THE COTTON CORPORATION OF INDIA LTD

(A Government of India Undertaking, Ministry of Textiles)
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No: CCI/GNT/MKTG (SALES)/2019-20/ Date: 13.08.2020

OPEN AUCTION NOTICE FOR RE-SALE OF FP COTTON BALES

The Cotton Corporation of India proposes to re-sale 4500 F.P cotton bales of cotton season 2018-19 of Burgampadu, Jangaon, Madhira, Mulugu & Suryapet Centers pertaining to Warangal Branch on 21.08.2020 (2:00 PM) 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 19.08.2020 onwards from 10.00 a.m to 5.00 p.m or at the respective godowns (as per Annexure-A) of Warangal branch 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.

ASST GENERAL MANAGER

TERMS AND CONDITIONS FOR RE-SALE OF FP COTTON BALES BY CCI THROUGH OPEN AUCTION TO BE HELD ON 21.08.2020 (2:00 PM) AT BRANCH OFFICE, GUNTUR

1. **SECURITY DEPOSIT:**

   The buyers shall have to deposit Rs.2,00,000/- by way of Demand Draft/ Pay Order/ Banker's cheque / e-payment of any Scheduled Bank in favour of "THE COTTON CORPORATION OF INDIA LTD' payable at Guntur or they can deposit the same in any Branch of the Corporation before commencement of auction, otherwise they will not be entitled to participate in the open auction. The deposit of successful bidder shall be adjusted in the last delivery of bales and no interest shall be payable on this deposit.

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 6.0% 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 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 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 Transfer Debit card powered by RuPay, Unified Payments Interface (UPI), (BHIM-UPI), Unified Payments Interface Quick Response Code (UPI QR Code) (BHIM-UPI QR Code) 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 15 days from the date of contract. If payment is made after 15th day from the date of contract i.e. 16th 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 15% 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 15 days from the date of making payment, the Buyer shall be liable to pay late lifting charges @ **0.60%** per month per 30 days + GST as applicable from 16th 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 2 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 21.08.2020 at B.O Guntur for F.P Cotton Bales pertains to B.O Warangal 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	Category	Staple Length	Lot no.	No. of bales	P.M no.	P.R. No	Place of Storage
1	Burgampadu	BB(MOD)	Pearl	30mm	1001	100	SRCITMC	101-200	Abhaya Ware Housing No:2c, Madhira
2	Burgampadu	BB(MOD)	Pearl	30mm	1002	100	SRCITMC	201-300	Abhaya Ware Housing No:1c, Madhira
3	Burgampadu	BB(MOD)	Pearl	30mm	1004	100	SRCITMC	401-500	Abhaya Ware Housing No:1c, Madhira
4	Burgampadu	BB(MOD)	Pearl	30mm	1006	100	SRCITMC	601-700	Abhaya Ware Housing No:1c, Madhira
5	Burgampadu	BB(MOD)	Pearl	30mm	1007	100	SRCITMC	701-800	CWC Godown, Suryapet
6	Jangaon	BB(MOD)	Rhodium	30mm	1030	100	SSGM	4901-5000	CWC Godown-No.2, Jangaon
7	Jangaon	BB(MOD)	Rhodium	30mm	1033	100	TSCI	8701-8800	CWC Godown-No.2, Jangaon
8	Jangaon	BB(MOD)	Rhodium	30mm	1034	100	TSCI	8801-8900	CWC Godown-No.4, Jangaon
9	Jangaon	BB(MOD)	Rhodium	30mm	1036	100	OCI	5501-5600	CWC Godown-No.2, Jangaon
10	Jangaon	BB(MOD)	Rhodium	30mm	1037	100	OCI	5601-5700	CWC Godown-No.2, Jangaon
11	Jangaon	BB(MOD)	Rhodium	30mm	1038	100	OCI	5701-5800	CWC Godown-No.4, Jangaon
12	Jangaon	BB(MOD)	Rhodium	30mm	1039	100	OCI	5801-5900	CWC Godown-No.4,J angaon
13	Jangaon	BB(MOD)	Rhodium	30mm	1040	100	OCI	5901-6000	Suryachandra Godown, Madikonda
14	Jangaon	BB(MOD)	Rhodium	30mm	1042	100	HHGM	2901-3000	Suryachandra Godown, Madikonda
15	Jangaon	BB(MOD)	Rhodium	30mm	1043	100	HHGM	3001-3100	Suryachandra Godown, Madikonda
16	Madhira	BB(MOD)	Pearl	30mm	1005	100	KCITMC	8401-8500	AMC No:5,Madhira
17	Madhira	BB(MOD)	Pearl	30mm	1006	100	KCITMC	8501-8600	AMC No:5,Madhira
18	Madhira	BB(MOD)	Pearl	30mm	1007	100	KCITMC	8601-8700	AMC No:5,Madhira
19	Madhira	BB(MOD)	Pearl	30mm	1008	100	KCITMC	8701-8800	AMC No:5,Madhira
20	Madhira	BB(MOD)	Pearl	30mm	1012	100	KCITMC	9101-9200	AMC No:5,Madhira
21	Madhira	BB(MOD)	Pearl	30mm	1013	100	KCITMC	9201-9300	AMC No:5,Madhira
22	Madhira	BB(MOD)	Pearl	30mm	1017	100	KCITMC	9601-9700	AMC No:5,Madhira
23	Madhira	BB(MOD)	Pearl	30mm	1018	100	KCITMC	9701-9800	AMC

