

SALE OF RED SANDERS WOOD 2016 PHASE-V

MINUTES OF THE MEETING (MoM) OF THE PRE-BID MEETING HELD ON 05.03.2016 AT 3:00 PM IN THE MAIN CONFERENCE HALL, 6th FLOOR O/o THE PRL.CHIEF CONSERVATOR OF FORESTS (HEAD OF FOREST FORCE), ANDHRA PRADESH, ARANYA BHAVAN, HYDERABAD,INDIA

The PrI.CCF & HoFF, Andhra Pradesh, the PCCF (Admin), the APCCF (Vigilance), the members of the Auction Team constituted by the Govt., representative from APFDC Ltd, representatives of MSTC Ltd, the Foreign/Indian prospective buyers, representatives of the Foreign/Indian prospective buyers and officials attended the pre-bid meeting.

The PrI.CCF & HoFF, AP, welcomed the Purchasers and their representatives to the pre-bid meeting. The PrI. Chief Conservator of Forests informed the gathering that, the Government after careful consideration of the suggestions/views of the buyers and experience from the previous sales, amended some important clauses of the Special Terms and Conditions of the tender document to simplify the process and to encourage good participation. The entire notified material is neatly dressed, stacked in one place i.e. Central Warehousing Corporation godown, Renigunta, Tirupathi, the best quality material has been notified for sale this time. The prospective buyers may visit the depot for the inspection of the lots notified for sale and the entire team involved in the process of sale and export are present today and they will explain the sale process. The buyers can seek any clarification and give suggestions to make the sale process more simple, understandable and implementable.

The Chief Conservator of Forests (Production) made a presentation and informed the prospective buyers about the quantity notified for the sale grade wise, date of auctions and revised timing of the e- auction. The important Clauses of the Special terms and Conditions which are amended to simplify the sale was informed and requested to go through the Special Terms and Conditions of the tender document. The buyers are informed that, the Government orders and all the necessary information along with photographs and videos of each lot pertaining to the sale are posted in the department website and MSTC website as well.

The prospective buyers are requested to go through the tender documents posted in the websites and revert back if any further clarification/information is required.

The MSTC Ltd. representatives made a detailed presentation/demonstration on the registration procedure, payment of pre-bid amount, EMD management, Auto bid, Auto extension, demo on bidding procedure and bid increment (a copy of the presentation is posted in the Forest Department website).

The VC & MD, APFDC made a presentation on the procedure for payment, procedure/steps for export (a copy of the presentation is posted in the Forest Department website).

Further, the prospective buyers/representatives of the prospective buyers requested the Government to issue clarifications on the following queries:

1. **Question:**-Whether Cash Bonds are accepted or not, since transferring the money will take time?

Clarification: As per the Special Terms and Conditions of the Tender Document, Cash Bonds will not be accepted. However, the suggestion will be examined and put before the Tender committee for the next sale. The prospective buyers have to make the arrangements for transfer of money to MSTC account keeping the delay well in advance.

2. **Question:**-Some of the buyers expressed their views that, since the auctions have been notified for three days continuously, if the buyers exhaust the money transferred to MSTC account on first day, it will be difficult to participate in the sales of the subsequent days by the Foreign bidders, due to the time consumed for transfer of the pre-bid amount. They requested to give two to three days-time from one auction day to the subsequent auction day?

Clarification: The prospective buyers have to make the arrangements for transfer of money to MSTC account keeping the delay for transfer of money well in advance depending on the number of different grades of lots and quantity they wish to participate in the auction. However, the suggestion will be examined and put before the Tender committee for the next sale.

3. **Question:** - As per the conditions within (90) days the buyer has to lift the material and export after paying the sale value, is it possible?

Clarification: Please refer to clause no. 32 & 33 of Special Terms and Conditions of the tender document for complete detail of delivery. After remittance of 100% sale value, the buyer will be allowed to lift the material within 90 calendar days from the issuance of the confirmation order by the Seller. In the earlier sales the bidders have successfully exported the allotted quantity within the stipulated time period.

4. **Question:**-If the tenderer fails to get any lot of red sanders wood put for e-tender-cum-e-auction, how much time it will take to refund the pre-bid deposit.

Clarification: In case the company is not successful in the auction, MSTC Ltd. will return the Pre-bid EMD within 3 working days from the date of closing of e-auction.

5. **Question:**-The time granted by the DGFT to export the quantity permitted by CITES to dispose of the seized/confiscated Red sanders wood is up to 30.4.2016, whether the Government of AP is getting further extension?

Clarification: The DGFT, GoI has been addressed with a request to grant further extension of time for one more year, the Government is pursuing the issue with the DGFT and it is the responsibility of the state Government.

6. **Question:**- The Ministry of Commerce to encourage the export and trade, gives certain incentives as drawback, where the drawback money is accounted for in the state Government?

Clarification: The VC and MD, APFDC clarified that, there are no such incentives received by the Government in the past from the Ministry of Commerce. The Red sanders being a restricted item and included in appendix – II of the CITES and IUCN Red list. Hence the trade is under strict control and supervision.

7. Question:- How much time will be taken for confirmation of the sale/ confirmation of the lot to the H1 bidder?

Clarification: Pl. refer to the Clauses 26 and 27 of the Special Terms and Conditions of the tender document. The lots will be confirmed to the H1 bidder by the Prl. Chief Conservator of Forests, soon after the receipt of confirmation of highest bids by the Government.

The Addl. Prl. Chief Conservator of Forests (Vigilance) thanked the prospective buyers / representatives of the prospective buyers, members of auction team, A.P.F.D.C. Ltd. and MSTC Ltd. for attending the pre-bid meeting and requested the prospective buyers to go through the Special Terms & Conditions in detail for clarity and also requested them to keep watching the Department & MSTC website for further clarifications.

Sd/- S.B.L.Misra
Prl. Chief Conservator of Forests
(Head of Forest Force)