

Minutes of meeting (MoM) of the Pre Bid meeting held on 19.7.2017 at 11.00 AM in Vanyaprani Bhavan, Kapila teertham, Tirupati and on 21.7.2017 at 3.00 PM in 6th Floor, Aranya Bhavan, Hyderabad, in connection with Global e-tender cum e-auction for sale of RS Wood Phase - VII.

The Prl. Chief Conservator of Forests & HoFF, Andhra Pradesh, the Vice Chairman and Managing Director, APFDC, the PCCF (Vigilance), the PCCF (Prod.), 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 meetings.

The Prl.CCF & HoFF, AP, welcomed the prospective Purchasers and their representatives to the pre-bid meeting. The Prl. Chief Conservator of Forests made a presentation and informed the prospective buyers about the quantity notified for the sale grade wise, date of auctions and simplified terms and conditions of the tender document to encourage wider participation. During the presentation the process of registration, auction, Bidding, procedure/steps for export were explained.

The prospective buyers were informed that, all the Government orders and information along with photographs and videos of each lot pertaining to the sale are posted in the websites of APFDC, AP Forest department and MSTC. They may also visit the depot for the inspection of the lots notified for sale. The buyers were asked to interact for any clarification and also give suggestions to make the sale process more simple, understandable and implementable.

The MSTC Ltd. representatives made a 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 APFDC & Forest Department websites).

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

1. **Query:**-Some of the buyers expressed their views that, since the auctions have been notified for two days continuously, if the buyers are not informed about confirmation of sale, it would be difficult to participate on the following day, since they might have purchased the required quantity on the first day itself or if the sale is not confirmed they would be losing the chance in participation of sale on the second day. They requested to confirm the sale first before going for auction on the next day or limit the sale for one day in a cycle and conduct sale after confirmation of sale in each cycle of sales.

Clarification: The suggestion of the prospective buyers has been examined and it is not agreed to conduct sale on one day instead of two days in all (3) cycles. The auction schedule will remain as notified.

2. **Query:** - Some of the prospective buyers requested to notify the Upset price or keep the price as reasonable as possible?

Clarification: It was clarified that the start price for each and every lot will be notified before the commencement of sale. The upset price (reserve price) will not be displayed. Every day the report from MSTC will be examined and a report will be submitted to Govt. for examination and approval of bids received in the e-tender cum e-auction on each day of sale.

3. **Query:**- It was reported that the weight difference is more than 4% in the last sale for certain lots and they have lost heavily due to this. They have requested to limit the weight loss to less than 1%.

Clarification: The Tender committee felt that this was done based on earlier experience from previous sales. Hence it is decided to retain as it is for the time being.

4. **Query:**-Some of the prospective buyers observed that quantity of some of the "C" Grade lots is very high and it may be limited to 20-25 MT to enable the small buyers to purchase?

Clarification: Normally a container of 40 ft will accommodate about 25 MT for export and accordingly the quantity is put up for sale based on quantity that can be loaded in a container or multiples.

5. **Query:-** The buyers have reported that in some cases the weight is recorded wrongly while lotting. For example a log weighing 20 kg is recorded as 200 Kg and this is resulting in shortage of weight?

Clarification: The suggestion will be examined and in such cases it will be rectified as per actual weight.

6. **Query:-** The buyers have informed that they are paying the import duty on the security deposit also since they are remitting foreign currency. They have requested the possibility of waiving the Security deposit payment?

Clarification: The payment of Security deposit taken is only as performance guarantee and it cannot be waived. A certificate can be issued to those requested, stating the amount is a refundable deposit. The security deposit is being released soon after completion of export and other transactions by the buyer.

The Vice Chairman and Managing Director, APFDC thanked the prospective buyers / representatives of the prospective buyers, members of auction team 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 websites of APFDCL, AP Forest Department & MSTC for further clarifications.

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