

HP. STATE FOREST DEVELOPEMENT CORPORATION LIMITED
GST NO. 02AAAACH4036L2ZV

CONDITIONS FOR THE AUCTION/ SALE OF TIMBER IN H.P. STATE FOREST DEVELOPMENT CORPORATION LIMITED TO BE HELD AT HIMKASHTH SALE DEPOT _____ ON _____

1. This auction sale is being held on behalf of the H.P. State Forest Development Corporation Limited (hereinafter to be called as the Corpn.) for the sale of timber and/or Forest Produce in Himkashth Sale Depot _____ on this _____
2. **GENERAL CONDITION:**
 - 2.1 The timber is auctioned on the basis of "AS IT IS WHERE IT IS AND IN WHATSOEVER CONDITION IT IS."
 - 2.2 The bidder (s) shall be deemed to have inspected the lots. The bidder(s) accepts/accept as correct the No, kind, measurement, classification and calculation of volume of timber put for sale and as given in the sale lists and depot records. Any clerical mistake in the sale lists will of course be corrected and payment will be due /received accordingly.
 - 2.3 In case of any doubt re-measurement of timber, can be requested within one week of auction on depositing 1% of the highest bid amount. If the variation is upto 3% in volume of the total scants in the whole lot(s), no change will be made in the measurement and the amount of 1% deposited shall be forfeited. If the variation is more than 3%, rebate/credit for the short fall in volume on the basis of volume auctioned in the lot shall be given and the amount of 1% deposited shall be refunded.

AUTHORISATION OF BID

- 3 The Auctioning, Authority shall have the right to check whether any particular bidder is duly and properly authorized by the firm for whom he is bidding and reserves the right to permit bidding or not by any individual/firm at his sole discretion.
- 3.1 The purchaser(s) who is / are found to have indulged in any kind of malpractice in the HSD at any stage directly or in connivance with the staff of HPSFDC, will be debarred from participating in any future auction of timber being conducted by HPSFDC.

4. BID

The bid by the bidder shall be inclusive of all taxes whether GST as applicable and TDS under Section 206-C read with section 44 AC of the Income Tax 1961 and market fee @ 1% (one percent).

Provided further that the Auctioning, Authority shall announced on the spot the purchase price payable, the GST,Market Fee, TDS applicable to be deposited as stated above.

5. DURATION OF BID

Bid once offered shall remain open for 30 days from the date of auction. The Auctioning Authority without assigning any reason may not accept any final bid given at the time of the auction in which case the earnest money referred to in clause-8 shall be refunded forth with.

6. **The Auctioning Authority reserves the right to withdraw, combine or split any lots specified in the sale list.**

7. ELIGIBILITY DEPOSIT:

7.1 The intending bidder(s) is / are required to deposit a sum of Rs. 10000 or more at the discretion of the Auctioning Authority to become eligible for bidding in the auction sale. Those who do not deposit this amount cannot participate in the auction sale.

“A” Every bidders must have PAN. Its proof be produced. A photocopy of PAN is submitted to Divisional Manger, Himkashth Sale Depot before bidding. Those who do not supply this cannot participate in the auction.

“B” The bidder should be registered with the Excise Department in H.P. and use their own TIN instead of relying on the Corporation TIN while sending timber outside Himachal.

MODE OF PAYMENT:

7.2 The eligibility deposit may be paid through RTGS/NEFT and by demand draft in favour of the corporation.

ADJUSTMENT

7.3. The eligibility amount may be adjusted against the purchase price in case of successful bidder, at his request.

REFUND

7.4 The eligibility deposit shall be refunded to such bidder(s) who are not liable to deposit any earnest money.

FORFEITURE

7.5 If the highest bidder does not deposit earnest money at the fall of hammer or within such extended period as the case may be, eligibility deposit shall stand forfeited to the H.P. State Forest Development Corporation Ltd.

8. EARNEST MONEY DEPOSIT.

8.1 The earnest money deposit payable by the highest bidder(s) shall be 8.5% for common timber and 20% for committee timber and (K to Q) timber of the total gross purchase price. The auctioning Authority may, however raise the earnest money during the auction at his discretion.

8.2 In respect of “C” Class timber and resale lots, 30% of the total sale amount will be realized as earnest money.

TIME OF PAYMENT OF EMD

8.3 At the fall of the hammer, the highest bidder(s) shall deposit the earnest money in cash or by bank drafts. Pay order/Banker Cheques of local station (where HPSFDC or his/their eligibility deposit adjusted against the earnest money due from him/them, shall not bid for any other lot(s) unless he/they has/have made a fresh eligibility deposit.

