

**IN THE HIGH COURT OF KARNATAKA AT BENGALURU**

**(ORIGINAL JURISDICTION)**

**IN THE MATTER OF COMPANIES ACT, 1956**

**AND**

**IN THE MATTER OF M/S. KARNATAKA FINANCIAL SERVICES LTD. (IN LIQUIDATION)**

**IN COMPANY PETITION NO.178/2004**

**SALE NOTICE**

In pursuance of the Hon'ble High Court order dated 04.12.2021 passed in O.L.R. No. 41/2020, online competitive bids are hereby invited for sale of immoveable assets/properties belonging to the Company in liquidation mentioned below through e-auction scheduled on **24.02.2021 from 14.00 hours to 17.00 hours**. The motto of Sale is strictly on **"as is where is and whatever there is basis"**. The entire e-auction catalogue i.e. "Terms and Conditions: of slae containing the schedules for giving full particulars of events of e-auction, guidelines for online registration, etc., are available on Official Liquidator's website: [www.olkarnataka.kar.nic.in](http://www.olkarnataka.kar.nic.in) and on MSTC website : [www.mstcecommerce.com](http://www.mstcecommerce.com) and can be viewed by clicking on "forth coming e-auction" or by accessing URL :

[https://www.mstcindia.co.in/TenderEntry/Lot\\_Item\\_Details\\_AucID.aspx?ARID=279391](https://www.mstcindia.co.in/TenderEntry/Lot_Item_Details_AucID.aspx?ARID=279391)

<b>Lot No.</b>	<b>Location</b>	<b>Description and address of property</b>
1	Belagavi	Office premises No. F-2 admeasuring 551.67 sq. ft. (super built up area), 1 <sup>st</sup> Floor, 'Parwathi Complex', Constructed in C.T. S. Nos.3403, 3404, 3405/2 & 3445/1A, Gondhali Galli, Belagavi.
2	Karkala	The Office premises having Undivided proportionate 1/116 <sup>th</sup> Right, Title and interest in the Non-agricultural immovable property admeasuring 16 cents (Right Title & Interest of extent of 401 Square Feet) in Sy.No.133/31 (North portion of Karkala Kasba Village of Karkala Taluk)situated at Karla Towers, 1 <sup>st</sup> Floor, Near Bus Stand, Karkala, Udupi District.
3	Belthangady	The Commercial Room in Sy. No.84/1 admeasuring (i) 438.850 (ii) 97.02 and (iii) 115.592 sq. ft., Building bearing Door No.3-70 situated at "Prabhat Towers", 1 <sup>st</sup> Floor, Near Bus Stand, in Belthangady Kasba Village, Belthangady, Dakshina Kannada.

The intending bidders may contact Sri. Satya Singh, Sr. Manager, MSTC Ltd on 09453188305/ 080-22260054 for doubts/clarifications, if any, on the e-auction procedure and Sri.Venkatarama Reddy M., & P. Sahana, Officials of the office of The Official Liquidator on his Mobile No. 9845415102 / 9449370555 for other queries about the properties.

**Place:**Bengaluru  
**Date:** 02/02/2021

**(M. Jayakumar)**  
**OFFICIAL LIQUIDATOR**  
**HIGH COURT OF KARNATAKA**  
"CORPORATE BHAVAN", NO.26-27,  
12<sup>TH</sup> FLOOR, RAHEJA TOWERS, M.G.ROAD,  
BENGALURU-560 001.  
Telephone: 080- 25598672/25598673

**IN THE MATTER OF M/S. KARNATAKA FINANCIAL SERVICES LIMITED  
(INLIQUIDATION)  
IN COMPANY PETITION NO.178/2004**

**SPECIAL TERMS & CONDITIONS**

**Preliminary:**

1. The Hon'ble High Court of Karnataka at Bengaluru has permitted the Official Liquidator to sell the Scheduled property/ies by inviting competitive bids through e-auction to be conducted by selling agent namely M/s. MSTC LTD., a Miniratna Central Public Sector Undertaking (CPSU) under Ministry of Steel, GOI, on website: [www.mstcecommerce.com](http://www.mstcecommerce.com).

