

THE TERMS & CONDITIONS INCLUDING THE E-AUCTION SALE IS GOVERNED BY THE GENERAL TERMS & CONDITIONS (GTC), BUYER SPECIFIC TERMS & CONDITIONS (BSTC) AND SPECIAL TERMS & CONDITIONS (STC) OF THE E- AUCTION. INCASE OF ANY CONFLICT OR DIFFERENCES AMONG ANY PROVISIONS OF GTC, BSTC & STC. THE PROVISIONS OF STC WILL SUPERCEDE OTHERS IN THE PARTICULAR E-AUCTION.

With the implementation of Goods & Services Tax (GST) w.e.f 01<sup>st</sup> July 2017 in India, VAT / Sales Tax will be discontinued and these taxes be subsumed in GST. GST will be payable on all goods (whether scrap or otherwise). Hence all Buyers having VAT Registration (TIN) need to register with GST for continuing transactions. Copy of certificate referring GST Registration Number needs to be submitted with MSTC for updating Buyer Registration details. MSTC/Seller will not be liable to issue any Sale Order / Delivery Order/ invoice etc wherever GST Registration Number is not submitted.

E-AUCTION CONDITIONS FOR THE SALE OF ACACIA AURICULIFORMIS  
TIMBER

**1. PREBID EMD AS MENTIONED BELOW HAVE TO BE DEPOSITED TO PARTICIPATE IN EACH AUCTION :**

PREBID EMD Rs.50,000/-, for all lots in the morning section. The pre-bid EMD amount needs to be paid by the participating buyers to KFDC by means of NEFT/RTGS/Online Payment. The Bank details are as follows;

Bank Name : State Bank of India Branch : Kottayam Town (70102) A/c No : 67391586884 IFS Code : SBIN0070102.

**The BUYER REGISTRATION NO, THE LOT NO./NOS AND THE PAYMENT DETAILS TO BE E-MAILED TO THE FOLLOWING EMAIL ID BEFORE 3 PM ON THE DAY BEFORE THE AUCTION DAY - "md\_kfdcktm@yahoo.co.in".**

Only the registered customers who will submit the pre bid EMD within the aforesaid period will be able to participate against the above mentioned lot/s in this e-auction. If the sale value of bid material is not paid within the specified time period against any of the bid lot by the H1 bidder, the EMD will be forfeited. However, pre bid EMD of the unsuccessful bidders would be generally refunded / returned by KFDC after closure of the e-Auction with same instrument. No interest is payable on the pre bid EMD and SD. The volume of the timber/ lops & tops indicated is approximate only. All the applicable taxes/duties/levies as

notified by Government of India or any of the State Governments of India prevailing on the date of delivery shall be payable by the successful bidder.

KERALA FOREST DEVELOPMENT CORPORATION LIMITED having its Head Office at Karappuzha, Kottayam, the owner / seller, will be hereinafter referred to as PRINCIPAL and MSTC Ltd., the Selling Agent of the PRINCIPAL will be hereinafter referred to as MSTC. Wherever the words Buyer, Purchaser, Successful Bidder are indicated, it will be referred to as Successful Bidder.

2. **VALIDITY OF BIDS :** All bids will be valid for acceptance by MSTC for a period of 30 (Thirty) days from the date of closing of e-Auction (excluding the date of closing of e-Auction). In case the 30<sup>th</sup> day falls on a holiday or remains closed for MSTC/PRINCIPAL, such bids will be deemed to be automatically extended to be valid upto the next working day of MSTC/PRINCIPAL.
3. **INSPECTION:** The intending bidder or his authorized representative may inspect the plantation as per the schedule mentioned below, between 10.00 am to 5:00 pm on any working day at the location specified against the lots/plantations with the prior permission from the respective contact person. (Divisional Manager, Punalur – 8289821200)
4. **CONDITIONS OF GOODS:** The description/quality indicated are approximate and furnished to enable bidders to quote their rates. Bidders are advised to quote their rates only after inspection of items at site. But neither the sale could be invalidated nor the bidder can make any claim/compensation whatsoever on account of any defect in description, deficiency in the quantity and quality. Notwithstanding anything contained in the e-Auction sale notice or advertisement issued as to description and particulars of material put up for sale, the sale is on as is where basis is only. PRINCIPAL/MSTC, do not give any assurance or guarantee that the materials to be delivered will adhere to notice or advertisement or list. No plea or misunderstanding or ignorance or conditions put forth subsequent to any confirmation of sale shall be accepted. The principle of caveat emptor (let the buyer be aware) will apply. No complaint will be entertained after sale.
5. Conditional offers will not be accepted/ entertained.
6. Plantations will be sold in as is where condition is and the whole items shall be taken delivery from the site by the successful bidders with its faults, errors in description, if any. Trees of species other than main crop sold as per catalogue, except hard wood species like Teak, Rosewood Anjily, Irul etc can be harvested and removed by the contractor at the existing Government rates. However,

- permission of the Divisional Manager should be taken to select trees and Divisional Manager can decide some trees not to be removed, even if softwood.
7. The items shall remain in every aspect at the risk of the buyer from the time of acceptance of his offer PRINCIPAL/MSTC will not undertake any liability whatsoever for the safe custody, protection or preservation after the sale has been confirmed. Delivery of the lot as put up for sale, subject to change by nature's wear and tear, will be affected by the company. No complaint regarding quality/quantity or mis description for the materials sold will be entertained once the bid has been accepted.
  8. GST: GST as per the prevailing tariff wherever applicable at the time of delivery on the sale of materials covered under this e-Auction shall be payable by the successful bidders directly to Principal at the time of taking delivery of materials. The present rate of GST applicable is indicated in this e-Auction list. All revision of taxes or conditions stipulated by the Government from time to time will be applicable to this auction also. The successful bidder will be solely responsible for the discharge of all such taxes / levies chargeable from time to time by the Government as applicable.
  9. TAX COLLECTED AT SOURCE: Income tax as applicable.
  10. The H1 bid value will be split on pro rata basis for the timber and firewood portions of the lot, with GST applicable only on the timber portion. In addition to this the Purchaser has to pay all applicable taxes imposed time to time by competent authority.
  11. ISSUANCE OF SALE INTIMATION LETTER: Wherever the Highest Bid (H-1 Bid) is acceptable on confirmed basis or 'Subject to Approval' (STA) basis, depending upon the Reserve Price fixed by the PRINCIPAL immediately on closing of the e-auction, Sale Intimation Letter will be issued automatically by e-mail to the respective Highest Bidder informing him whether his bid has been accepted on confirmed basis or STA basis. Bidders must, therefore, keep a watch on their incoming e-mail in this regard. PRINCIPAL has the power to accept or reject any highest bid, accepted on STA basis, without citing any reason. The decisions towards acceptance or rejection will be intimated by e-mail to the respective bidder.
  12. ISSUANCE OF SALE ORDER & PAYMENT SCHEDULE: The acceptance of bid is subject to confirmation by the Managing Director, Kerala Forest Development Corporation Ltd., who may confirm or reject any bid, including the highest tender, without assigning any reasons thereof. His/her decision in this respect shall be final. Sale Confirmation Order will be issued for the accepted lots/units within a reasonable time from the closure of e-auction and the same will be communicated by e-mail.

### 13. REMITTANCE OF PART VALUE :

The successful bidder should remit the payments as per the following manner.

- i. Minimum 5 lakhs or contract amount whichever is lower after adjusting EMD already remitted, shall be paid within 14 days from the date of receipt of sale confirmation order and agreement to be executed.
- ii. 7 days additional period can be allowed for payment and execution of agreement at Rs.1000/- per day fine.
- iii. If any amount is charged by bank for clearing the DD, the same shall be borne by the bidder himself. If the DD is dishonored by the bank, the bidder who remitted the DD will be treated as defaulter and necessary actions will be initiated against him as per the law and as per sale condition.
- iv. If the successful bidder fails to remit the amount and sign agreement as prescribed in the sale order within the prescribed time period, the bid will be treated as cancelled and all remittance including EMD will be forfeited without giving any notice and the lots will be re-auctioned at the risk & loss of the defaulter and all the loss incurred because of re-auction will be the responsibility of the defaulter. Loss as mentioned above will be realized from the defaulter as per Revenue Recovery Act, 1968 or any other relevant rules in force.