EXTENSION FOR PAYMENT OF EMD

- 8.4 The Auctioning Authority may at his discretion allow the earnest money in whole or in part to be deposited within two days of the date of auction instead of at the fall of the hammer without charging any extension fee.
- 8.5 The Divisional Manager/ Depot Officer may allow a further extension of 7 days from the date, of auction for deposit of earnest money on payment of extension charges @ 50% P.A.on earnest money deposit unpaid.
- 8.5 (a) Regarding further extension in depositing of earnest money after 7 days of the effective date of sanction of timber lots.**

The Director concerned may grant extension in depositing of Earnest Money beyond 7 days, with extension charges @ 50% pa on full/remaining amount of EMD from the date of auction till actual date of its deposit, under exceptional circumstances and for bona fide reasons.

FORFEITURE

- 8.6 In case the highest bidder fails to pay the total bid money/ price within the specified period or within such extended period as the case may be, the earnest money deposit shall stand forfeited to the HPSFDC and the HPSFDC shall have the right to re sell/ re auction the said lot.

MODE OF PAYMENT

- 9 All demand drafts shall be on any scheduled bank in favour of HP State Forest Development Corporation limited and payable either at Shimla or the nearest town /city /village where the Himkashth Sale Depot has a bank account. Pay order/Banker Cheques of local station (where HPSFDC or concerned HSD has a bank account) shall also be accepted. The successful purchasers shall tender one bank draft towards sale price payable either at Shimla or the nearest town/city/ village where the Himkashth Sale depot has a bank account. The other bank draft towards taxes/market fee shall be payable only at nearest town/city village where the Himkashth Sale Depot has its bank account, drawn in favour of the H.P. State Forest Development Corporation Limited.

SANCTION OF BID

10. The date of sanction will be the date announced by the sanctioning Authority on the spot or the date mentioned in the telegram to the President of Timber Merchant Association at Yamunanagar/ Pathankot as well as the Divisional Manager/ Depot Officer concerned. Provided that such sanction shall always be subject to the condition of deposit of the income tax due from the purchasers as per the provision of section 44 AC read with Section 206 C of the Income tax Act, 61 along with the sale proceeds. Provided further that deposit of Income tax payable by the purchaser within the stipulated time as aforesaid, shall be a condition precedent to the sale and failure to do so shall be deemed to constitute retraction of the bid by the bidder and make him liable to forfeiture of earnest money deposit and give the Corporation the right to auction the resiled lots afresh.

11. PAYMENT OF PURCHASE PRICE TIME OF PAYMENT

- 11.1 The purchaser(s) shall pay the price of timber purchased within 50 days of sanction as stated in Para 10 above and shall also lift the entire timber sold to him/them within this period of 50 days.

- 11.2 Divisional Manager HSD concerned under exceptional circumstances and on application by the purchasers may allow an extension upto 30 Days in making payment subject to the payment of interest @ 27% P.A. on the belated amount in the manner prescribed for making payment.
- 11.2a Beyond the period specified in 11.2 Director concerned may give extension in period of payment on payment of interest @ 2.5 % per month on belated payment.

PART PAYMENT & REMOVAL

11.3 While applying for extension under clause 11.2 the purchaser will deposit 10% of the total sale value of the timber purchased by him with the concerned Divisional Manager to qualify for extension beyond 50 days. The Divisional Manager may recommend the extension with 27% interest on the belated sale amount in the manner prescribed for making payment. This 10% security amount will be adjusted against the value of the total timber purchased by the bidder at the time of making final payment of the timber purchased. However, if he fails to make the payment within this extended period, the amount so deposited by him will be forfeited to the Corpn. & no further extension will be granted.

11.4 Rebate will be allowed at the following rates:

REBATE

1. **5% on sale value if the payment is made within 2 days from the effective date of sanction.**
2. 4% rebate on sale value if the payment is made within 15 days.
3. 3% rebate on sale value if the payment is made after 15 days but within 25 days.
4. No rebate, no depot rent beyond 50 days.
5. Depot rent at prescribed rate beyond 50 days.

MODE OF PAYMENT

11.5 Payment of sale price within the period of 50 days shall be made by crossed demand drafts only drawn as stated in para supra.

