THE COTTON CORPORATION OF INDIA LTD

(A Government of India Undertaking, Ministry of Textiles)
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No: CCI/GNT/MKTG (SALES)/2020-21/ Date: 17.11.2020

OPEN AUCTION NOTICE FOR SALE OF FP COTTON BALES

The Cotton Corporation of India proposes to sell 5908 F.P cotton bales of cotton season 2018-19 pertaining to Warangal,Adilabad,Mahabubnagar,Hubli & Rayagada Branches on 26.11.2020 (11:30 am) at Branch Office, Guntur through open auction on ***"as is where is basis"***. The interested Buyers may inspect the lot samples at The Cotton Corporation of India, 4/2 Ashok Nagar, Lakshmipuram, Guntur from 24.11.2020 onwards from 10.00 a.m to 5.00 p.m or at the respective godowns (as per Annexure-A) of Concerned Branches where the bales have been stored before participating in open auction. The terms & conditions of the open auction and details of stocks can be seen/downloaded from the website of the Corporation i.e. www.cotcorp.org.in or Govt. tender portal i.e. www.eprocure.gov.in or may be obtained from Branch Office, Guntur/Warangal.

BRANCH MANAGER

TERMS AND CONDITIONS FOR SALE OF 5908 FP COTTON BALES BY CCI THROUGH OPEN AUCTION TO BE HELD ON 26.11.2020 (11:30 am) AT BRANCH OFFICE, GUNTUR

1. **SECURITY DEPOSIT:**

   a) The parties who have already registered with CCI for sale of FP bales may participate directly in Open auction without Security Deposit.

   b) Unregistered buyers shall have to deposit Rs.2,00,000/- by way of Demand Draft/ Pay Order/ Banker's cheque in favour of "THE COTTON CORPORATION OF INDIA LTD' payable at Guntur or by means of Electronic fund transfer in bank account in any of the Branch of the Corporation before commencement of auction, otherwise they will not be entitled to participate in the auction. The deposit of successful bidder shall be adjusted in the last delivery of bales and no interest shall be payable on this deposit.

   c) Govt /Institutional/ Co-op mills / MSME mills registered with CCI for participation in e-auction of FP bales are exempted from payment of EMD for participation in open auction.

2. **DEPOSIT MONEY:**

   a) The Successful bidder - H-1 (Buyer) shall pay within five days excluding the date of contract, a minimum amount as per the below table of the value of cotton towards deposit as per the sale quantity.

Buyer Type	Quantity upto 2999 bales	Quantity of 3000 bales or more
MSME Buyers	10% + GST as applicable	10% + GST as applicable
MILL Buyers	10% + GST as applicable	15% + GST as applicable
Cotton Traders	15% + GST as applicable	20% + GST as applicable

   b) Buyer's failure to deposit advance value of the contracted cotton within the stipulated time shall make the contract liable for cancellation at the option of the Seller and the Security Deposit for participation in Open Auction will be forfeited.

   c) Interest benefit on proportionate deposit of lifted bales will be allowed at the rate of 5.0% p.a. from the date of realization of deposit till adjustment on delivery.

3. The Buyer shall satisfy themselves about the quality of cotton and condition of bales etc,.before participation in auction. The buyers may also visit the respective godowns of the branches for physical inspection of lots at spot. Once the bid is accepted, the Buyer shall not be allowed to withdraw. The bales will be sold on ***"as is where is basis".***

4. The Branch wise, Centre-wise, variety-wise details of stock along with place of storage available for auction is enclosed as per **Annexure-A**. However, the actual quantity/ lots may vary and the quantity available on the date of auction shall be put for final auction.

5. **FREE PERIOD:**

The total free period will be 30 days from the date of contract irrespective of the quantity purchased.

6. **REGISTRATION WITH TAX AUTHORITIES:**

The buyer shall be a registered dealer with Sales Tax and Income Tax Authorities and shall provide the necessary GST Registration Number, PAN of his firm to the Corporation.

7. **INVOICE OF THE CONTRACTED QUANTITY:**

The invoice of the contracted quantity will be made in the name of the original buyer. Any other relevant form for tax purposes shall be given to the Corporation by the buyer who has given the offer to purchase the bales.

8. **WEIGHMENT, DELIVERY AND PAYMENT TERMS:**

Buyer shall be entitled to a free delivery period of 30 days from the open auction date to take delivery of the contracted cotton against full payment of cotton value + GST.

