

Natural Resources Development Corporation Limited
Terms and condition for Timber Export Auction

1. Eligibility criteria and procedure to partake in NRDCL “Timber Export Auction”.

- 1.1. All licensed saw millers, wood-based industries, export licensed holders and any individual buyers from within and outside Bhutan shall be allowed to participate in the auction.
- 1.2. The purchaser shall be allowed to export the timber purchased through the export auction upon seeking necessary approval from the agencies concerned.

2. Registration

- 2.1. Potential buyers desiring to participate in the export auction shall register their name/address and organization if any, with NRDCL before the start of auction upon payment of Nu./Rs. 500.00 (non-refundable) registration fee to be eligible to participate in the auction.

3. Purchaser’s Agent

- 3.1. Any purchaser nominating representative must furnish an authorization letter to the nominee along with name and address. The authorization letter must be produced to the auction committee along with the specimen signature of the purchaser. The Committee shall have the discretion to approve or reject such nomination.

4. Earnest Money Deposit (EMD)

- 4.1. An amount of INR/Nu. 50,000/- (INR/Nu. Fifty thousand) only shall be deposited as earnest money at the time of registration to qualify themselves for participating in the export auction.
- 4.2. The earnest money shall be refunded to the unsuccessful bidders at the close of the auction. However, the EMD of the successful bidders shall be adjusted against the total sale value.

5. Inspection of Lots

- 5.1. Interested purchaser(s) shall inspect the lots and scrutinize the contents of the sale list before purchase and satisfy themselves completely regarding the quality and quantity of timber they intend to purchase. Under no circumstances, complaints about the timber will be entertained once the sale is accepted by the auction committee.

6. Authority of Auction Committee

- 6.1. The authority of the auction committee is limited to accept the bid not less than the amount calculated based on reserve price fixed for the timber.

7. Schedule of Payment

- 7.1. 30% advance sale value shall be realized at the close of auction/acceptance of the sale against each lot or within four working days from the date of auction, and the balance 70% shall be deposited within 10 days from the date of auction which shall be indicated in the settlement order.
- 7.2. System generated Delivery Note shall be issued after receiving the full sale value for the chosen lot(s).

8. Consequences of Non-payment

- 8.1. Failure to deposit the 30% sale value shall render the bid invalid and the Earnest Money Deposited shall be forfeited.
- 8.2. Further, advance of 30% sale value will be forfeited in case the purchaser fails to deposit the balance 70% within the time given in the Settlement Order and the sale will be treated as cancelled.

9. Material risk and Compensation

- 9.1. After the payment of 100% sale value, the timber shall remain at the depot at the risk of the purchaser to a maximum of 30 days (**including Saturdays, Sundays & Govt. Holidays**) from the date of purchase.
- 9.2. After the acceptance of sale of timber and 100% sale value realized, it is the sole responsibility of the purchaser for any loss/theft or damaged caused due to natural calamities and other damages on timber through prolonged storage whatsoever and NRDCL shall not be liable for such losses.
- 9.3. The lifting time may be extended by NRDCL on charging demurrage charges as follows:
 - a) 1st 15 days - 5% on the sale value for the un-lifted materials;
 - b) 2nd 15 days - 10% on the sale value for the un-lifted materials; and
 - c) Maximum of two extension as above shall be facilitated failing which, the timber in question shall be forfeited.

10. Illegal Activities

- 10.1. The purchaser or his employees shall be liable to be punished under relevant laws and rules of Bhutan in vogue for any illegal act committed by them.
- 10.2. Any party suspected or proven to have committed illegal act shall be barred from participating in future auctions.

11. Export Related Documents

- 11.1. After the receipt of 100% sale value, NRDCL shall facilitate issuance of all export-related official documents within Bhutan, required for export and transportation of purchased or auctioned timber.
- 11.2. All other documents required across the border shall be the responsibility of the purchaser.

12. Taxes and duties

- 12.1. All taxes, duties, fees, charges, etc as applicable from time to time in the exporting and importing country shall be borne by the purchaser and all such taxes shall be cleared at the time of lifting the timber.

13. Settlement of Disputes

- 13.1. In case of any disputes pertaining to the auction, the decision of the NRDCL Management shall be final and binding on both the parties.

Regional Manager
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NRDCL, Regional Office

Purchaser/Customer
CID/License No.
Address:
Contact No:
Email Id:

Note: Successful bidders shall submit a copy of Trade/Export License or prove of Identity Card.