



**DIVISIONAL MANAGER  
HIMACHAL PRADESH STATE FOREST DEVELOPEMNT CORPORATION LIMITED  
FOREST WORKING DIVISION SHIMLA NIGAM VIHAR-171002**

**Email :- [dm-shimla@hpforestco.in](mailto:dm-shimla@hpforestco.in)  
Telephone No. 0177- 2623806**

**CONDITIONS FOR THE AUCTION/SALE OF TIMBER LYING AT RETAIL SALE DEPOT  
KANLOG OF H.P. FOREST STATE FOREST DEVELOPMENT CORPORATION LIMITED,  
FORST WORKING DIVISION SHIMLA BEING HELD AT RETAIL SALE DEPOT KANLOG**

**ON DATED 30.05.2020**

**DATE AND PLACE**

This auction/ sale is being held on behalf of the H.P. State Forest Development Corporation Limited hereinafter referred to as the Corporation for the sale of conifer timber hereinafter called Forest Produce at Retail Sale Depot Kanlog on this 30<sup>th</sup> day of May (Month). 2020.

**GENERAL CONDITIONS**

- 2.1 The above Timber is being auctioned on the basis of “AS IT IS WHERE IT IS AND IN WHAT SO EVER CONDITION IT IS.”
- 2.2 The bidder (s) shall be deemed to have inspected the Timber. The bidder (s) accepts/accept as correct the No. Kind, measurement, classifications and calculations of volume of Timber put up for sale as given in the sale lists (s). Any clerical mistake in the sale lists will of course be corrected if pointed out before the auction.
- 2.3 The auction sale in Timber Retail Sale Depot Kanlog is subject to such restriction as may be imposed by the Government of H.P. from time to time.

**AUTHORISATION TO BID**

- 3.1 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 reserve the right to permit bidding or not by any individual/firm at his sole discretion.
- 3.2 The purchaser has to give his PAN number before depositing of the payment and lifting of the timber.

## **BID**

- 4.1 The bid shall be exclusive of all taxes. GST @ 18%, TDS @ 2.5% and Market fee @ 1% will be charged extra on the bid amount under section 206-c read with section 44 AC of the income Tax Act 1961.
- 4.2 The taxes as mentioned in 4.1 will be deposited with the concerned authorities.

## **DURATION OF BID**

- 5 Bid once offered shall remain open for 30 days from the date of auction. The auctioning authority/sanctioning 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 condition 8 shall be refunded forthwith.
- 6 The auctioning authority reserves the right to withdraw, combine or split any lot(s) specified in the sale list(s).

## **7 ELIGIBILITY DEPOSIT**

### **Amount of eligibility deposit**

- 7.1 The intending bidder (s) is/are required to deposit a sum of Rs. 10,000/- 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.

### **Mode of payment**

- 7.2 The eligibility deposit shall be paid in cash or in shape of Demand Draft in favour of Forest Working Division Shimla.

### **Adjustment.**

- 7.3 The eligibility deposit may be adjusted towards earnest money due from a successful bidder (s) in whose favour the auction of lots(s)/Forest Produce has been concluded.

### **Refund**

- 7.4 The eligibility deposit shall be refunded to such bidders (s) wholly or partly after adjusting the same towards EMD or purchase price whichever is higher. Those who did not purchase timber will be refunded the eligibility amount completely.

### **Forfeiture.**

- 7.5 In case the highest bidder (s) resale (s) or withdraw (s) his/their bid and if any highest bidder fail to deposit the purchase amount, the eligibility deposit shall stand forfeited to the Corporation.
- 7.6 The highest bidder (s) who resale (s) from the bid offered shall not be permitted to participate and bid in the resale of that lot or part thereof. Further, the auction authority will be at discretion not to permit such bidder (s) to participate in subsequent auctions.

### **EARNEST MONEY.**

- 8 The Earnest money deposited payable by the highest bidder (s) shall be 10% ( plus tax is thereon) of the total purchase price. The Auctioning Authority may, however, raise the earnest money during the auction at his discretion.

### **Time of Payment of EMD**

- 8.1 At the fall of hammer, the highest bidder (s) shall deposit the earnest money in cash or by Bank Drafts provided that any difference due to any clerical error in calculation shall be paid/ deposited within 7 days of effective date of sanction or the issue of any release order to purchaser(s) which ever is earlier.

### **Forfeiture**

- 8.2 In case the highest bidder fail 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 HPSFC and the HPSFC shall have the right to re, sale/ re auction the said stack.

## **9 Mode of payment**

All Demand draft shall be on any scheduled bank in favour of Forest Working Division Shimla and payable at the Shimla where the concerned Forest Working Division has its bank account. The payment can also be made through RTGs is specified Bank of FWD Shimla in the account no. mentioned in the auction lists.

### **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 E-post to the bidder/purchaser as well as the Divisional Manager concerned provided that such sanction shall always be subject to the condition of deposit of the Income Tax due from the purchaser, as per the provision of section 44 AC read with section 206C of the Income Tax Act, 1961, within a period of 5 days from the date of sanction. 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 the earnest money deposit and give the Corporation the right to auction the resiled stack (s) afresh.