100% weighment of bales shall be carried out at spot at the time of delivery in the presence of the Buyer's representative/controller and such weighment shall be final and binding. In case of advance payment by the Buyer, the payment shall be worked out for weight calculated at the rate of 48 candies per 100 bales for all Southern Branches and 47 candies per 100 bales for Central and Northern Branches. All sales shall be on spot basis & expenses after weighment, shall be on the Buyer's account.

The insurance risk on buyer's account will start from the moment the bales are loaded into buyer's truck. In case, if any fire/theft/mishap take place after loading the bales into the buyer's truck till its weighment (at the weighbridge outside the godown premises) the insurance claim will have to be settled by the buyer's insurance company. In this case the invoice will be raised at press weight of the bales and the buyer will have to pay accordingly.

The Buyer shall make all payments in crossed A/c Payee Demand Drafts, Pay Orders, Banker's Cheques in favour of the Corporation or by means of Electronic Fund Transfer in Bank Account of the Corporation only. In case of payment by cheques or through Electronic Fund Transfer delivery shall be allowed to take place only on confirmation of realization of payment in the Seller's account.

The Buyer has to effect payment and take delivery of bales within the free period given from date of contract/date of confirmation. In case of failure on the part of the Buyer to do so, the contract is liable to be cancelled at the option of the Seller. In the event of such a cancellation, the Seller shall be entitled to resell the entire or balance quantity thereof, at any time and in any manner it deems fit and at the same time, reserving its right to recover any damage/losses sustained by such resale.

9. **CASH DISCOUNT :**

The buyer shall be entitled for cash discount @ 5 % per annum on pro-rata basis for unavailed free period i.e. for the number of days for which payment is realized earlier than required as per the terms of contract provided buyer makes payment within 30 days from the date of contract. If payment is made after 30th day from the date of contract i.e. 31st day onwards no cash discount is applicable.

In case of deliveries under L/C & BG the cash discount @ **4 %** p.a. on pro-rata basis for unavailed free period from the date of realization of payment will be allowed by the Corporation provided. :

a) The discounting of L/C is done at the request of the buyers and "without recourse of the drawer"
b) All the expenditure in connection with discounting of L/C is borne by the buyers.

10. **CARRYING OF COTTON:**

Without prejudice to the provisions stated above, the seller may carry or hold cotton on behalf of the Buyer beyond free delivery period, subject to Buyer complying with the following conditions:

a) The Buyer shall make a request to the seller to carry cotton on its behalf, before expiry of free delivery period or give lifting schedule for the balance unlifted quantity, but within the maximum carrying period of 45 days after expiry of free period. The Buyer shall also deposit advance carrying charges for unlifted quantity at specified rate for intended period of carrying cotton as permitted under the contract.

b) The rate of carrying charges shall be as mentioned hereunder:
@ **1.10%** per month for first 30 days and thereafter @ **1.25%** per month per 30 days + GST as applicable tills the delivery of cotton. The amount of carrying charges shall be calculated on monthly rest basis. Till payment of the price of the bales to be delivered is fully realized, carrying charges as per the aforesaid rates shall be chargeable.

c) Notwithstanding the above conditions and without any prejudice thereto, the Seller may carry cotton or any part thereof on behalf of Buyer for a maximum period of 45 days after the expiry of free period at the entire discretion of the Seller subject to the condition that Buyer shall pay additional 20% deposit alongwith carrying charges. If payment is not made and delivery not taken within maximum allowable 45 days period after free period, under such circumstances the contract shall stand automatically cancelled without any notice to the Buyer and the said deposits and advance payment made towards carrying charges or other payment if any shall be forfeited by the Seller.

d) In the event of a default, the Seller may resell the cotton at any time and in any manner it deems fit and recover the balance losses/damages from the Buyer, if any, sustained in such a resale, inclusive of price difference, carrying charges and interest. The provisions under this contract with respect to a breach of the contract shall be invoked and operated automatically without any need for a notice from the Seller to the Buyer.

d) The business dealings with Buyers shall be banned till the losses on resale are made good out of this contract by the Buyer.

11. **LATE LIFTING CHARGES:**

If after making payment of the value of cotton sold under this contract, the Buyer does not take physical delivery of cotton within 30 days from the date of making payment, the Buyer shall be liable to pay late lifting charges @ **0.50%** per month per 30 days + GST as applicable from 31st day of payment of such unlifted stock till the delivery of cotton is taken, the cotton shall lie at the risk and liability of the Buyer.