GRACE PERIOD

11.6 In case of payment by demand draft as stated in para 11.4 a grace period of 3 days will be allowed for receipt of the draft at the Sale Depot, provided the date of issue of the demand draft is within the period specified above. In case the last day on which any payment is to be made to the Corpn. is a holiday either in the Himkashth Sale Depot of the Corporation or in the banks in HP, Punjab and Haryana then the date shall automatically stand extended to the next working day?

ADJUSTMENT OF EMD

11.7 The earnest money deposited for a particulars lot will be adjusted only when the final payment of the lot is made by the purchaser in the period mentioned above.

FAILURE TO PAY

11.8 In case any purchaser fails to pay the whole or in part the price for the sold lot within the prescribed time of 50 days as stated in sale conditions 11.1 above and the timber is not lifted by the party within the stipulated period as well as within extended period covered under the sale condition No.11.2 and 11.2a the entire earnest money or purchase price received shall be forfeited and the Corporation shall have the right to resell the timber.

12. EXTENSION OF TIME FOR LIFTING:

12.1 The purchased timber shall be lifted only against a release permit issued by the Depot Officer.

PERIOD FOR LIFTING

12.2 The purchaser shall lift the purchased timber within 50 days from the date of sanction. However, if after full payment of the lot has been made and the entire quantity cannot be lifted for want of a truck load, such timber may be allowed to be kept in the depot upto 20 days after the date of next auction without any depot rent. The quantity which may be detained under this concession will not exceed 8 m³. In case the purchaser fails to lift this timber within the period specified above, depot rent as provided hereinafter shall be payable from the date of expiry of 50 days from the date of sanction in respect of that lot

EXTENSION OF 30 DAYS

12.3 The Divisional Manager or Depot Officer may allow extension upto 30 days beyond the time specified for lifting in clause 12.2 above on payment of Depot rent @ 22% P.A on the pro rata value of timber un lifted.

FURTHER EXTENSION:

12.4 The Director (South) may under exceptional circumstances and on an application by the purchaser allow a further extension for 30 days on payment of Depot rent @ 22% P.A on the pro-rata value of unlifted timber. Director Marketing may give further extension on charging depot rent @ 3 % per month. No extension will be granted in respect of C Class timber beyond the period as mentioned in condition 12.3

STACKING

12.5 All timber as per Para 12.2 to 12.4 at the discretion of the Depot Officer/ Divisional Manager will be removed and stacked in a separate portion of the Depot at the cost of the purchaser. Such cost will be deposited in cash before the issue of release order by the Depot Officer/ Divisional Manager

PALTAI:

13. Paltai of timber of the sold lot may be allowed to the purchaser provided this is done in the presence of the Divisional Manager/Depot Officer and no disturbance is caused to the adjoining stacks and the full payment of the stacks in question has been made.

RESTRICTION ON SALE ETC.

14. No purchaser shall sell timber purchased by him to another party while such timber is lying in the Corporation Depot. No sawing or conversion of timber is to be permitted in the Depot premises under any circumstances what so ever.

CONDITION FOR REMOVAL:

15. No timber shall be allowed to be removed from the sale depot without the issue of a proper release order to be issued by the Depot Officer as per Corporation rules and without the timber having been marked with export sale hammer and presentation of the release order, Challan & gate pass as per Corporation rules and regulations in force from time to time.

ARBITRATION:

16. All or any dispute arising out of the auction sale or interpretation of any of the sale conditions contained herein shall be referred to the Managing Director, H.P. State Forest Development Corporation Limited and his decision shall be final and binding on the purchaser.
17. The supplier of Labour (LSM) in HSDs Depots should not be allowed to participate in auction process.

JURISDICTION

18. Court proceedings, if any, connected with the sale shall be subject to the jurisdiction of Himachal Pradesh Courts only.
19. The auction sales in HSDs are subject to such restrictions as may be imposed by the Govt. of Himachal Pradesh from time to time.
20. These conditions of sale shall also form the terms of the Agreement deed between the seller (HPSFDC) on the one side and buyer on the other side.

AUCTIONING COMMITTEE

Certified that I/We have heard/ read and understood the above conditions of sale in respect of timber to be put to auction as announced on the day, time and place mentioned above and signed with my/our own hand/hand(s) in acceptance thereof and will abide by these.

**D.M.
HSD BADDI**

**D.M.
Solan**

**Director (South)
Shimla**

S.No	Name & Address of the Purchase(s)	Name of representative of firm
1		
2		

3		
4		
5		