**Definitions and Abbreviations:**

2. Unless the context otherwise requires under the "Terms and Conditions of the e-auction Sale" the following words wherever appear means:
  - a) "Scheduled Property" means property more fully described in "Schedule No.1".
  - b) "Bidder(s)"/ "Purchaser(s)" means any person being an Individual or Proprietor or Partnership firm or LLP or company and who is paying the Earnest Money Deposit ("EMD") and getting registered with MSTC. Bidder(s)/Purchaser(s) while being used interchangeably shall be deemed to mean and include his/her/their/its legal heirs, legal representatives, successors in interest and permitted assignee, as the case may be.
  - c) "EMD" means "Earnest Money Deposit" and /or "Pre-Bid Amount" to be paid as described in **Schedule No.2** to qualify for participation in e-auction.

- d) "High Court" means the "Hon'ble High Court of Karnataka at Bengaluru".
- e) "MSTC" means "MSTC Limited" and further means "Service Provider/ Selling Agent".
- f) "Sale Notice" means the Auction Sale Notice published in the News Papers and shall also include other information i.e. Settled "Special Terms and Conditions of Sale" governing the e-auction sale, required particulars for the "Online Registration of Bidders and all other information and document hosted on webpage: <https://mstcecommerce.com> on URL [https://www.mstcindia.co.in/TenderEntry/Lot\\_Item\\_Details\\_AucID.aspx?ARID=279391](https://www.mstcindia.co.in/TenderEntry/Lot_Item_Details_AucID.aspx?ARID=279391) for informal guidance of the Bidders.
- g) "Seller" means the Official Liquidator attached to the Hon'ble High Court of Karnataka at Bengaluru, more fully described in **Schedule No.3.**
- h) "The person(s)" means and includes legal person" interested in submitting quotations /offers. Such person(s) giving the quotations/offers are referred to as "Bidder" and the quotations/offers given are referred to as "Bid".
3. All contracts/transactions entered into by the buyer/Bidder arising out of this e-auction shall be governed by the veracity pact available on website: [www.mstcindia.co.in](http://www.mstcindia.co.in) and <https://mstcecommerce.com>.
4. The person(s) interested in submitting quotations/offers shall submit the offers online through website: [www.mstcecommerce.com](http://www.mstcecommerce.com). The offer/bid submitted in other mode shall not be entertained.

5. Bidders are required to complete the registration formalities with MSTC before payment of the interest free EMD/pre-bid amount on or before scheduled date and time as prescribed in **Schedule No.2**.
6. Bidders are advised to ascertain on their own all information about the nature of right and title, survey/Municipal/Corporation/Industrial plot Nos. and respective maps, extent/area of Land, boundaries, statutory sanctions or approval with respect to immovable property prior to submission of bid in the e-Auction. No dispute in this regard will be entertained by the Seller/Selling Agent after submission of bids. The Bidder will not raise any dispute regarding the terms and conditions of the e-auction or about the particulars of the scheduled property or contest the same once he has been declared as the successful Bidder.
7. The pre-bid amount/Earnest Money Deposit(EMD) needs to be paid by the participating buyers through MSTC's e-commerce portal **through pay pre-bid EMD LINK** provided in the buyer login page only and no other payment mode will be entertained, provided in the buyer account, within Office hour, at least one day before the date of e-auction. The buyer should check the EMD Ledger link after making the payment and the same amount should be reflected in this link. The unsuccessful buyer can raise their refund request in EMD Refund Request link. 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. The PRE BID EMD of the successful bidders will be adjusted towards the Post-Bid Payment. The entire PRE BID EMD of the successful bidders will be forfeited automatically if the highest bidder fails to pay the required Post-Bid Payment for the lot awarded to them. The PRE BID EMD of the unsuccessful parties will be refunded. No interest is payable by MSTC/SELLER on the PRE BID EMD/ EMD.
8. Bidder/s who do not submit the pre-bid EMD would not be eligible to participate in E-Auction.