14. EXECUTION OF AGREEMENT. The successful bidder shall execute an agreement incorporating the conditions given in the terms and conditions, within 14 (Fourteen) days from the date of receipt of sale confirmation order. The terms and conditions of agreement with the purchaser shall be as specified in the Terms and Conditions of Agreement attached herewith. The Managing Director or any other officer authorized by him shall be the authority competent to enter into agreement with the purchaser on behalf of the Kerala Forest Development Corporation Ltd. The agreement shall be executed on a non-judicial stamp paper of value Rs 200/- or at the value of the higher rate stipulated under the Kerala Stamp Act. All the costs of stamp, etc., necessary for execution of agreement shall be borne by the Purchaser. Deficit payment of stamp value if any, found at a later date is liable for recovery from the Purchaser. The Kerala Forest Development Corporation Ltd. shall not be the party in whatsoever manner with regard to the deficit payment of stamp duty if any, occasioned and the Purchaser is solely liable for payment of differential amount/value thereof. One week including holidays can be given as an extension for the execution of the agreement by the Divisional Manager by paying a fee of Rs 1000/- per day of delay. If the last date is a holiday,

the next working day will be the last date. Failure to remit the amount and execute the agreement in time will result in the forfeiture of the EMD and cancellation of orders accepting the offer.

15. SECURITY DEPOSIT. At the time of entering in to agreement the successful bidder shall deposit an amount equal to 5% of the sale value by NEFT/RTGS. If any relaxation in this rate has been granted by the Government for that period, the same shall be applicable. Failure to pay the Security Deposit and execution of Agreement will entail cancellation of the Confirmation Orders and forfeiture of amounts already paid. Re-auction will be called for at the discretion of the Managing Director, at the risk and loss of the Purchaser. The sale value including GST and other taxes, Govt. levies as applicable and regeneration charges, at the time of sale must be paid by the successful buyer directly to KFDC through NEFT/RTGS/online payment only. The Bank details of concerned divisions are as follows:

Division	A/C number	Name	Bank	Branch	IFSC
Punalur	41889428451	Kerala Forest Development Corporation	SBI	Kottayam (Town)	SBIN0070102

16. Bidders are not allowed to refrain from their offer by raising any claims, after commencement of the work/execution of agreement.
17. PAYMENT OF BALANCE SALE AMOUNT: The successful bidder shall remit the entire balance bid amount with taxes as applicable including Income Tax in installments of 5 lakhs each and next installment has to be paid on transport of material of value around 4 lakhs. Last two installments shall be paid together. Failure to remit the payment of balance sale amount and remove material even during the extended period will entail cancellation of the contract and forfeiture of all money paid by the bidder to the PRINCIPAL till then and all produce remaining in the contract area. The right thus cancelled will be resold at the risk & loss of the bidder.
18. DELIVERY TERMS (LICENSE) : The license for felling and removal of the trees in the block/plantation will be issued after receiving the 1<sup>st</sup> installment with taxes applicable and execution of agreement subject to the conditions specified in clause 13 above. Felling and removal of trees should be completed within the mentioned date in the terms and conditions of the agreement. The delivery of the material will be given after realization of the part value.
19. The period of contract is 6 months from the date of execution of agreement or 31.05.2024, whichever is earlier.

## 20. TRANSFER OF AGREEMENT :

- a). The Purchaser will not assign and / or transfer the allotted plantations to any other person or party without the specific orders of the Managing Director, who at his discretion may permit such assignment for transfer on payment of Rs 5.0 lakhs.
- b). No transfer of the tendered unit shall be permitted if the harvesting in the said unit has already commenced.
- c). In case of transfer of tendered area from one purchaser to another purchaser who is qualified in all respects to participate in the auction, the transferee purchaser shall have to enter into a fresh agreement with the Managing Director on the terms and conditions as mentioned above.

21. PURCHASER RESPONSIBLE FOR RECEIVING NOTICES FOR PAYMENT: The buyer shall make his own arrangements to receive the notice/Invoices for payments and other communications in person or through his authorized agent and shall furnish the correct postal address and email address at which notices and other communications can be sent. If the same are received back un-served or undelivered, it will be construed that such notices or communications are deemed to have been served on the purchaser.

The loss suffered by the company on account of resale at the risk and loss of the successful bidder unless made good within fifteen (15) days from the date of dispatch of notice of demand by registered post, may be recovered from him as arrears of Land Revenue under Revenue Recovery Act (RR Act) or provision of any law for the time being in force. The bidder however shall not be entitled to any profit that may accrue to the Corporation on such subsequent disposal. The loss shall be calculated as per the following formula:  $L = OBV - BVR$  Where L is loss, OBV is Original Bid Value and BVR is Bid Value in Re-auction. The amount of loss will carry interest at the prevailing rate as per RR Act

22. No delivery of materials will be given on Sundays and closed holidays observed by PRINCIPAL. The material will be delivered only to the successful bidder or their authorized representatives against presentation of e-Auction Identity Card issued by MSTC. If the successful bidder desires to authorize a representative or an agent for delivery, in such case the bidder shall produce suitable Power of Attorney or authorization letter duly attested by a Notary Public authorizing his representative or agent to lift the materials from PRINCIPAL.
23. PRINCIPAL/MSTC reserves the right to accept/reject and cancel any bid, amend the quantity under any lot or withdraw any lot at any stage under this e-Auction sale after acceptance of bid/issue of sale order/deposit of full sale value by the bidder, without assigning any reason thereof and the value of such material if paid for, shall be refundable. PRINCIPAL/MSTC shall not be responsible for any

damages/loss whatsoever to bidders on account of such withdrawal, at any stage from the e-Auction sale.

24. FORCE MAJEURE : PRINCIPAL/MSTC will not be in any way responsible for failure to deliver the materials due to cause beyond their control such as strike, lockout, cessation of work by labourers, shortened hours, act of God, natural calamity, theft, untoward fire incidents or other causes of other contingencies whatsoever happened to the trees after e-auction. The buyer shall not be entitled to cancel the contract and the period of delivery shall not automatically get extended proportionately.
25. CONDUCT DURING DELIVERY: Buyers shall solely be responsible for movement and proper behavior of their deputies, agents, and labourers within PRINCIPAL'S premises. If any damage is caused to the KFDC's property, the buyer is responsible to make good such damage to the satisfaction of PRINCIPAL and the decision of PRINCIPAL in this regard shall be final and binding.
26. ACCIDENTS ETC. TO BUYER / BUYER'S LABOURER: PRINCIPAL/MSTC will not at any point of time be responsible for any injuries caused due to accident within the plantation/ premises or at the place of work and the bidder will make proper arrangement for medical attention and treatment to his labour representative. The buyer will be solely responsible for any claim arising out of the employment, injuries to labourers in the course of the employment under any statute. It is the responsibility of the buyer to provide necessary safety appliances (like hand gloves, tools, helmet, safety goggles, boots etc.) to the labourers who are engaged for the extraction and removal of the trees.
27. BLACKLISTING: If it is found that the bidder is not following the terms and conditions of payment, delivery or other conditions of the e-Auction and also indulging in any malpractices either himself or by his agents, deputies or observer, such bidder are liable to be blacklisted and appropriate action will be taken as deemed fit by PRINCIPAL/MSTC.
28. In the event of any dispute in connection with this sale, the decision of PRINCIPAL/MSTC shall be final and binding on the parties to the e-Auction sale. Further any such dispute, doubts or differences of opinion arising at the time of payment of delivery, bidders shall agree and abide by the decision of PRINCIPAL/MSTC.
29. The loading of material at the time of delivery is the sole responsibility of the purchaser using his own labourer. The purchaser shall bring their own vehicles, bags and boxes, cases or their receptacles for the removal of the auctioned items and shall be responsible for loading, loading and unloading workers, under supervision of authorized official of PRINCIPAL. Any issues related to the

purchaser's labourers/loading and unloading workers have to be taken care of by the purchaser.

- 30.No interest will be paid to the purchaser on the amount paid or deposited by him and on the amount refundable to him, if any.
- 31.In the event of any disputes or differences arising in connection with the contract, the decision of Managing Director, KERALA FOREST DEVELOPMENT CORPORATION LTD, Kottayam shall be final and binding on all parties and will be settled as per the Indian Law in the Court Jurisdiction of Kottayam only.
- 32.Trees of species other than main crop sold as per catalogue, except hard wood species like Teak, Rosewood Anjily, Irul can be harvested and removed by the contractor at the existing Government rates. However, permission of the Divisional Manager should be taken to select trees and Divisional Manager can decide some trees not to be removed, even if softwood.

### **Terms & Conditions of Agreement**

1. The e-auction documents and all communications to the successful bidder form part of this agreement.
2. The PURCHASER or his men shall not enter the contract area or commence work without obtaining the license and sketch of the area issued by the Divisional Manager.
3. Timely completion shall be the essence of this contract.
4. The period of contract is 6 months from the date of execution of agreement .
5. Minimum 5 lakhs or contract amount whichever is lower after adjusting EMD already remitted, shall be paid within 14 days from the date of receipt of sale confirmation order and agreement to be executed.
- 7 days additional period can be allowed for payment and execution of agreement at Rs.1000/- per day fine.
6. Failure to remit the above and sign agreement during the extended period will entail cancellation of the contract and forfeiture of all money paid by the contractor to the corporation till then and all produce remaining in the contract area. The right thus cancelled will be resold at the risk and loss of the contractor.
7. The PURCHASER shall keep the boundaries of the contract area well cleared of undergrowth and shrub to a width of 3 meters and shall also keep the cairns intact. If the contractor fails to do so, the work will be got done by the corporation and the cost thereof recovered from the contractor, in addition to any penalty which the Divisional Manager may impose.



