

JSW Steel among 10 firms in race for 4 Goa iron ore mines

EYE ON THE PIE. Overall, 28 bids have been placed for the mines put on auction

Suresh P. Iyengar
Mumbai

More than four years after mining was banned in Goa, about 10 companies including Sajjan Jindal-led JSW Steel have placed 28 bids for the four mines put on auction.

Tuesday was the deadline for placing the bid for the three mines in Bicholim and one in Sanguem. These mines have a cumulative estimated reserve of about 135 million tonnes (mt) of low-grade iron ore resource.

These mines were previously operated by firms such as M/s Narvekar, M/s Rajaram Bandekar, M/s Chowgule & Co Pvt Ltd and Sesa Mining Corporation. Almost all the iron ore extracted from Goa mines was exported to China.

INTENSE BIDDING

The Indian Bureau of Mines will set the base price for the e-auction being conducted by MSTC and bidders have to quote the premium they will pay over the base price, said a



TUG OF WAR. Intense bidding is expected as the mines have beneficiation plants that will improve the quality of iron ore to make pellets

senior executive of steel company who has placed the bid in the auction.

Given the response, the auction will definitely see intense bidding as all these mines have beneficiation plants that will improve the quality of iron ore for blending with high quality iron ore to make pellets, he added.

JSW Steel, which has shown interest in all four Goa mines, can blend it with high quality iron ore sourced from

its captive mines in Odisha at its 10-mt Dolvi steel plant with an 8-mt pellet unit and a jetty that can handle 15 mtpa of cargo.

TO EXPAND CAPACITY

JSW Steel has also set target to expand capacity to 38 mtpa by 2024 from the present 23 mtpa (including the recently acquired Monnet Ispat and Bhushan Power and Steel).

As per the tender document, the names of success-

ful bidders will be declared between December 13 and 21. Following this, the first instalment of the bid price will have to be paid to the government within 15 days after which the letter of intent will be issued.

In March 2018, mining operations in Goa was suspended after the Supreme Court cancelled the 88 iron ore mining leases that were renewed by the government in 2014-2015.