12. **GOODS & SERVICE TAX (GST) :**

The Buyer shall pay GST on the value of cotton at the rate applicable on the date of taking delivery.

12. **INTEREST:**

The rate of interest on deliveries under clean credit, L/C and against Bank Guarantee will be 9% per annum+ GST as applicable, on monthly rest basis.

13. **PENAL RATE OF INTEREST:**

Penal Interest on overdue UB, L/C and Bank Guarantee will be charged @ **10%** per annum+ GST as applicable on monthly rest basis.

14. **PROCESSING CHARGES IN CASE OF DELIVERY AGAINST L/C AND ITS DISCOUNTING:**

The Seller shall charge processing fees on each L/C discounted @ 0.10% of its value or Rs.200/-, whichever is higher.

15. **ARBITRATION:**

In case of any dispute or difference arising out of or in relation to the contract, except any dispute regarding the quality of cotton which is specifically excluded under clause 3 of the terms and conditions, will be referred to an Arbitrator (other than an employee of the Seller) to be appointed by the Director (Marketing) or the Director (Finance) of the Seller and the decision of the arbitrator shall be final and binding upon the parties hereto. The Arbitration will be governed by the provisions of the Arbitration and Conciliation Act, 1996 or any statutory amendments or re-enactment thereof.

16. **FORCE MAJEURE:**

a. Should any circumstances beyond the control of the Seller such as natural calamity, strike, riot, elements, war, quarantine, fire or any act of circumstances of force majeure, the contract shall be cancelled to the extent of damage/destruction/shortfall arising due to the above causes. The Seller shall intimate quantum of such shortfall to the Buyer within 30 days. The Buyer hereby categorically agrees to such cancellation of shortfall quantity and shall neither have recourse to any action, legal or otherwise, nor demand any compensation in respect thereof.

b. However, in respect of contracts, where advance payments in the account of seller has been received in respect of bales approved, the claim as settled by the Insurance Company on account of fire damages shall be passed on to the Buyers and in all such cases, the contracted quantity will be reduced to the extent of fire damage.

17. **POWER TO AMEND RULES:**

The Corporation reserves its rights to amend, alter, modify or change any of the terms and conditions looking to the availability of stocks, credit worthiness and past performance of the Buyer etc.

The duplicate copy of the contract duly signed by the Buyer be returned within 7 days from the receipt of the contract in token of confirmation of all the terms and conditions of the contract. If signed copy is not received within stipulated time, the contract shall be treated as accepted and confirmed by the Buyer.

AUTHORIZATION LETTER FOR PARTICIPATING IN OPEN AUCTION

(On Letter Head of Party)

We hereby authorize our representative Mr._____(Name) who is our _____ (designation) to participate on our behalf for open auction to he held on 26.11.2020(11.30a.m) at B.O Guntur for Sale of 5908 F.P Cotton Bales pertainining to B.O. Warangal,Adilabad, Mahabubnagar,Hubli & Rayagada Branches of crop year 2018-19.

Signature of our Representative is verified as under.

Signature of our Representative

Name and Signature
Mills/Party Authorized
Person with seal

Place_____:

Date:_____

ANNEXURE – A

B.O: WARANGAL

S. no	Center	Variety	Staple Length	Lot no.	No. of bales	Place of Storage
1	BURGAMPADU	MECH MOD	28	5015	72	CWC GODOWN,SURYAPET
2	GAJWEL	MECH MOD	28	5001	17	GOLI SULOCHANA GODOWN-2C,AKKARAM,GAJWEL
3	GHANPUR	MECH MOD	28	5059	94	SAINATH GODOWNS-5A,GEESUKONDA,WARANGAL
4	KHAMMAM	MECH MOD	28	5104	70	CWC GODOWN,SURYAPET
5	KOTHAGUDEM	MECH MOD	28	5057	87	CWC GODOWN,SURYAPET
6	Madhira	MECH MOD	28	5056	100	CWC GODOWN,SURYAPET
7	MULUGU	MECH MOD	28	5071	100	J.MANOHAR BABU GODOWN,C/O B.DEVENDER GODOWNS,OOKAL
8	MULUGU	MECH MOD	28	5077	100	M.B.A GODOWNS,STAMBAMPALLI, WARANGAL
9	MULUGU	MECH MOD	28	5079	100	M.B.A GODOWNS,STAMBAMPALLI, WARANGAL
10	MULUGU	MECH MOD	28	5084	100	M.B.A GODOWNS,STAMBAMPALLI, WARANGAL
11	MULUGU	MECH MOD	28	5108	88	SAINATH GODOWNS-5A,GEESUKONDA,WARANGAL
12	MULUGU	MECH MOD	28	5126	15	SAINATH GODOWNS-5A,GEESUKONDA,WARANGAL
13	MULUGU	MECH MOD	28	5131	44	SAINATH GODOWNS-5A,GEESUKONDA,WARANGAL
14	NARSAMPET	MECH MOD	28	5004	60	J.MANOHAR BABU GODOWN,C/O B.DEVENDER GODOWNS,OOKAL
15	RAYAPARTHY	MECH MOD	28	5013	95	SAINATH GODOWNS-5B,GEESUKONDA,WARANGAL
16	SULTHANABAD	MECH MOD	28	5011	6	K. ARVIND GODOWN-7B,CHINTALAPALLY
17	SULTHANABAD	MECH MOD	28	5031	8	SAINATH GODOWNS-7A,GEESUKONDA,WARANGAL
18	THORRUR	MECH MOD	28	5026	34	SAINATH GODOWNS-5A,GEESUKONDA,WARANGAL
19	VEMULAWADA	MECH MOD	28	5064	8	K. ARVIND GODOWN NO.5,CHINTALAPALLY
	Total				**1198**	

B.O: Mahabubnagar

S. no	Center	Variety	Staple Length	Lot no.	No. of bales	Place of Storage
1	CHITYAL	MECH(MOD)	28MM	2575	62	SANGHI SPINNERS GODOWN, SANGHINAGAR
2	CHITYAL	MECH(MOD)	28MM	2581	21	SANGHI SPINNERS GODOWN, SANGHINAGAR
3	DEVARAKADRA	MECH(MOD)	28MM	2501	98	APMC GODOWNS, GADWAL
4	MALLEPALLY	MECH(MOD)	28MM	2534	81	SANGHI SPINNERS GODOWN
5	MOTHKUR	MECH(MOD)	28MM	2513	85	SANGHI SPINNERS GODOWN
6	VIKARABAD	MECH(MOD)	28MM	2501	100	SANGHI SPINNERS GODOWN
	TOTAL				**447**	

B.O: Adilabad

S. no	Center	Variety	Staple Length	Lot no.	No. of bales	Place of Storage
1	ASIFABAD	BB MOD	30MM	235	11	DIAMOND GODOWN ADILABAD
2	ASIFABAD	BB MOD	30MM	245	41	DIAMOND GODOWN ADILABAD
3	ASIFABAD	BB MOD	30MM	257	8	DIAMOND GODOWN ADILABAD
4	KONDAPALLY	BB MOD	30MM	172	39	DIAMOND GODOWN ADILABAD
5	KONDAPALLY	BB MOD	30MM	190	42	DIAMOND GODOWN ADILABAD
6	KONDAPALLY	BB MOD	30MM	199	11	DIAMOND GODOWN ADILABAD
7	ECHODA	BB MOD	30MM	117	25	SAIBABA GODOWN ADILABAD
8	MANCHERIAL	BB MOD	30MM	141	50	B SUREKHA GODOWN ADILABAD
9	LUXATTIPET	BB MOD	30MM	139	98	DIAMOND GODOWN ADILABAD
10	NERADGONDA	BB MOD	30MM	122	28	DIAMOND GODOWN ADILABAD
11	KADAM	BB MOD	30MM	125	6	SAIBABA GODOWN ADILABAD
12	SONALA	BB MOD	30MM	117	18	SAIBABA GODOWN ADILABAD
13	BHAINSA	MECH MOD	28MM	533	10	K.NAGNATH GODOWN BHAINSA
14	BHAINSA	MECH MOD	28MM	542	40	K.NAGNATH GODOWN BHAINSA
15	MADNOOR	MECH MOD	28MM	514	37	K.NAGNATH GODOWN BHAINSA
16	MADNOOR	MECH MOD	28MM	516	10	K.NAGNATH GODOWN BHAINSA
	Total				**474**	