8. The PURCHESR shall fell & collect only Main crop & other miscellaneous trees in the plantation except Rose wood, Teak, Ebony, Sandal etc (Royal trees) and Anjily in the plantation outrightly sold. Trees like Tembavu, Venteak, etc not included in the valuation and tarbanded will also be excluded from sale.
9. The successful bidder having paid 1<sup>st</sup> part value and executed agreement shall remit the entire balance bid amount with taxes as applicable including Income Tax in installments of 5 lakhs each and next installment has to be paid on transport of material of value around 4 lakhs. Last two installments shall be paid together.
10. The PURCHASER or his authorized agent shall be present at all times in the contract area. He shall employ an agent or agents to assist him in the work only with due approval by the Divisional Manager who may, at his discretion grant approval on submission of request of the contractor giving details such as name, residential address and a specimen of the signature of the person proposed to be appointed as agent. The Divisional Manager reserves to himself the power to reject any of those persons proposed to be appointed as agent by the contractor. The contractor shall not engage as his agent or workmen any person already engaged by the Corporation or other contractors for any other works in the area and also those who are involved in any forest or wildlife offences.
11. The PURCHASER shall provide each of his agents and other workmen with a written authorization, which should show his name, parentage, residence and period for which it is valid. The authorization must always be produced when demanded by any Officer of the Corporation.
12. The PURCHASER shall comply with the orders and instructions issued by the Field Officer, Manager or the Divisional Manager from time to time in the matter of collection and removal of produce under this contract and shall also abide by the provisions of the Kerala Forest Act, Wildlife (Protection) Act, other enactments relating to conservation of biodiversity and rules framed there under.
13.
  - i. The purchaser shall not assign and /or transfer tendered units to any other person or party without the specific orders of the Managing Director, who at his discretion may permit such assignment for transfer on payment of Rs.5 Lakhs.
  - ii. No transfer of the tendered unit shall be permitted if the harvesting in the said unit has already commenced.
  - iii. In case of transfer of tendcred area from one purchaser to another purchaser who is qualified in all respects to participate in the e-auction,

the transferee purchaser shall have to enter into fresh agreement with the Managing Director on the terms and conditions as mentioned above.

14. In the case of any question arising with regard to or objection being taken by any person, to the contractor's right to collect or store the produce collected in any part of the contract area or to remove the produce collected along any routes or through any part of the contract area, the Manager may whenever any such questions arise, serve the contractor with a written notice prohibiting him from collecting or storing such produce or any of them from or in the whole or any part of such contract area or regulating the storing or removal of any produce. On the service of any such notice, the orders and directions therein contained shall until the same are varied by the Divisional Manager, be taken as part of the conditions of this contract, notwithstanding anything herein contained to the contrary and shall be observed and performed by the contractor as such. The contractor shall have no claim for any loss he may incur by carrying out the provisions of any such notice nor for any loss caused to him by his being prevented or obstructed by any land owner or other persons on plea of right of ownership or right of enjoyment or otherwise from collecting, storing or removing any of the stock.
15. The PURCHASER shall commence work in the area from one end and shall proceed to the other end in an orderly and systematic manner in consultation with competent authority.
16. All the timber, firewood, etc. cut and collected by the contractor from the contract area shall be stored by him, for checking by the officers of the corporation before removal, along the sides of the roads within the contract area without causing any hindrance to the regeneration activities therein. All the produce collected should be got checked, released and transported under the cover of permits issued under the provisions of the Kerala Forest Produce Transit Rules (KFPT Rules) by the Officer authorized for the purpose. No transport will be allowed within the forest limits during night time i.e., between 6 p.m and 6 a.m. The contractor shall periodically submit to the Field Officer/Assistant Manager or the officer duly authorized a list of produce ready for removal and on receipt of the said list, arrangements will be made to check the stock and to issue transit permit as per KFPT Rules. The contractor shall not remove any produce not covered by valid and proper Transit Permits issued by the competent authority. All the produce removed in contravention of the provision of this condition will be liable to be confiscated to the corporation by the Divisional Manager and the contractor will also be liable to any other penalty as per law and as per conditions of this

contract including forfeiture of his security for the violation of this condition as ordered by the Divisional Manager.

**17. Permit for transport of produce**

The produce shall be transported by PURCHASER or their duly approved agent only under the cover of appropriate passes issued by the officer of KFDC to the premises of PURCHASER as stipulated in Kerala Forest Produce Transit Rules. PURCHASER shall transport the produce only along the routes approved by the Divisional Manager in accordance with KFPT Rules as well as provisions of Motor Vehicles Act and Rules made there under.

- (i) Where the timber and firewood is to be transported to intermediate dumping sites within the plantation area itself the concerned Manager/Divisional Manager will issue the required Form - V permits to the Purchaser for transportation of the produce from collection site to dumping site on payment of cost of passes.
- (ii) If the collected timber and firewood after checking could not be transported by the Purchaser to final destination within the state in a single consignment then necessary Form VI (Yellow) Subsidiary Passes will be issued on demand by the Purchaser after realizing the cost of passes thereof.
- (iii) The account for use of such permits shall be maintained by the purchasers and shall be produced to the concerned Manager/Divisional Manager on fortnightly basis.
- (iv) The stocks of timber, fire wood and other produce collected from the contract area under the custody of the purchaser in transit is liable to be checked at any time by any officer, not below the rank of a Manager/Divisional Manager of the Corporation or any officer authorized by the Kerala Forest Department.
- (v) The transportation shall be done on the route or routes prescribed by the Manager/Divisional Manager concerned or the Manager/Divisional Forest Officer concerned as the case may be, up to the intermediate depot or final destination as the case may be.

18. No charcoal burning will be allowed within the area under any circumstances.

19. When felling trees standing near the public road or thoroughfares, red flags with warning notice must be put up at places on either side of such roads at least 100 meters away from the felling point. Trees falling across the roads must be removed and obstruction cleared immediately.

20. The contractor shall not stock timber or other produce within the road limits causing hindrance to road traffic or damage to the road surface.

21. The contractor shall be held responsible for any loss or damage arising out of the non-observance of the terms and conditions above mentioned.
22. If any amount becomes due to any agent or workmen, or any other person engaged by the contractor, as per Workmen's Compensation Act or as per provisions of any Labour Law, such amount shall be paid by the contractor. Any failure to do so will be considered as a breach of the terms of this contract.
23. The contractor and his agent shall be responsible for any illicit felling or removal of trees or other produce within 400 meter of the contract area. Unless proved otherwise to the satisfaction of the Divisional Manager, such illicit felling may render this contract liable to be cancelled in addition to the forfeiture of all money paid by him and of all stock collected under this contract, but not removed from the contract area. The contractor will also be liable for prosecution and for payment of value of timber etc., illicitly felled or removed as assessed by the Manager/Divisional Manager. The contractor or his agent or workman shall report any such illicit felling or removal to the Manager or any other officer of the Corporation or any Forest officer as soon as the same comes to their notice.
24. The contractor, his agents and the workmen employed by him shall protect the entire contract area from fire. If any fire occurs in the Reserved Forests in the vicinity of the contract area the contractor, his best endeavors for extinguish the fire and everyone of such persons shall, in all cases, give immediate notice of the occurrence of fire within-the said limits, to the nearest forest, police or revenue officials and the officers of the corporation.
25. For the purpose of transport of produce from the contract area the contractor shall use only such roads as approved by the Field Officer/Assistant Manager or any other officer of the Corporation authorized by the Divisional Manager.
26. Purchaser shall complete felling and transportation on or before 31.05.2024 or six months from the date of the agreement, whichever is earlier or any other extended period as per the terms and conditions of this Agreement. The works after the original contract period will be permitted by the Divisional Manager for two months without any ground rent or penalty. Further extension if any can be granted by the Assistant General Manager for two months on the realization of ground rent @ Rs.50/-per Stacked Tonne per month and penalty @ 20% of the ground rent. Further extension if any can be granted by the Managing Director at his discretion on realization of ground rent and penalty - for the first 2 months ground rent @ Rs.75/ stacked tonne and penalty @ 20% of the ground rent. For the next 2 months ground rent @ Rs.100/stacked tonne and penalty @ 20% of the ground rent. For the next 2 months ground rent @ Rs.125/stacked tonne and penalty @ 20% of the ground

rent. Ground rent and penalty are applicable for all material transported during the particular extended period. Transport of material shall be allowed during the above period only subject to the conditions that such activities will in no way affect the regeneration works and at the discretion of the Managing Director.