9. Pre-bid EMD of unsuccessful Bidders will be returned by MSTC within 7 (seven) working days after the closure of e-auction without any interest or within the time granted by the High Court whichever is later.
10. Any "Bid" made shall be deemed to have been submitted after complete satisfaction of the title, status, condition, quantity and quality etc., of the scheduled property/ies. Conditional offers/bids shall not be accepted. Amendment to the offers/bids shall not be permitted after the closure of e-auction. The rule of caveat emptor is applicable.
11. E-Auction Result/Status: Status of bids must be personally seen by the Bidders online through the link "Auction Lot Status" immediately after closing of e-Auction. Highest Bid is subject to approval of Hon'ble High Court and thereby securing the status of highest bidder confers no right so as to demand the automatic confirmation of sale in favour of highest bidder.
12. **Email Address of Bidders** must always be kept valid, failing which Bidders will be liable for non-compliance of payment or any other instruction required to be issued by MSTC to them via email.
13. Successful Bidder/purchaser shall pay GST as may be applicable, over and above the approved bid amount.
14. The information in respect of the scheduled property have been stated to the best of the knowledge from the available records. The Seller/ MSTC, however, shall not be responsible for any error, misstatement or omission in the said particulars. The Bidders are, therefore, requested to verify the same, in their own individual interests before submitting the Bids.
15. The Seller shall, before confirmation of the sale, be at liberty to amend/modify/delete any of the conditions as may be deemed necessary in the light of the facts and circumstances of the case.

16. Prospective Bidders may carry out inspection of the scheduled property/ies on the scheduled dates and time only with prior intimation and consultation with the official/s as detailed in **Schedule No.2**.
17. The Bidders shall be solely responsible for all consequences arising out of the bid submitted by him (including any wrongful bidding by him) and no complaint/representation will be entertained by SELLER/MSTC in this regard. Bidders must be careful to check the Bid Amount/No. Of '0'/No. Of Digits etc., and if required, rectify their bid before submitting the Bid into the live e-Auction floor by clicking the 'Bid' Button. In case of any bid being equal to or more than 5 (five) times the current Highest Bid for the Lot, this will be displayed by way of a WARNING MESSAGE on the Bidder's screen before he confirms/submits the bid. There is no provision for putting Bids in decimals.
18. The Sale will be governed by the Material List, guidelines for online registration of intending bidders and all other information/ documents hosted on webpage for guidance of intending bidders and pertaining to the e-auction sale) & “**Special Terms & Conditions**” (**STC**) displayed on the "Live e-Auction Floor". The Material List & **STC** displayed under "View Forthcoming Auctions" on MSTC's e-Auction Website are tentative and subject to change at Seller's / MSTC's sole discretion before the start of e-Auction. Bidders should therefore download the Material List and **STC** displayed only under "View Live Auctions" for their record purpose, if required. Participation in the e-Auction will be deemed to imply that the Bidders have made themselves thoroughly aware of and accepted the **STC**, and Material List. Seller / MSTC shall have the right to issue addendum to the **STC** or Material List to clarify, amend, modify, supplement or delete any of the conditions, clauses or items stated therein and the Addendum so issued shall form a part of the original **STC**. In this regard, the prospective bidders are advised to keep a close watch on the MSTC website to take notice of such addendum/s if any.

19. During Live Auction, only brief Lot details will be shown under "**Lot Name**" on the "**Auction Floor**" where Bidders are required to bid. The detailed "**Lot Description**" can be seen by the Bidders by clicking on the "**Lot Name**" and it shall be the responsibility of the Bidders to see the "**Lot Description**" before bidding and no representation/complaint from the Bidders in this regard will be entertained by MSTC/Seller.
20. Seller reserves the right to forfeit any amount/money lying with MSTC/Seller from the successful Bidder who defaults in making the due payments against the e-Auction even though such amount/money may be lying with Seller/MSTC and payable to the said Bidder against any other contract/transaction.
21. Acceptance of the highest (H-1) bid is subject to approval / confirmation by the Hon'ble High Court and securing the status of highest Bidder, confers no right, so as to demand the automatic confirmation of sale in his / her favour.
22. The Official Liquidator shall submit a report along with the e-auction result and valuation report before the Hon'ble High Court soon after conclusion of e-auction for approval of sale in favour of highest Bidder. The Hon'ble Court may approve the highest bid considering the adequacy of price in light of the valuation report, and other relevant facts as may be deemed fit and proper by the Court. The sale shall stand confirmed in its totality only after payment of bid amount as approved by the Court (after adjusting the EMD paid) and Goods and Service Tax (GST) as may be applicable over and above the bid amount. Upon approval of highest bid, the highest Bidder will be informed about the same by MSTC via email only.
23. The successful Bidder shall pay full and final bid amount within the time prescribed in **Schedule No. 2**, failing which the EMD amount remitted will stand forfeited.