B.O: Hubli

S. no	Center	Variety	Staple Length	Lot no.	No. of bales	Place of Storage
1	LAXMESHWAR	BB MOD	30 MM	101	102	CWC GADAG
2	LAXMESHWAR	BB MOD	30 MM	102	100	CWC GADAG
3	LAXMESHWAR	BB MOD	30 MM	103	106	CWC GADAG
	TOTAL				**308**	

B.O: Rayagada

S. no	Center	Variety	Staple Length	Lot no.	No. of bales	Place of Storage
1	RAYAGADA	BB MOD	30 MM	105	23	SHIRIDISAI GINNING & PRESSING PVT LTD RAYAGADA
2	RAYAGADA	BB MOD	30 MM	116	25	SHIRIDISAI GINNING & PRESSING PVT LTD RAYAGADA
3	RAYAGADA	MECH	28 MM	503	100	SHIRIDISAI GINNING & PRESSING PVT LTD RAYAGADA
4	RAYAGADA	MECH	28 MM	506	63	SHIRIDISAI GINNING & PRESSING PVT LTD RAYAGADA
5	GUNUPUR	BB MOD	30 MM	109	100	R.M.C GUNUPUR
6	GUNUPUR	BB MOD	30 MM	110	100	R.M.C GUNUPUR
7	GUNUPUR	BB MOD	30 MM	118	39	R.M.C GUNUPUR
8	GUNUPUR	BB MOD	30 MM	119	56	O.S.W.C GUNUPUR
9	BOLANGIR	BB MOD	30 MM	102	100	C.W.C BOLANGIR
10	BOLANGIR	BB MOD	30 MM	103	100	C.W.C BOLANGIR
11	BOLANGIR	BB MOD	30 MM	104	100	C.W.C BOLANGIR
12	BOLANGIR	BB MOD	30 MM	105	100	C.W.C BOLANGIR
13	BOLANGIR	BB MOD	30 MM	106	100	C.W.C BOLANGIR
14	BOLANGIR	BB MOD	30 MM	107	100	C.W.C BOLANGIR
15	BOLANGIR	BB MOD	30 MM	108	100	C.W.C BOLANGIR
16	BOLANGIR	BB MOD	30 MM	109	100	C.W.C BOLANGIR
17	BOLANGIR	BB MOD	30 MM	110	100	C.W.C BOLANGIR
18	BOLANGIR	BB MOD	30 MM	111	100	C.W.C BOLANGIR
19	BOLANGIR	BB MOD	30 MM	112	100	C.W.C BOLANGIR
20	BOLANGIR	BB MOD	30 MM	113	100	C.W.C BOLANGIR
21	BOLANGIR	BB MOD	30 MM	114	100	C.W.C BOLANGIR
22	BOLANGIR	BB MOD	30 MM	115	100	C.W.C BOLANGIR
23	BOLANGIR	BB MOD	30 MM	116	100	C.W.C BOLANGIR
24	BOLANGIR	BB MOD	30 MM	117	100	C.W.C BOLANGIR
25	BOLANGIR	BB MOD	30 MM	118	100	C.W.C BOLANGIR
26	BOLANGIR	BB MOD	30 MM	119	100	C.W.C BOLANGIR
27	BOLANGIR	BB MOD	30 MM	120	100	C.W.C BOLANGIR
28	BOLANGIR	BB MOD	30 MM	121	100	C.W.C BOLANGIR
29	BOLANGIR	BB MOD	30 MM	122	100	C.W.C BOLANGIR
30	BOLANGIR	BB MOD	30 MM	123	100	C.W.C BOLANGIR
31	BOLANGIR	BB MOD	30 MM	124	100	C.W.C BOLANGIR
32	BOLANGIR	BB MOD	30 MM	125	100	C.W.C BOLANGIR
33	BOLANGIR	BB MOD	30 MM	126	100	C.W.C BOLANGIR
34	BOLANGIR	BB MOD	30 MM	129	98	C.W.C BOLANGIR
	Total				**3104**	

SUMMARY

OF BRANCHWISE /VARIETYWISE F.P BALES KEPT IN OPEN AUCTION ON 26.11.2020 AT BO.GUNTUR IS SHOWN AS UNDER:

BRANCH	VARIETY		TOTAL
	BB(MOD)	MECH(MOD)	
WARANGAL	--	1198	1198
ADILABAD	377	474	851
MAHABUBNAGAR	--	447	447
HUBLI	308	--	308
RAYAGADA	2941	163	3104
GRAND TOTAL	**3626**	**2282**	**5908**