27. On the expiry of the contract period or on completion of work whichever is earlier, the Purchaser shall hand over the contract area back to KFDC after drawing up a joint mahazar by the Manager and the authorized agent of the Purchaser. In case the agent of the Purchaser is not available on the day of the expiry of the contract period, ex-party mahazar will be prepared by the Manager and the contract area will be retrieved. The loss if any assessed by the Manager and approved by the Divisional Manager shall be binding on Purchaser.
28. If Purchaser violates all or any of the conditions laid down in this Agreement, they shall pay penalty as assessed by the Divisional Manager, Assistant General Manager or the Managing Director as the case may be at the following rates:

a	For leaving produce of and above 18 cm. in girth (over bark) uncollected in the contract area.	Value of the produce at auction rates as assessed by the Manager and approved by the Divisional Manager.
b	For leaving the produce un felled in the contract area at the end of the final extended contract period.	Rs.15000/- per ha.
c.	For damaging trees which may impair its future growth	Rs 300/- for each tree

29. The Purchaser shall pay the GST and or other taxes as applicable or modified from time to time, on the Sales amount, as per the Invoice. The sales amount

or part thereof as the case may be shall not be deemed to have been paid unless the taxes payable along with it has also been fully paid. The Purchaser shall be responsible for subsequent liabilities if any, including payment of additional sums by way of penalties imposed by the Goods & Services Tax Department or any other Competent Authority at a later date in respect of the produce sold to him under this agreement.

**30. Income Tax and Payment thereon: -**

i. In order to claim exemption from paying Income Tax under the provisions of Income Tax Act, 1961 and the rules made there under and amendments made from time to time, the purchaser shall furnish a self declaration in 'Form - 27 C' to the concerned Divisional Manager, before raising the Invoice for allotted Produce quantities.

ii. If the Purchaser does not furnish the above declaration, he shall pay income tax as provided in section 206 - C of the Income Tax Act along with the sale price.

31. In the event of the contractor failing to remove the stock from the contract area by the expiry of contract period including the extended period, such stock shall be forfeited and shall revert to and become the absolute property of the Corporation and the contractor shall not by reason of such forfeiture, be entitled to any refund or abatement of the amount payable by or due from him under this contract.

32. If the contractor fails to complete the work before the expiry of the contract period/ extended contract period, the contract will be cancelled and the sale rearranged at the risk and loss of the contractor.

33. If the contractor fails to complete the work before the expiry of the contract period/ extended contract period and the area could not be replanted, the expenditure incurred for raising nursery seedlings will be recovered from the contractor invariably.

34. The contractor shall be fully responsible for the acts of himself, his agents, and workmen and of all persons engaged by him to cut, collect, store and remove the auctioned trees or to perform any act under this contract. The contractor shall submit to the Field Officer/Assistant Manager /Manager in charge of the contract area a list of all agents, workmen and other persons engaged by him for the performance of this contract.

35. The contractor shall at all times comply with the provisions of the Kerala Forest Act, Wildlife Protection Act, Motor Vehicles Act and the rules framed there under.

36. If in the course of working it is found by the Divisional Manager that the progress of work in the contract area is not satisfactory, the Divisional

Manager may cancel this agreement after giving one month's written notice to the contractor and make other arrangements for carrying out the works at the risk and loss of the contractor. But the contractor shall not be entitled to any profit the Corporation may derive from this arrangement.

37. In the event of any breach by the contractor or his agents or workmen of any of the conditions the Divisional Manager shall have the right, besides enforcing forfeiture of all or any part of the said deposit for imposing a fine or to cancel the contract by a written notice and in such case the right under this contract may either be resold or the works as per the contract be got done by any other means as deemed fit by the Divisional Manager and the contractor shall be responsible for and shall make good to the Corporation any loss which the Corporation may sustain on account of any such resale or working by the Corporation, as the case may be, but shall have no claim to any surplus gain which the Corporation may realize thereby.
38. The contractor or his duly authorized agent shall be present in the contract area on the last day of the contract and he shall witness the mahazar prepared by the officers of the Corporation on the last day of the contract.
39. The security deposit or balance thereof if any, after deducting all amounts and liabilities due from the contractor under any of the above conditions, shall be returnable to the contractor within 6 months after the expiry of this contract period on production of clearance certificate for Income Tax, Sales Tax authorities.
40. If the entire dues from the contractor cannot be adjusted from the security deposit, or any other amount due to him from the Corporation such of the amounts as remaining un-recovered, under the terms of this contract shall be recoverable from him as arrears of land revenue under the Revenue Recovery Act for the time being in force, or in any other means as the corporation may deem fit.
41. In case any dispute arising between the Divisional Manager and the contractor as to any matter under this contract, such dispute shall be referred to the Managing Director of the Corporation whose decision thereon shall be final.
42. **Cancellation of the agreement**
  - a. In the event of failure on the part of the purchaser to fulfill the provisions of e-auction Conditions and agreement conditions within the time limit prescribed, the Managing Director may cancel the sale and forfeit all the amounts paid by the purchaser including the Security Deposit duly reverting / confiscating the material released from the Plantations at site.

- This will be informed to the purchaser through registered letter with Acknowledgment Due.
- b. On cancellation of Agreement the plantation will be re-auctioned / re-allotted to the next highest tenderer/s at the risk and cost of the purchaser. When the Unit is so re-auctioned/re-allotted whatever best amount offered may be accepted irrespective of the original value of the unit put up for re-auction / re-allotment. The balance amount due to Kerala Forest Development Corporation Ltd., if any, will be recovered from the original Purchaser but he/she shall not be entitled to any excess amount if obtained in such a re-auction.
43. Where the material is stocked in the plantation site / temporary dumping yard, the purchaser shall make his own arrangements to safeguard the produce in an appropriate manner besides insuring the same against any calamities. The Kerala Forest Development Corporation Ltd., will not be responsible for any loss or damage within the unit or at such a temporary intermediate depot.
44. Seller is **indemnified for any loss or damage:**
- a. The purchaser shall not be entitled to claim any compensation whatsoever in case the Kerala Forest Development Corporation Ltd., is not able to make available the plantation for extraction by the purchaser due to unforeseen circumstances like floods, cyclone, tempest, disease, pest, drought or any other natural calamities or by reason of any wrongful acts committed by any third party or any other reason whatsoever
- b. The Kerala Forest Development Corporation Ltd., will not be responsible for any loss or damage that may be caused to the produce sold to the Purchaser as a result of fire, floods, theft or any other natural calamity from the date of handing over of the unit for felling and extraction till weighment at the purchaser's final destination.
45. **Force majeure:** Kerala Forest development Corporation Ltd may revoke the agreement and withdraw from the compliance of the same in the event of circumstances beyond its control and in such an event it shall not be liable for any damage or loss, if any, caused to the purchaser.
46. **General:**
- (i) The purchaser shall at all times abide by the provisions of Kerala Forest Act 1961 as amended and the Rules made there under.
- (ii) GST and other taxes as applicable or modified from time to time shall be paid by the purchaser. This amount shall be apply to the sale on confirmation and the purchaser shall abide by provision of the said act.



- (iii) The provisions of the Indian Income Tax and other Central/State Acts as applicable to the sale shall apply to the sale on confirmation and the Purchaser shall abide by the provisions of these Acts/Rules.
- (iv) Any infringement of e-auction notice conditions and provisions of Kerala Forest Act , and other related Acts and the rules made there under as amended from time to time will entail cancellation of sale, termination of the Agreement and forfeiture of the amounts already paid and confiscation of the produce in the unit.
47. **All disputes** arising out of or in any way connected with this sale shall be deemed to have arisen in Kottayam and within the jurisdiction of the Court of District of Kottayam, which court shall determine such disputes.
48. KFDC shall be the authority to interpret all or any of the conditions laid down in this Agreement and their decision shall be final and binding on Purchaser.
49. The terms of contract cannot be added to, varied or rescinded by any verbal Agreement subsequent to its execution. Any such verbal agreement will be repudiated by either party unless such agreement has been mutually confirmed in writing and form part of this agreement for all purposes.
50. The decision of Board of Directors to alter any of the clauses of agreement is also binding.