**Risk after sale**

- 11 The sold forest produce shall lie uninsured in the depot of the Corporation at the risk and cost of the purchasers from the effective date of sanction.

**Time of payment**

**12 Payment of Purchase Price**

- 12.1 The purchaser shall pay the sale price of timber within **15 days** from the **effective** date of sanction.

- 12.1(a) Rebate of 2% will be allowed if the entire payment of sold lot is made within 5 days from the effective date of sanction in respect of forest produce.

- 12.1(b) Director (South) HP State Forest Development Corpn. Ltd., Shimla may under exceptional circumstance and on application by the purchaser (s) may allow an extension in making the payment up to 30 days as he considers fit on the payment of interest @ 2.5% p.m. on the belated amount in the manner prescribed for making the payment.

- 12.1(c) Beyond the period specified in 12.1(a) Executive Director may give extension in period of payment on payment of interest @ 2.5% per month on belated payment.

**Grace period.**

- 12.2 In case the last day by which any payment is to made to the Corporation is Holiday then the date shall automatically stand extended to the next working day.

**Mode of payment.**

- 12.3 Payment of sale price within the period specified in condition 12.1, shall be made by Crossed Demand Draft drawn only as stated in condition No. 9 above. That the payment can be made through RTGS in specified Bank of FWD Shimla in the account number mentioned in the auction list.

12.4 **Grace Period.**

In case of payment by Demand Draft drawn only as stated in condition No. 12.3, a grace period of 3 days will be allowed for receipt of the draft at the concerned Forest Working Division provided the date of issue of the Demand Draft is within the period specified above.

12.5 **Release of earnest money.**

The earnest money deposited for a particular stack (s) will be treated as security till the value of forest produce purchased is paid in full. The security amount will be adjusted in the last installment of payment in full and final settlement of the dues.

- 12.6 In case any purchaser (s) fail to pay, in whole or in part, the price for the sold forest produce within the prescribed time as stated in condition No. 12.1 above, the entire earnest money and purchase price received shall be forfeited and the Corporation shall have the right to resell the forest produce.

**Release Order:**

13 **Lifting period and extension of time for lifting:**

- 13.1 The timber purchased shall be lifted only against release order issued by the Divisional Manager Forest Working Division, Shimla.

**Period of lifting:**

- 13.2 The purchaser shall lift the timber sold within **20 days** from the effective date of sanction. Lifting of produce would be commensurate with funds deposited.
- 13.3 The Director (South) may under exceptional circumstances and on application by the purchaser allow an extension in lifting timber subject to the payment of depot rent @3% per month on the pro-rata of un lifted Timber.

**Failure to lift.**

- 13.4 If the purchaser (s) fails/fail to lift the timber within the time as prescribed above, his/their security/earnest money and cost of forest produce shall stand forfeited to the Corporation.

**Damage to Forest growth or any other property.**

- 13.5 No damage shall be caused to the forest growth or any other property at the time of lifting the forest produce. For any damage the purchaser (s) shall have to pay damage/compensation, as may be assessed by the Divisional Manager Shimla Forest Working Division to the owner of Forest Growth/Property. In case of dispute, the decision of the Director (South) shall be final and binding on the purchaser.

**Restriction on sale etc.**

- 14 No purchaser (s) shall sell the Timber purchased by him/them to another party while such forest produce is lying in the Corporation depot.

**Condition for removal.**

- 15 No forest produce shall be allowed to be removed from the sale depot without issue of a proper release order to be issued by the Divisional Manager Shimla Forest Working Division as per Corporation rules and without the forest produce having been marked with export/sale hammer (wherever required) and accompanied by Challan & documents required under rules.

**Arbitration.**

- 16 In case of any dispute arising between the parties (viz. Corporation and purchaser) in respect of timber purchased under those conditions of sale and auction thereof, the decision of the Managing Director, HP State Forest Development Corporation, Shimla to whom the case may be referred for arbitration by the parties shall be final and binding upon the parties.
- 17 The interpretation of these conditions by the Managing Director, HP State Forest Development Corporation, Shimla shall be final and binding on the parties.

**Jurisdiction.**

- 18 Court proceedings, if any, connected with the sale shall be subject to the Jurisdiction of Shimla Himachal Pradesh Courts only.

**Agreement.**

- 19 These conditions of sale shall be deemed as an agreement deed between the seller (HPSFC Ltd) on the one hand and purchaser (s) on the other hand.

**AUCTIONING AUTHORITY.**

Certified that I/We have heard/read and understood the above conditions of sale in respect of Conifer Timber to be put to auction/sale as announced on the day and time and place mentioned above and sign with my/our hand/hands as under in acceptance thereof and will abide by these: -

**Divisional Manager  
FWD Shimla**

Sr. No.	Name and Address of the Purchasers.	Signature	Contact Number
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