

ANNEXURE-I

(NOT APPLICABLE TO TRANSPORT CASES)

**THE TAMILNADU INDUSTRIAL INVESTMENT CORPORATION
LIMITED**

692 (OLD NO.473) , ANNA SALAI, NANDANAM, CHENNAI – 600 035.

TERMS AND CONDITIONS FOR SALE BY Tender – Cum – Public
Auction of the assets of M/s.

Under the powers of sale conferred under sec.29 of the SFCs Act, 1951 and under the powers conferred under the security documents, The Tamilnadu Industrial Investment Corporation Limited (hereinafter referred as Corporation) will sell the following land, building and/or plant and machinery of the above unit and the sale is subject to confirmation by the Corporation.

Description of land and building, plant and machinery:

- | | | |
|----------------------|---|-------------------|
| 1. Land | : | |
| 2. Building | : | (As per annexure) |
| 3. Plant & Machinery | : | |

I) **OPTIONS:**

The intending buyers will have the following options:

- a) Sealed Tenders on outright payment basis
- b) Open auction on outright payment basis

A. SEALED TENDERS:

1. The intending tenderers shall submit their offers which shall not be equal to or less than the upset price in the tender form enclosed.
2. Every tender shall be in writing in the prescribed tender form in a sealed cover superscribed "Tender for the purchase of the assets of _____(Name of the unit)". The tender shall be submitted to the Branch Manager, The TIIC Ltd., _____, on or before the time and date stipulated for each case along with the Terms and Conditions for Sale duly accepted and signed in every page.
3. Every tender shall be accompanied by a DD/Pay Order, payable to The TIIC Ltd. at the place where the tender is submitted, equivalent to 25% of the bid amount in the tender (subject to a minimum of Rs.5,000/-) failing which the tender is liable to be rejected outright. This 25% of the bid amount shall not carry any interest under any circumstances.
4. The 25% of the bid amount submitted by unsuccessful tenderers will be returned on finalisation of the tender. Tenders received beyond the specified time limit shall not be considered.
5. The tenders will be opened after the conduct of the public auction at the appointed time in the office of the Branch Manager in the presence of tenderers who choose to be present. The highest bid in the tender will be identified. This will be compared with the bid in the open auction, if any, and the higher of the two identified. The amounts paid by all the bidders/tenderers except for the highest bidder/tenderer as the case may be, will be returned.

6. The amount in the tender form shall be filled neatly and legibly in words and in figures. If there are any discrepancies in the amount written in words and in figures, the amount stated in words will be taken as the amount offered. Scribbling, overwriting and erasing shall be avoided.
7. The tenderer shall not add any clause in the tender form. The tenderer is not entitled to make any counter proposal. Tenders not conforming to the above stipulations are liable for outright rejection.
8. The tender form shall be accompanied by the DD/Pay Order as stated above and the Terms and Conditions for Sale duly signed by the tenderer in each page for having accepted the same and bearing the seal of the tenderer also in the case of a firm/company, with a copy of the authority of the person signing the tender in case it is signed by persons other than proprietor/partner/director. Tenders submitted without the DD/Pay Order and/or the Terms and conditions For Sale duly signed as stated supra are liable to be rejected.
9. If the sale is confirmed, the balance tender/bid amount is payable as per the terms in para II below:

B. PUBLIC AUCTION:

- 1) Every person who wishes to participate in the public auction, shall pay an EMD of Rs._____, which is 10% of the upset price subject to a maximum of Rs.5.00 lakh in the form of Cash/DD/Pay Order being payable to The TIIC Ltd., at the place where it is submitted, before being allowed to participate.

- 2) Those who have submitted the sealed tender along with 25% of the bid amount can also participate in the public auction and they need not pay any further amount for participating in the public auction. The tenderer shall submit an undertaking to the effect that he/she has enclosed required EMD by way of Demand Draft along with tender form.
- 3) The highest bid in the open auction will be identified. This will be compared with the highest bid in the tender as stated in para (I) (A) (5) and the higher of the two identified. The amounts paid by all the tenderers/bidders except the highest tenderer/bidder will be returned. If the sale is confirmed, the balance bid amount is payable as per the terms in para II below:

II) TERMS OF PAYMENT, DELIVERY ETC:

OUTRIGHT PAYMENT BASIS:

- 1) The highest tenderer/bidder will have to deposit 25% of his tender/bid as advance immediately after the auction is concluded in the form of Cash/DD/Pay Order payable to the TIIC Ltd., at the place where the auction is held. The balance amount is payable as given below.
- 2) The Balance 75% is payable within 30 days from the date of receipt of the confirmation of sale from the Corporation. In case the 25% advance is not paid immediately, the amounts till then paid will be forfeited. In case after paying the 25% advance, the balance 75% is not paid, then the amounts till then paid will be

forfeited. In either of these two circumstances, the Corporation will be at liberty to act as per para III (18).

- 3) If the entire amount of the bid is paid to the Corporation in the manner stipulated, then the Corporation shall execute and register a sale deed in favour of the highest bidder for the land and building (expenses on bidder's account) and shall execute a delivery note for the plant and machinery and also hand over possession of the assets.