**Managing Director**

**Lot list of Acacia plantations put up for e-auction through MSTC on 12.03.2024, 20.03.2024 & 27.03.2024 from 11 AM to 1 PM .**

Sl no	Lot no	Lot name	Location & Name of plantation	Extent (Ha)
1	26/PU/PLR/23	Acacia auriculiformis Clear felling	2002 Acacia auriculiformis, Block II Kadasserry, Bit I in Punnala suibunit of Punalur Division. (No. of trees - 1221, Estimated Timber 166 m <sup>3</sup> , Firewood 336 m <sup>3</sup> )	1.2
2	27/PU/PLR/23	Acacia auriculiformis Clear felling	2002 Acacia auriculiformis, Block II Kadasserry, Bit II in Punnala suibunit of Punalur Division. (No. of trees - 1127, Estimated Timber 156 m <sup>3</sup> , Firewood 313 m <sup>3</sup> )	1.4
3	28/PU/PLR/23	Acacia auriculiformis Clear felling	2002 Acacia auriculiformis, Block II Kadasserry, Bit III in Punnala suibunit of Punalur Division. (No. of trees - 1397, Estimated Timber 187 m <sup>3</sup> , Firewood 384 m <sup>3</sup> )	1.5

**Appendix of the Terms & Conditions of e-Auction Sale of Acacia plantations**  
**Agreement 2023-24 Season**

**Rule regarding the performance of Contract in to with Forest Officers.**

S.R.O. No 267/76- In exercise of the powers conferred by clause (8) of section 76 of the Kerala Forest Act, 1961 (4 of 1962), the Government of Kerala hereby make the following rule regarding the performance of contract entered in to with Forest Officers, namely: -

**RULE**

Persons entering into contract with Forest Officers shall execute written agreement for the due performance of the contract and to reimburse damages and loss in case of breach. Whoever enter into any such contract with any Forest Officer acting on behalf of the Governor of Kerala shall, if so required by such Forest Officer, binds himself by a written instrument to perform such contract and to pay to such Forest Officer on behalf of the Governor of Kerala the expenses necessary for or incurred in the execution of any work or thing to be done which he had bound himself but has failed to do.

Explanation: A person, who makes a written tender for a contract, or who signs the conditions of an auction sale at which he is a bidder such tender or conditions of sale being on or in a form furnished by a Forest Officer for that purpose, whereby he.

- a) binds himself to perform the contract for which he tenders or bids, in the event of his tender or bid being accepted, or
- b) binds himself not to withdraw his tender or bid during the time that may lapse before its acceptance or refusal is communicated to him, shall be deemed to have been required by such Forest Officer to bind himself as aforesaid, and in case-
- c) on the acceptance of his tender or.
- d) on the making of his tender or bid to have bound himself accordingly, within the meaning of this rule; and any such person need not enter in to a separate written instrument for the purpose, unless specially so required by the Forest Officer with whom he contracts.

**Explanatory Note.**

(This note does not form part of the notification, but is intended to indicate its general purport)

In the Forest Department there are instances wherein contraction is backing out from contracts before the conformation of the contract by the competent authority. It is considered essential that the contractors are prevented from such backing out. This rule is intended to achieve the above object.

(Notification No. G.O.(P) 62/76/AD dated 23.02.1976, published in K.G.No.10 dated 09.03.1976).

**TERMS AND CONDITIONS FOR THE RE-SALE OF ACACIA/  
MAHAGONY TIMBER AT THE RISK & LOSS OF DEFAULTER**

1. KERALA FOREST DEVELOPMENT CORPORATION LIMITED having its Head Office at Karappuzha, Kottayam, the owner / seller, will be hereinafter referred to as PRINCIPAL and MSTC Ltd., the Selling Agent of the PRINCIPAL will be hereinafter referred to as MSTC. Wherever the words Buyer, Purchaser, Successful Bidder are indicated, it will be referred to as Successful Bidder.
2. VALIDITY OF BIDS : All bids will be valid for acceptance by MSTC for a period of 30 (Thirty) days from the date of closing of e-Auction (excluding the date of closing of e-Auction). In case the 30<sup>th</sup> day falls on a holiday or remains closed for MSTC/PRINCIPAL, such bids will be deemed to be automatically extended to be valid upto the next working day of MSTC/PRINCIPAL.
3. INSPECTION: The intending bidder or his authorized representative may inspect the plantation as per the schedule mentioned below, between 10.00 am to 5:00 pm on any working day at the location specified against the lots/plantations with the prior permission from the respective contact person. (Divisional Manager, Punalur – 8289821200).
4. CONDITIONS OF GOODS: The description/quality indicated are approximate and furnished to enable bidders to quote their rates. Bidders are advised to quote their rates only after inspection of items at site. But neither the sale could be invalidated nor the bidder can make any claim/compensation whatsoever on account of any defect in description, deficiency in the quantity and quality. Notwithstanding anything contained in the e-Auction sale notice or advertisement issued as to description and particulars of material put up for sale, the sale is on as is where basis is only. PRINCIPAL/MSTC, do not give any assurance or guarantee that the materials to be delivered will adhere to notice or advertisement or list. No plea or misunderstanding or ignorance or conditions put forth subsequent to any confirmation of sale shall be accepted. The principle of caveat emptor (let the buyer be aware) will apply. No complaint will be entertained after sale.
5. Conditional offers will not be accepted/ entertained.
6. Plantations will be sold in as is where condition is and the whole items shall be taken delivery from the site by the successful bidders with its faults, errors in description, if any.
7. The items shall remain in every aspect at the risk of the buyer from the time of acceptance of his offer PRINCIPAL/MSTC will not undertake any liability whatsoever for the safe custody, protection or preservation after the sale has

been confirmed. Delivery of the lot as put up for sale, subject to change by nature's wear and tear, will be affected by the company. No complaint regarding quality/quantity or mis description for the materials sold will be entertained once the bid has been accepted.

8. **GST:** GST as per the prevailing tariff wherever applicable at the time of delivery on the sale of materials covered under this e-Auction shall be payable by the successful bidders directly to Principal at the time of taking delivery of materials. The present rate of GST applicable is indicated in this e-Auction list. All revision of taxes or conditions stipulated by the Government from time to time will be applicable to this auction also. The successful bidder will be solely responsible for the discharge of all such taxes / levies chargeable from time to time by the Government as applicable.
9. **TAX COLLECTED AT SOURCE:** Income tax as applicable.
10. The H1 bid value will be split on pro rata basis for the timber and firewood portions of the lot, with GST applicable only on the timber portion . In addition to this the Purchaser has to pay all applicable taxes imposed time to time by competent authority.
11. **ISSUANCE OF SALE INTIMATION LETTER:** Wherever the Highest Bid (H-1 Bid) is acceptable on confirmed basis or 'Subject to Approval' (STA) basis, depending upon the Reserve Price fixed by the PRINCIPAL immediately on closing of the e- auction, Sale Intimation Letter will be issued automatically by e-mail to the respective Highest Bidder informing him whether his bid has been accepted on confirmed basis or STA basis. Bidders must, therefore, keep a watch on their incoming e-mail in this regard. PRINCIPAL has the power to accept or reject any highest bid, accepted on STA basis, without citing any reason. The decisions towards acceptance or rejection will be intimated by e-mail to the respective bidder.
12. **ISSUANCE OF SALE ORDER & PAYMENT SCHEDULE:** The acceptance of bid is subject to confirmation by the Managing Director, Kerala Forest Development Corporation Ltd., who may confirm or reject any bid, including the highest tender, without assigning any reasons thereof. His/her decision in this respect shall be final. Sale Confirmation Order will be issued for the accepted lots/units within a reasonable time from the closure of e-auction and the same will be communicated by e-mail.
13. **REMITTANCE OF PART VALUE :**

The successful bidder should remit the payments as per the following manner.

  - (i) 35% of the sale value along with applicable taxes, after adjusting EMD already remitted, shall be paid within 14 days from the date of receipt of sale confirmation order.

- (ii) Balance value along with applicable taxes to be paid within 60 days from the date of issuance of sale confirmation order.
- (iii) If the successful tenderer fails to remit the part value as above, the tender will be cancelled, amount remitted forfeited to the corporation and the plantation resold at the risk and loss of the defaulted successful bidder. Loss to the Corporation on the resale will be realized from the defaulter as per RR Act, 1968 or any other relevant rules in force.

14. EXECUTION OF AGREEMENT. The successful bidder shall execute an agreement incorporating the conditions given in the terms and conditions, within 14 (Fourteen) days from the date of receipt of sale confirmation order. The terms and conditions of agreement with the purchaser shall be as specified in the Terms and Conditions of Agreement attached herewith. The Managing Director or any other officer authorized by him shall be the authority competent to enter into agreement with the purchaser on behalf of the Kerala Forest Development Corporation Ltd. The agreement shall be executed on a non-judicial stamp paper of value Rs 200/- or at the value of the higher rate stipulated under the Kerala Stamp Act. All the costs of stamp, etc., necessary for execution of agreement shall be borne by the Purchaser. Deficit payment of stamp value if any, found at a later date is liable for recovery from the Purchaser. The Kerala Forest Development Corporation Ltd. shall not be the party in whatsoever manner with regard to the deficit payment of stamp duty if any, occasioned and the Purchaser is solely liable for payment of differential amount/value thereof. Failure to remit the amount and execute the agreement in time will result in the forfeiture of the EMD and cancellation of orders accepting the offer.