24. The possession of the property/ies shall be handed over to the successful purchaser/Bidder vide "**Possession Memo**" upon payment of full and final sale consideration.
25. The scheduled property shall remain in every respect at the entire risk of the BUYER from the date of issue of "Possession Memo" by the SELLER.
26. It will be the Bidder's responsibility to personally see the result of e-Auction by seeing and downloading the "Auction Lot Status" from the Website immediately after Closure of e-Auction which will be displayed up to 6(Six) days from the date of Closure of e-Auction (excluding the date of closure of e-Auction). A system generated automatic Sale Intimation Letter will be issued by e-mail to the Highest Bidder once the highest bid or any other bid is accepted by the Hon'ble High Court. Bidders must therefore keep a watch on their incoming e-mail. Normally no hard copy of the Sale Intimation Letter (on Confirmed or STA basis) will be issued by MSTC.
27. Pre-Bid EMD of the successful Bidder will be automatically adjusted towards payment of final Bid amount by successful Bidder.
28. The entire due payment will have to be paid by the successful Bidder in one lump-sum and no installment payment will be allowed.
29. The highest Bidder will not be entitled to assign their right to buy the scheduled property to any third party or nominate any third party, once they are declared to be the successful Bidder. In other words, the Sale will be made only to the successful Bidder and not to any third party.
30. Delivery of the scheduled property/ies as covered in this e-auction will be made on "**As is Where is and Whatever There is**" basis, and "**No Complaint**" basis vide "**Possession Memo**" by the SELLER.



31. The purchaser/s of immovable property/ies shall submit a draft of Sale Deed to the Official Liquidator for execution with authentic boundary, survey No. / Corporation No., Survey map and all other relevant information for proper identification of the sold property.
32. It shall be the absolute responsibility of the respective purchaser to furnish the authentic boundary, survey No./Corporation No., Survey map and all other relevant information for proper identification of the sold property . The sale deed/s shall be executed at the risk and cost of the purchasers broadly relying on the doctrine of “the buyers be aware”. Needless to say that in case if the Sale Deed is found to be erroneous at any subsequent stage for the reasons of incorrect boundary, survey No./Corporation No., Survey map and all other relevant information in respect of the property/ies, the Sale Deed/s shall be void or voidable at their risk and cost of purchaser.
33. Bidders should note that the transaction covered by this e-auction will be treated as a transaction subject to payment of stamp duty applicable for registration of sale deed, Statutory Taxes, if any, (in addition to GST) as may be applicable and payable by the successful Bidder.
34. The successful Bidder/s shall not be liable to pay any dues and receive any benefits with respect to the property/ies, the subject matter of sale, accruing on or before the date of handing over of possession pursuant to confirmation of sale.
35. By accepting the Terms & Conditions of e-Auction, the Successful Bidder undertakes to keep Seller indemnified and save harmless from any and all claims, losses, penalties, damages, etc.
36. If any dispute arises in connection or in relation with the interpretation, existence and fulfillment of this STC, same shall be decided by the Hon’ble High Court.

37. The Hon'ble High Court reserves the right to rescind, amend, delete, invalidate any of the settled terms and conditions and further to add any terms & conditions as may be deemed fit and proper.
38. The instant Sale Notice shall stand as public notice and notice to secured creditor/s, petitioner/s, contributories and any other stakeholder in the company. Any kind of objection with respect to subject matter of sale must be brought to the notice of the Hon'ble Court before confirmation of sale. No objection of any kind shall be entertained thereafter.

### SCHEDULE No. 1

#### Property Details:

Lot No.	LOT DESCRIPTION	GST	LOCATION
1.	Office premises No. F-2 admeasuring 551.67 sq. ft. (super built up area), 1 <sup>st</sup> Floor, 'Parwathi Complex', Constructed in C.T. S. Nos.3403,3404, 3405/2 & 3445/1A, Gondhali Galli, Belagavi.	As applicable	District: Belagavi, State: Karnataka.
2	The Office premises having Undivided proportionate 1/116 <sup>th</sup> Right, Title and interest in the Non-agricultural immovable property admeasuring 16 cents (Right Title & Interest of extent of 401 Square Feet) in Sy.No.133/31 (North portion of Karkala Kasba Village of Karkala Taluk)situated at Karla Towers, 1 <sup>st</sup> Floor, Near Bus Stand, Karkala, Udupi District.		Taluk: Karkala District: Udupi State: Karnataka.
3	The Commercial Room in Sy. No.84/1 admeasuring (i) 438.850 (ii) 97.02 and (iii) 115.592 sq. ft., Building bearing Door No.3-70 situated at "Prabhat Towers", 1 <sup>st</sup> Floor, Near Bus Stand, in Belthangady Kasba Village, Belthangady, Dakshina Kannada.		Taluk: Belthangady District: Dakshina Kannada State: Karnataka