III. GENERAL CONDITIONS OF SALE:

- 1) The public auction shall begin with the upset price fixed as indicated in the auction sale advertisement and the participants will be permitted to bid only above the upset price.
- 2) In case the date of inspection/auction/submission/opening of tender is declared by the Govt. as a public holiday, then such date of inspection etc., will be postponed to the next working day at the same time without any further communication in this regard.
- 3) Every bidder/tenderer is deemed to have gone through and accepted the Terms & Conditions for Sale. There shall not be any counter proposals or different manner of paying the amounts.
- 4) Every bidder / tenderer shall verify the title deeds, patta & other revenue records and other documents and shall also inspect the property physically. By participating in the auction / tender, he is deemed to have verified the title deeds, patta, etc. and also physically inspected the property and satisfied himself fully and unequivocally about the title to the property as

well as its identity, description, quantity / extent, value, etc. No claim of any kind relating to title, documents, identity, quantity / extent, value, etc. shall be entertained during or after the tender cum auction and no refund / compensation is payable on any such ground. Further, the Corporation shall not be held responsible for any deviation / differences / claims as stated above or otherwise.

- 5) The sale of the land and building and/or plant and machinery, accessories and other articles are on “AS IS WHERE IS” basis. Tenderers/Bidders are assumed to have inspected them and the principle of “CAVEAT EMPTOR” will apply to the Sale.
- 6) The Corporation will not be responsible for any deviation or modification or reduction in extent and other descriptions.
- 7) There is no express or implied condition or warranties of sale. Neither can reliance be had on any description nor will any complaint against the description be entertained.
- 8) The Corporation reserves to itself the right to participate in the tender and/or auction in its own right.
- 9) The Corporation reserves the right either to accept or reject any tender or bid in the auction without assigning any reasons and the decision of the Corporation in this regard shall be final.

- 10) The Corporation reserves to itself the right to vary the terms of the advertisement/sale without notice at its discretion.
- 11) The successful tenderer/highest bidder, after confirmation by the Corporation shall acknowledge the bid and accept the Terms and Conditions For Sale in writing.
- 12) The Corporation reserves the right to cancel or postpone the sale at any time without assigning any reason.
- 13) The Corporation reserves the right to withdraw from the sale or withhold from selling any of the land, building and/or plant and machinery, accessories and other articles at any time but prior to the confirmation of the sale.
- 14) The Corporation reserves to itself the right to negotiate with the highest bidder/tenderer for enhancement of the bid/tender.
- 15) In the event of the highest bidder in the public auction/tenderer fails to remit the 25% of the bid amount, the Corporation reserves the right to forfeit the EMD paid by the highest bidder/tenderer and to call the next highest bidder to pay 25% of the bid amount.
- 16) In the event of the sale being confirmed, the purchaser shall bear the necessary stamp duty, registration fees, etc., for registering the sale deed for land and building and for executing the delivery note for plant and machinery in his/their favour. The quantum of consideration to be shown in the sale deed for land and building and in the delivery note for the machinery shall be as decided by the Corporation.

17) The Corporation will issue the sale deed or delivery note, to the successful tenderer/bidder or his nominees. Nominees shall not be individuals. Nominees in the form of partnership concern, public/private limited companies, etc. are permitted subject to the condition that the successful bidder also is a member of the nominee with not less than 30% share. Further, unless the successful bidder/tenderer obtained and register the sale within a period of 90 days from the date of making the full payment of the bid amount, the auction confirmation will be cancelled and the amount till then remitted will be forfeited.

17 (a) The successful bidder has to pay the security charges, insurance and other charges incurred/to be incurred by the Corporation for safeguarding the assets from the date of receipt of letter of confirmation of auction sale.

17) (b) The highest bidder shall on remittance of the bid amount take physical possession of the assets (land and building) at his own risk without any reference to the Corporation.

18) In case the stipulated amounts are not paid within the stipulated time or the sale deed for land and building is not executed within 90 days from the date of final remittance, or the land, building and/or plant and machinery are not taken possession by the successful tenderer/bidder within three months after receipt of the confirmation of sale, the sale confirmation in his favour will be set aside and the amount paid till then will be forfeited without reference to the purchaser. The Corporation shall have the option of negotiating with and accepting the offer of the second highest bidder. In such an event also, the amounts till then paid by the highest bidder will be forfeited.

19) The successful bidder has to pay the property tax, commercial tax, sales tax and other dues to the Government and other Statutory liabilities, if any, in respect of the property sold.

20) In respect of SIDCO/SIPCOT/CMDA/GOVT./CO-OPERATIVE SOCIETY lands, plots, shed etc., dues if any payable to such institutions as per their terms and conditions will have to be paid separately by the successful tenderer/bidder.

21) On confirmation of the bid, the highest bidder will have to pay tax at the applicable rates under the TNVAT Act on the machinery as determined by the Corporation. Such tax shall be paid along with the balance 75% of the bid amount.

22) All participants shall furnish their full residential and/or office address and should comply with Know Your Customer (KYC) norms stipulated by the Reserve Bank of India to establish their identity. Mere "care of" addresses including hotel Room Nos. and Post Box addresses shall not be accepted. Otherwise, the Corporation reserves the right to forbid them from participating in the auction.

23) For other conditions not covered, the decision of "THE TAMILNADU INDUSTRIAL INVESTMENT CORPORATION LIMITED" is final.

The above conditions are in addition to the conditions, if any, stipulated in the advertisement for sale.