15. SECURITY DEPOSIT. At the time of entering in to agreement the successful bidder shall deposit an amount equal to 5% of the sale value by NEFT/RTGS. Failure to pay the Security Deposit and execution of Agreement will entail cancellation of the Confirmation Orders and forfeiture of amounts already paid. Re-auction will be called for at the discretion of the Managing Director, at the risk and loss of the Purchaser. The sale value including GST and other taxes, Govt. levies as applicable and regeneration charges, at the time of sale must be paid by the successful buyer directly to KFDC through NEFT/RTGS/online payment only. The Bank details of concerned divisions are as follows:

Division	A/C number	Name	Bank	Branch	IFSC
Punalur	41889428451	Kerala Forest Development Corporation	SBI	Kottayam (Town)	SBIN0070102

16. Bidders are not allowed to refrain from their offer by raising any claims, after commencement of the work/execution of agreement.

17. **PAYMENT OF BALANCE SALE AMOUNT:** The successful bidder shall remit the entire balance bid amount with taxes as applicable including Income Tax within 60 days from the date of issuance of sale confirmation order.
18. Failure to remit the payment of balance sale amount and remove material even during the extended period will entail cancellation of the contract and forfeiture of all money paid by the bidder to the PRINCIPAL till then and all produce remaining in the contract area. The right thus cancelled will be resold at the risk & loss of the bidder.
19. **DELIVERY TERMS (LICENSE) :** The license for felling and removal of the trees in the block/plantation will be issued after receiving the 1<sup>st</sup> installment with taxes applicable and execution of agreement subject to the conditions specified in clause 13 above. Felling and removal of trees should be completed within the mentioned date in the terms and conditions of the agreement. The delivery of the material will be given after realization of the part value.
20. The period of contract is 6 months from the date of execution of agreement or 31.05.2024 whichever is earlier.
21. **TRANSFER OF AGREEMENT :**
- a). The Purchaser will not assign and / or transfer the allotted plantations to any other person or party without the specific orders of the Managing Director, who at his discretion may permit such assignment for transfer on payment of Rs 5.0 lakhs.
  - b). No transfer of the tendered unit shall be permitted if the harvesting in the said unit has already commenced.
  - c). In case of transfer of tendered area from one purchaser to another purchaser who is qualified in all respects to participate in the auction, the transferee purchaser shall have to enter into a fresh agreement with the Managing Director on the terms and conditions as mentioned above.
22. **PURCHASER RESPONSIBLE FOR RECEIVING NOTICES FOR PAYMENT:** The buyer shall make his own arrangements to receive the notice/Invoices for payments and other communications in person or through his authorized agent and shall furnish the correct postal address and email address at which notices and other communications can be sent. If the same are received back un-served or undelivered, it will be construed that such notices or communications are deemed to have been served on the purchaser.
23. The loss suffered by the company on account of resale at the risk and loss of the successful bidder unless made good within fifteen (15) days from the date of dispatch of notice of demand by registered post, may be recovered from him as arrears of Land Revenue under Revenue Recovery Act (RR Act) or provision of any law for the time being in force. The bidder however shall not be entitled to any profit that may accrue to the Corporation on such subsequent disposal. The loss shall be calculated as per the following formula:  $L = OBV - BVR$

Where L is loss, OBV is Original Bid Value and BVR is Bid Value in Re-auction. The amount of loss will carry interest at the prevailing rate as per RR Act.

24. No delivery of materials will be given on Sundays and closed holidays observed by PRINCIPAL. The material will be delivered only to the successful bidder or their authorized representatives against presentation of e-Auction Identity Card issued by MSTC. If the successful bidder desires to authorize a representative or an agent for delivery, in such case the bidder shall produce suitable Power of Attorney or authorization letter duly attested by a Notary Public authorizing his representative or agent to lift the materials from PRINCIPAL.
25. PRINCIPAL/MSTC reserves the right to accept/reject and cancel any bid, amend the quantity under any lot or withdraw any lot at any stage under this e-Auction sale after acceptance of bid/issue of sale order/deposit of full sale value by the bidder, without assigning any reason thereof and the value of such material if paid for, shall be refundable. PRINCIPAL/MSTC shall not be responsible for any damages/loss whatsoever to bidders on account of such withdrawal, at any stage from the e-Auction sale.
26. FORCE MAJEURE : PRINCIPAL/MSTC will not be in any way responsible for failure to deliver the materials due to cause beyond their control such as strike, lockout, cessation of work by labourers, shortened hours, act of God, natural calamity, theft, untoward fire incidents or other causes of other contingencies whatsoever happened to the trees after e-auction. The buyer shall not be entitled to cancel the contract and the period of delivery shall not automatically get extended proportionately.
27. CONDUCT DURING DELIVERY: Buyers shall solely be responsible for movement and proper behavior of their deputies, agents, and labourers within PRINCIPAL'S premises. If any damage is caused to the KFDC's property, the buyer is responsible to make good such damage to the satisfaction of PRINCIPAL and the decision of PRINCIPAL in this regard shall be final and binding.
28. ACCIDENTS ETC. TO BUYER / BUYER'S LABOURER: PRINCIPAL/MSTC will not at any point of time be responsible for any injuries caused due to accident within the plantation/ premises or at the place of work and the bidder will make proper arrangement for medical attention and treatment to his labour representative. The buyer will be solely responsible for any claim arising out of the employment, injuries to labourers in the course of the employment under any statute. It is the responsibility of the buyer to provide necessary safety appliances (like hand gloves, tools, helmet, safety goggles, boots etc.) to the labourers who are engaged for the extraction and removal of the trees.

29. **BLACKLISTING:** If it is found that the bidder is not following the terms and conditions of payment, delivery or other conditions of the e-Auction and also indulging in any malpractices either himself or by his agents, deputies or observer, such bidder are liable to be blacklisted and appropriate action will be taken as deemed fit by PRINCIPAL/MSTC.
30. In the event of any dispute in connection with this sale, the decision of PRINCIPAL/MSTC shall be final and binding on the parties to the e-Auction sale. Further any such dispute, doubts or differences of opinion arising at the time of payment of delivery, bidders shall agree and abide by the decision of PRINCIPAL/MSTC.
31. The loading of material at the time of delivery is the sole responsibility of the purchaser using his own labourer. The purchaser shall bring their own vehicles, bags and boxes, cases or their receptacles for the removal of the auctioned items and shall be responsible for loading, loading and unloading workers, under supervision of authorized official of PRINCIPAL. Any issues related to the purchaser's labourers/loading and unloading workers have to be taken care of by the purchaser.
32. No interest will be paid to the purchaser on the amount paid or deposited by him and on the amount refundable to him, if any.
33. In the event of any disputes or differences arising in connection with the contract, the decision of Managing Director, KERALA FOREST DEVELOPMENT CORPORATION LTD, Kottayam shall be final and binding on all parties and will be settled as per the Indian Law in the Court Jurisdiction of Kottayam only.
34. Trees of species other than main crop sold as per catalogue, except hard wood species like Teak, Rosewood Anjily, Irul can be harvested and removed by the contractor at the existing Government rates. However, permission of the Divisional Manager should be taken to select trees and Divisional Manager can decide some trees not to be removed, even if softwood.

### **Terms & Conditions of Agreement**

1. The e-auction documents and all communications to the successful bidder form part of this agreement.
2. The contractor or his men shall not enter the contract area or commence work without obtaining the license and sketch of the area issued by the Divisional Manager.
3. Timely completion shall be the essence of this contract.
4. The period of contract is 6 months from the date of execution of agreement.
5. The H1 bid value will be split on pro rata basis for the timber & firewood portions of the lot, with GST applicable only on the timber portion.



6. The contractor having paid 35 % of sale value along with applicable taxes shall pay the balance sale value within 60 days from the date of order of confirmation. Extension of 30 days for the remittance of the balance sale value may be granted by the Managing Director subject to recovery of interest at a rate of 18 % per annum( below 1 month is treated as 1 month), if he is convinced that the failure to remit the sale value within the stipulated time was due to reasons beyond the control of the contractor, provided the extended period falls within the contract period.
7. Failure to remit the above and sign agreement during the extended period will entail cancellation of the contract and forfeiture of all money paid by the contractor to the corporation till then and all produce remaining in the contract area. The right thus cancelled will be resold at the risk and loss of the contractor.
8. The contractor shall keep the boundaries of the contract area well cleared of undergrowth and shrub to a width of 3 meters and shall also keep the cairns intact. If the contractor fails to do so, the work will be got done by the corporation and the cost thereof recovered from the contractor, in addition to any penalty which the Divisional Manager may impose.
9. The contractor shall fell & collect only Acacia trees & other miscellaneous trees/Mahogany in the approved valuation except Rose wood, Teak, Ebony, Sandal etc (Royal trees) and Anjily in the plantation out rightly sold.
10. Removal of the produce from the contract area will be permitted only after the payment of full sale value and all taxes.
11. The contractor or his authorized agent shall be present at all times in the contract area. He shall employ an agent or agents to assist him in the work only with due approval by the Divisional Manager who may, at his discretion grant approval on submission of request of the contractor giving details such as name, residential address and a specimen of the signature of the person proposed to be appointed as agent. The Divisional Manager reserves to himself the power to reject any of those persons proposed to be appointed as agent by the contractor. The contractor shall not engage as his agent or workmen any person already engaged by the Corporation or other contractors for any other works in the area and also those who are involved in any forest or wildlife offences.
12. The contractor shall provide each of his agents and other workmen with a written authorization, which should show his name, parentage, residence and period for which it is valid. The authorization must always be produced when demanded by any Officer of the Corporation.
13. The contractor shall comply with the orders and instructions issued by the Field Officer, Manager or the Divisional Manager from time to time in the

matter of collection and removal of produce under this contract and shall also abide by the provisions of the Kerala Forest Act, Wildlife (Protection) Act, other enactments relating to conservation of biodiversity and rules framed there under.