									No:5,Madhira
24	Madhira	BB(MOD)	Pearl	30mm	1019	100	KCITMC	9801-9900	AMC No:5,Madhira
25	Madhira	BB(MOD)	Pearl	30mm	1020	100	KCITMC	9901-10000	AMC No:5,Madhira
26	Mulugu	BB(MOD)	Pearl	30mm	1051	100	RRCI	4501-4600	AMC Godown, Mulugu
27	Mulugu	BB(MOD)	Pearl	30mm	1052	100	RRCI	4601-4700	AMC Godown, Mulugu
28	Mulugu	BB(MOD)	Pearl	30mm	1053	100	RRCI	4701-4800	AMC Godown, Mulugu
29	Mulugu	BB(MOD)	Pearl	30mm	1055	100	RRCI	4901-5000	AMC Godown, Mulugu
30	Mulugu	BB(MOD)	Pearl	30mm	1056	100	RRCI	5001-5100	B.Devender Godown, Mariyapuram,Ookal
31	Mulugu	BB(MOD)	Pearl	30mm	1057	100	RRCI	5101-5200	AMC Godown, Mulugu
32	Mulugu	BB(MOD)	Pearl	30mm	1058	100	RRCI	5201-5300	B.Devender Godown, Mariyapuram,Ookal
33	Mulugu	BB(MOD)	Pearl	30mm	1059	100	RRCI	5301-5400	AMC Godown, Mulugu
34	Mulugu	BB(MOD)	Pearl	30mm	1060	100	RRCI	5401-5500	B.Devender Godown, Mariyapuram,Ookal
35	Mulugu	BB(MOD)	Pearl	30mm	1062	100	SSLN	2101-2200	AMC Godown, Mulugu
36	Mulugu	BB(MOD)	Pearl	30mm	1069	100	LGCI	4901-5000	AMC Godown, Mulugu
37	Mulugu	BB(MOD)	Pearl	30mm	1071	100	LGCI	5101-5200	AMC Godown, Mulugu
38	Mulugu	BB(MOD)	Pearl	30mm	1072	100	LGCI	5201-5300	AMC Godown, Mulugu
39	Mulugu	BB(MOD)	Pearl	30mm	1073	100	LGCI	5301-5400	B.Devender Godown, Mariyapuram,Ookal
40	Mulugu	BB(MOD)	Pearl	30mm	1074	100	LGCI	5401-5500	B.Devender Godown, Mariyapuram,Ookal
	Total					**4000**			
41	Suryapet	BBSPL (MOD)	Rhodium	29mm	3001	100	TS-MCPL	27701-27800	CWC Godown, Suryapet
42	Suryapet	BBSPL (MOD)	Rhodium	29mm	3002	100	TS-MCPL	27801-27900	CWC Godown, Suryapet
43	Suryapet	BBSPL (MOD)	Rhodium	29mm	3003	100	TS-MCPL	27901-28000	CWC Godown, Suryapet
44	Suryapet	BBSPL (MOD)	Rhodium	29mm	3004	100	TS-MCPL	28001-28100	CWC Godown, Suryapet
45	Suryapet	BBSPL (MOD)	Rhodium	29mm	3006	100	TS-MCPL	28201-28300	CWC Godown, Suryapet
	Total					**500**			
	Grand Total					**4500**			