prospective bidder shall have to accept the terms & conditions governing the sale of Raw Rice Grade-A under OMSS (D) at the time of participating online in every e-auction, before their bids are processed.

13. GM (Region) FCI shall operate the already opened separate Cash Credit account for the purpose of e-auction of wheat and provide view right to the service provider. The Earnest Money Deposit (EMD), as applicable shall be deposited by the bidders in the said separate Cash Credit Account, except the State Governments/ Union Territory Administrations who have been allowed to participate in the e-auction without submission of EMD. The EMD of unsuccessful Bidders shall be refunded within three working days from the date of finalization of auction or receipt of list of such bidders from

the service provider, through NEFT/RTGS. The EMD of successful bidders will be adjusted against the cost of stocks.

14. The auction window shall be kept open from 11.00 A.M. to 2.00 P.M. on the day of auction. During the bidding process, the participating Bidders shall be able to see the highest depot-wise quoted rate only.

15. For acceptance of tender, each depot shall be treated as a separate unit. After completion of e-auction, the service provider shall prepare a list of bidders in descending order (from highest bid to the lowest bid). Bid(s) will be accepted on the principle of price, Time and Quantity. For each depot, first the quantity as quoted by H-1 will be approved at H-1 rates. Then the quantity as quoted by H-2 will be approved at H-2 rates. This process will continue till the depotwise quantity offered is exhausted. In case of similar rate being quoted by multiple tenderers at any stage the available quantity (if less than the total bid quantity) shall be accepted on "first quoted first allotted basis" i.e. the bidder who has quoted the rate first will be allotted the bid quantity subject to availability of stocks for allocation. In case of similar rate being quoted by multiple tenderers at the same time, the bidder who has quoted for the higher quantity shall be allotted the bid quantity subject to availability of stocks for allocation.

At the end of the auction, the Service Provider shall furnish the following details electronically to the concerned FCI Regional Office by 3.00 P.M. on the same day:

- (i) Depot wise list of successful bidders along with details of the bid.
- (ii) Quantity indented and quantity accepted
- (iii) Details of EMD etc.
- (iv) List of unsuccessful bidder along with the details of the EMD deposited by them.

16. GM (Region) will immediately verify the receipt of EMD of the successful bidder in the system itself and only after authorization by GM (Region), the Service Provider will communicate to the successful bidders electronically on the same day and ask them to deposit the balance cost of stock including taxes/levies, as applicable, directly into the separate FCI Cash Credit Account.

17. After verifying collection of the sale proceeds including Taxes/Levies, as applicable deposited by the successful bidder directly in the separate Cash Credit Account, the Service Provider will forward digitally signed release order to the concerned Area Manager. Simultaneously the concerned FCI RO shall confirm electronically the receipt of the sale proceeds to the concerned FCI Area Manager. The digitally signed release

order forwarded by the Service provider will be checked and digitally signed by FCI Area Office in the system itself. Finally, the release order duly digitally signed by the service provider and authorized officer of concerned Area Office with a minimum class-II level digital signature will be generated by the successful Bidder, for taking delivery from specified Depot of FCI.

18. For the purpose of deposition of cost of stocks/lifting of stocks, the day of communication of acceptance shall not be counted.

19. The grievances of the affected bidder(s) and general public will be decided by GM (Region) in a time bound manner and if bidder(s) is/are not satisfied/ still aggrieved with the decision of GM (Region), then appeal may be made to ED (Zone)s. Further, any unresolved disputes between the parties to the contract will be settled in the Court of Law of competent jurisdiction.

The contract shall be governed and interpreted in accordance with the Laws of India in force. The Courts at \_\_\_\_\_ (State) shall have exclusive jurisdiction to adjudicate the disputes arising out of the contract.

20. A list of successful bidders along with details of quantity of Raw Rice Grade-A allotted and the accepted quotes would be hosted on the website of service provider as well as that of FCI.