14. i. The purchaser shall not assign and /or transfer tendered units to any other person or party without the specific orders of the Managing Director, who at his discretion may permit such assignment for transfer on payment of Rs 5 Lakhs.
  - iv. No transfer of the tendered unit shall be permitted if the harvesting in the said unit has already commenced.
  - v. In case of transfer of tendered area from one purchaser to another purchaser who is qualified in all respects to participate in the e-auction, the transferee purchaser shall have to enter into fresh agreement with the Managing Director on the terms and conditions as mentioned above.
15. In the case of any question arising with regard to or objection being taken by any person, to the contractor's right to collect or store the produce collected in any part of the contract area or to remove the produce collected along any routes or through any part of the contract area, the Manager may whenever any such questions arise, serve the contractor with a written notice prohibiting him from collecting or storing such produce or any of them from or in the whole or any part of such contract area or regulating the storing or removal of any produce. On the service of any such notice, the orders and directions therein contained shall until the same are varied by the Divisional Manager, be taken as part of the conditions of this contract, notwithstanding anything herein contained to the contrary and shall be observed and performed by the contractor as such. The contractor shall have no claim for any loss he may incur by carrying out the provisions of any such notice nor for any loss caused to him by his being prevented or obstructed by any land owner or other persons on plea of right of ownership or right of enjoyment or otherwise from collecting, storing or removing any of the stock.
16. The contractor shall commence work in the area from one end and shall proceed to the other end in an orderly and systematic manner in consultation with competent authority.
17. All the timber, firewood, etc. cut and collected by the contractor from the contract area shall be stored by him, for checking by the officers of the corporation before removal, along the sides of the roads within the contract area without causing any hindrance to the regeneration activities therein. All the produce collected should be got checked, released and transported under the cover of permits issued under the provisions of the Kerala Forest Produce Transit Rules (KFPT Rules) by the Officer authorized for the purpose. No

transport will be allowed within the forest limits during night time i.e., between 6 p.m and 6 a.m. The contractor shall periodically submit to the Field Officer/Assistant Manager or the officer duly authorized a list of produce ready for removal and on receipt of the said list, arrangements will be made to check the stock and to issue transit permit as per KFPT Rules. The contractor shall not remove any produce not covered by valid and proper Transit Permits issued by the competent authority. All the produce removed in contravention of the provision of this condition will be liable to be confiscated to the corporation by the Divisional Manager and the contractor will also be liable to any other penalty as per law and as per conditions of this contract including forfeiture of his security for the violation of this condition as ordered by the Divisional Manager.

#### **18. Permit for transport of produce**

The produce shall be transported by PURCHASER or their duly approved agent only under the cover of appropriate passes issued by the officer of KFDC to the premises of PURCHASER as stipulated in Kerala Forest Produce Transit Rules. PURCHASER shall transport the produce only along the routes approved by the Divisional Manager in accordance with KFPT Rules as well as provisions of Motor Vehicles Act and Rules made there under.

- (i) Where the timber and firewood is to be transported to intermediate dumping sites within the plantation area itself the concerned Manager/Divisional Manager will issue the required Form – V permits to the Purchaser for transportation of the produce from collection site to dumping site on payment of cost of passes.
- (ii) If the collected timber and firewood after checking could not be transported by the Purchaser to final destination within the state in a single consignment then necessary Form VI (Yellow) Subsidiary Passes will be issued on demand by the Purchaser after realizing the cost of passes thereof.
- (iii) The account for use of such permits shall be maintained by the purchasers and shall be produced to the concerned Manager/Divisional Manager on fortnightly basis.
- (iv) The stocks of timber, fire wood and other produce collected from the contract area under the custody of the purchaser in transit is liable to be checked at any time by any officer, not below the rank of a Manager/Divisional Manager of the Corporation or any officer authorized by the Kerala Forest Department.
- (v) The transportation shall be done on the route or routes prescribed by the Manager/Divisional Manager concerned or the Manager/Divisional Forest Officer concerned as the case may be, up to the intermediate depot or final destination as the case may be.

19. No charcoal burning will be allowed within the area under any circumstances.
20. When felling trees standing near the public road or thoroughfares, red flags with warning notice must be put up at places on either side of such roads at least 100 meters away from the felling point. Trees falling across the roads must be removed and obstruction cleared immediately.
21. The contractor shall not stock timber or other produce within the road limits causing hindrance to road traffic or damage to the road surface.
22. The contractor shall be held responsible for any loss or damage arising out of the non-observance of the terms and conditions above mentioned.
23. If any amount becomes due to any agent or workmen, or any other person engaged by the contractor, as per Workmen's Compensation Act or as per provisions of any Labour Law, such amount shall be paid by the contractor. Any failure to do so will be considered as a breach of the terms of this contract.
24. The contractor and his agent shall be responsible for any illicit felling or removal of trees or other produce within 400 meter of the contract area. Unless proved otherwise to the satisfaction of the Divisional Manager, such illicit felling may render this contract liable to be cancelled in addition to the forfeiture of all money paid by him and of all stock collected under this contract, but not removed from the contract area. The contractor will also be liable for prosecution and for payment of value of timber etc., illicitly felled or removed as assessed by the Manager/Divisional Manager. The contractor or his agent or workman shall report any such illicit felling or removal to the Manager or any other officer of the Corporation or any Forest officer as soon as the same comes to their notice.
25. The contractor, his agents and the workmen employed by him shall protect the entire contract area from fire. If any fire occurs in the Reserved Forests in the vicinity of the contract area the contractor, his best endeavors for extinguish the fire and everyone of such persons shall, in all cases, give immediate notice of the occurrence of fire within the said limits, to the nearest forest, police or revenue officials and the officers of the corporation.
26. For the purpose of transport of produce from the contract area the contractor shall use only such roads as approved by the Field Officer/Assistant Manager or any other officer of the Corporation authorized by the Divisional Manager.
27. Purchaser shall complete felling and transportation on or before 31.05.2024 or six months from the date of the agreement, whichever is earlier or any other extended period as per the terms and conditions of this Agreement. The works after the original contract period will be permitted by the Divisional

Manager for two months without any ground rent or penalty. Further extension if any can be granted by the Assistant General Manager for two months on the realization of ground rent @ Rs.50/-per Stacked Tonne per month and penalty @ 20% of the ground rent. Further extension if any can be granted by the Managing Director at his discretion on realization of ground rent and penalty - for the first 2 months ground rent @ Rs.75/ stacked tonne and penalty @ 20% of the ground rent. For the next 2 months ground rent @ Rs.100/stacked tonne and penalty @ 20% of the ground rent. For the next 2 months ground rent @ Rs.125/stacked tonne and penalty @ 20% of the ground rent. Ground rent and penalty are applicable for all material transported during the particular extended period. Transport of material shall be allowed during the above period only subject to the conditions that such activities will in no way affect the regeneration works and at the discretion of the Managing Director.

28. In the event of the contractor failing to remove the stock from the contract area by the expiry of contract period including the extended period, such stock shall be forfeited and shall revert to and become the absolute property of the Corporation and the contractor shall not by reason of such forfeiture, be entitled to any refund or abatement of the amount payable by or due from him under this contract.
29. If the contractor fails to complete the work before the expiry of the contract period/ extended contract period, the contract will be cancelled and the sale rearranged at the risk and loss of the contractor.
30. If Purchaser violates all or any of the conditions laid down in this Agreement, they shall pay penalty as assessed by the Divisional Manager, Assistant General Manager or the Managing Director as the case may be at the following rates:

a	For leaving produce of and above 18 cm. in girth (over bark) uncollected in the contract area.	Value of the produce at auction rates as assessed by the Manager and approved by the Divisional Manager.
b	For leaving the produce un felled in the contract area at the end of the final extended contract period.	Rs.15000/- per ha.
c.	For damaging trees which may impair its future growth	Rs 300/- for each tree

31. If the contractor fails to complete the work before the expiry of the contract period/ extended contract period and the area could not be replanted, the expenditure incurred for raising nursery seedlings will be recovered from the contractor invariably.