## SCHEDULE No. 2

### Events of e-Auction:-

Sl. No	Events	Dates and descriptions	
1	Pre-bid training to the intending buyers for online bidding by MSTC (at the option of intending buyers)	In the office of Official Liquidator at Bengaluru on 23.02.2021 at 11.00 Hours	
2	Last date and time for Bidder's Online Registration.	On or before 23.02.2021 up to 17.00 Hours	
3	Inspection of the scheduled properties	Lot No.	Date of Inspection from 11.00 am to 5.00 pm
	Contact for inspection of Lot 1 Mr. N. Krishna Reddy O/o. The Official Liquidator, Bengaluru. Mobile No. 8618598576	1	15.02.2020
	Contact for inspection of Lot 2 & 3 Mr. Venkatarama Reddy M. O/o. The Official Liquidator, Bengaluru. Mobile No. 9845415102	2	09.02.2021
		3	10.02.2021
4	Earnest Money Deposit (EMD)	Lot No.	EMD Amount (in Rs.)
	For property at Belagavi	1	1,18,600/-
	For property at Karkala	2	84,200/-
	For Property at Belthangady	3	88,500/-
5	Opening Bid/Start price	Lot No.	Amount (in Rs.)
	For property at Belagavi	1	11,86,000/-
	For property at Karkala	2	8,42,000/-
	For property at Belthangady	3	8,85,000/-
6	Mode of Payment of EMD and all other payments.	NEFT/RTGS to the MSTC account through 'pay pre-bid EMD LINK'	
7	Last date and time for online payment of EMD	On or before 23.02.2021 up to 11.00 Hrs	
8	Scheduled Date & time of opening and closing of e-Auction	<b>Opening on</b> 24.02.2021 at 14.00 Hrs	<b>Closing on</b> 24.02.2021 at 17.00 Hrs

9	Minimum Bid Increment	Rs. 10,000/- or in multiples thereof.
10	Intimation to securing the position of the H-1 Bidder (highest bidder)	Immediately after completion of e-Auction by the Service provider i.e. MSTC.
11	Full and final Payment of Bid amount (by adjusting EMD) by successful Bidder	30 days from the date of receipt of communication regarding approval of H-1 Bid by Hon'ble High Court.
12	Return of EMD of unsuccessful Bidders	Refund at the option of bidders except for H-1
13	Delivery of possession of the property and execution of sale deed/deed of assignment.	Upon payment of full and final sale consideration
15	Contact Person of MSTC for any query regarding online registration or for bidding etc.,	Mr.Satya Singh ,Senior Manager– 9453188305 Mr.Damodaran J , Branch Manager– 9841002253

### SCHEDULE No. 3

#### Seller's Details:

Seller's Name	OFFICIAL LIQUIDATOR ATTACHED TO THE HON'BLE HIGH COURT OF KARNATAKA
Location	'Corporate Bhavan', 12 <sup>th</sup> Floor, Raheja Towers,
Street	M.G. Road
City	Bengaluru – 560 001
Country	INDIA
Telephone	080-25598671/72
Fax	080-25598674
Email Id	<a href="mailto:ol-bangalore-mca@nic.in">ol-bangalore-mca@nic.in</a>
Web page	<a href="http://www.olkarnataka.kar.nic.in">www.olkarnataka.kar.nic.in</a>
Contact Person	Deputy Official Liquidator O/o. The Official Liquidator, Bengaluru.

### SCHEDULE No. 4

#### Technical Details/Attachments:

A. Hon'ble High Court order dated 04.12.2020 in OLR No.41/2020: <a href="#">CLICKHERE</a>
B. Guidelines for registration: <a href="#">CLICKHERE</a>
C. Copy of Title Deed Lot No.1 <a href="#">CLICKHERE</a>
D. Copy of Title Deed Lot No.2 <a href="#">CLICKHERE</a>
E. Copy of Title Deed Lot No.3 <a href="#">CLICKHERE</a>
F. Valuation Report with respect to Lot Nos.1 to 3 <a href="#">CLICKHERE</a>

\*\*\* THE END \*\*\*