32. The contractor shall be fully responsible for the acts of himself, his agents, and workmen and of all persons engaged by him to cut, collect, store and remove Acacia/Mahogany trees or to perform any act under this contract. The contractor shall submit to the Field Officer/Assistant Manager /Manager in charge of the contract area a list of all agents, workmen and other persons engaged by him for the performance of this contract.
33. The contractor shall at all times comply with the provisions of the Kerala Forest Act, Wildlife Protection Act, Motor Vehicles Act and the rules framed there under.
34. If in the course of working it is found by the Divisional Manager that the progress of work in the contract area is not satisfactory, the Divisional Manager may cancel this agreement after giving one month's written notice to the contractor and make other arrangements for carrying out the works at the risk and loss of the contractor. But the contractor shall not be entitled to any profit the Corporation may derive from this arrangement.
35. In the event of any breach by the contractor or his agents or workmen of any of the conditions the Divisional Manager shall have the right, besides enforcing forfeiture of all or any part of the said deposit for imposing a fine or to cancel the contract by a written notice and in such case the right under this contract may either be resold or the works as per the contract be got done by any other means as deemed fit by the Divisional Manager and the contractor shall be responsible for and shall make good to the Corporation any loss which the Corporation may sustain on account of any such resale or working by the Corporation, as the case may be, but shall have no claim to any surplus gain which the Corporation may realize thereby.
36. The contractor or his duly authorized agent shall be present in the contract area on the last day of the contract and he shall witness the mahazar prepared by the officers of the Corporation on the last day of the contract.
37. The security deposit or balance thereof if any, after deducting all amounts and liabilities due from the contractor under any of the above conditions, shall be returnable to the contractor within 6 months after the expiry of this contract period on production of clearance certificate for Income Tax, Sales Tax authorities.
38. If the entire dues from the contractor cannot be adjusted from the security deposit, or any other amount due to him from the Corporation such of the amounts as remaining un-recovered, under the terms of this contract shall be recoverable from him as arrears of land revenue under the Revenue Recovery Act for the time being in force, or in any other means as the corporation may deem fit.

39. In case any dispute arising between the Divisional Manager and the contractor as to any matter under this contract, such dispute shall be referred to the Managing Director of the Corporation whose decision thereon shall be final.

**40. Cancellation of the agreement**

- i. In the event of failure on the part of the purchaser to fulfill the provisions of e-auction Conditions and agreement conditions within the time limit prescribed, the Managing Director may cancel the sale and forfeit all the amounts paid by the purchaser including the Security Deposit duly reverting / confiscating the material released from the Plantations at site. This will be informed to the purchaser through registered letter with acknowledgment due.
- ii. On cancellation of Agreement the plantation will be re-auctioned / re-allotted to the next highest tenderer/s at the risk and cost of the purchaser. When the Unit is so re-auctioned/re-allotted whatever best amount offered may be accepted irrespective of the original value of the unit put up for re-auction / re-allotment. The balance amount due to Kerala Forest Development Corporation Ltd., if any, will be recovered from the original Purchaser but he/she shall not be entitled to any excess amount if obtained in such a re-auction.

41. Where the material is stocked in the plantation site / temporary dumping yard, the purchaser shall make his own arrangements to safeguard the produce in an appropriate manner besides insuring the same against any calamities. The Kerala Forest Development Corporation Ltd., will not be responsible for any loss or damage within the unit or at such a temporary intermediate depot.

**42. Seller is indemnified for any loss or damage:**

- i. The purchaser shall not be entitled to claim any compensation whatsoever in case the Kerala Forest Development Corporation Ltd., is not able to make available the plantation for extraction by the purchaser due to unforeseen circumstances like floods, cyclone, tempest, disease, pest, drought or any other natural calamities or by reason of any wrongful acts committed by any third party or any other reason whatsoever
- ii. The Kerala Forest Development Corporation Ltd., will not be responsible for any loss or damage that may be caused to the produce sold to the Purchaser as a result of fire, floods, theft or any other natural calamity from the date of handing over of the unit for felling and extraction till weighment at the purchaser's final destination.

43. **Force majeure:** Kerala Forest development Corporation Ltd may revoke the agreement and withdraw from the compliance of the same in the event of circumstances beyond its control and in such an event it shall not be liable for any damage or loss, if any, caused to the purchaser.

44. **General:**

- i. The purchaser shall at all times abide by the provisions of Kerala Forest Act 1961 as amended and the Rules made there under.
  - ii. GST and other taxes as applicable or modified from time to time shall be paid by the purchaser. This amount shall be apply to the sale on confirmation and the purchaser shall abide by provision of the said act.
  - iii. The provisions of the Indian Income Tax and other Central/State Acts as applicable to the sale shall apply to the sale on confirmation and the Purchaser shall abide by the provisions of these Acts/Rules.
  - iv. Any infringement of tender notice conditions and provisions of Kerala Forest Act , and other related Acts and the rules made there under as amended from time to time will entail cancellation of sale, termination of the Agreement and forfeiture of the amounts already paid and confiscation of the produce in the unit.
45. All disputes arising out of or in any way connected with this sale shall be deemed to have arisen in Kottayam and within the jurisdiction of the Court of District of Kottayam, which court shall determine such disputes.
  46. KFDC shall be the authority to interpret all or any of the conditions laid down in this Agreement and their decision shall be final and binding on Purchaser.
  47. The terms of contract cannot be added to, varied or rescinded by any verbal Agreement subsequent to its execution. Any such verbal agreement will be repudiated by either party unless such agreement has been mutually confirmed in writing and form part of this agreement for all purposes.
  48. The decision of Board of Directors to alter any of the clauses of agreement is also binding.

**Managing Director**

Lot list of Acacia plantations put up for e-auction through  
MSTC on 12.03.2024, 20.03.2024 & 27.03.2024 from 11 AM to 1  
PM

Sl.no	Lot no.	Lot name	Location & Name of plantation	Extent (Ha)
1	9/PI./KR/22	Acacia auriculiformis	Acacia & miscellaneous trees in 2002 Acacia auriculiformis plantation Bit II , Block V Karavoor, Punalur (Re-sale in the risk & loss of V Chandran, Chithra Enterprises, Kallara, Pangode P O, Thiruvananthapuram)	1.3



2	18/PL/PU/22	Mahagony	Mahagony trees standing in the boundary of 1987 Cashew plantation , Block I, Kadasserry, Punnala, Punalur Bit I & II (Re-sale in the risk & loss of Aneesh A, A R Timbers, Kowdiar Post, Thiruvananthapuram)	105 trees
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**Appendix of the Terms & Conditions of e-Auction Sale of Acacia auriculiformis/ Mahagony Agreement 2023-24 Season**

**Rule regarding the performance of Contract in to with Forest Officers.**

S.R .O. No 267/76- In exercise of the powers conferred by clause (8) of section 76 of the Kerala Forest Act, 1961 (4 of 1962), the Government of Kerala hereby make the following rule regarding the performance of contract entered in to with Forest Officers, namely: -

**RULE**

Persons entering into contract with Forest Officers shall execute written agreement for the due performance of the contract and to reimburse damages and loss in case of breach. Whoever enter into any such contract with any Forest Officer acting on behalf of the Governor of Kerala shall, if so required by such Forest Officer, binds himself by a written instrument to perform such contract and to pay to such Forest Officer on behalf of the Governor of Kerala the expenses necessary for or incurred in the execution of any work or thing to be done which he had bound himself but has failed to do.

Explanation: A person, who makes a written tender for a contract, or who signs the conditions of an auction sale at which he is a bidder such tender or conditions of sale being on or in a form furnished by a Forest Officer for that purpose, whereby he.

- e) binds himself to perform the contract for which he tenders or bids, in the event of his tender or bid being accepted, or

- f) binds himself not to withdraw his tender or bid during the time that may lapse before its acceptance or refusal is communicated to him, shall be deemed to have been required by such Forest Officer to bind himself as aforesaid, and in case-
- g) on the acceptance of his tender or.
- h) on the making of his tender or bid to have bound himself accordingly, within the meaning of this rule; and any such person need not enter in to a separate written instrument for the purpose, unless specially so required by the Forest Officer with whom he contracts.

**Explanatory Note.**

(This note does not form part of the notification, but is intended to indicate its general purport)

In the Forest Department there are instances wherein contraction is backing out from contracts before the conformation of the contract by the competent authority. It is considered essential that the contractors are prevented from such backing out.

This rule is intended to achieve the above object.

(Notification No. G.O.(P) 62/76/AD dated 23.02.1976, published in K.G.No.10 dated 09.03.1976).