

# PUBLIC INVITATION FOR PARTICIPATION IN PUBLIC AUCTIONS

## Basic Data on Auction Sale

Those who are interested can purchase auction documentation at the price of: **CSD 40000**, after the receipt of invoice from the Privatization Agency. VAT is not calculated in the price. The purchase of the auction documentation is obligatory, and on its receipt one is to sign the Confidentiality Agreement. After the payment evidence has been submitted, the auction documentation can be collected at the following address: Privatization Agency, Belgrade, 23 Terazije St, from 09:00 – 17:00 on working days, from 23.06.2006 to 18.07.2006.

**CLOSING DATE FOR THE APPLICATION SUBMISSION is 19.07.2006 until DO 17:00**

Filled application which is a part of the auction documentation with the signed draft of the SPA and the deposit payment evidence, is to be submitted in a sealed envelope with inscription: "THE APPLICATION FOR PARTICIPATION IN PUBLIC AUCTION 270706, Privatization Agency, Belgrade, 23 Terazije St".

IF THERE IS NAME OF THE SUBJECT UNDERGOING PRIVATIZATION ON THE ENVELOPE, OR FULL AUCTION CODE, THE APPLICATION CAN BE REJECTED.

**THE AUCTION WILL BE HELD ON: 27.07.2006.**

at the address: **Privatization Agency, Belgrade, 23 Terazije St, 2<sup>nd</sup> floor, Large Hall, at 11:00.** The registration of the auction participants is going to take place at the same address on: **27.07.2006. from 09:00 to 10:50.**

**Means of payment** can be in domestic currency, foreign convertible currency, state bonds based upon the unpaid foreign currency savings of citizens, which are due not later than the date of the capital sale (27.07.2006.) issued to the natural persons, who are citizens of the Republic of Serbia. If the participant applies only for the second bidding, the means of payment can be even the state bonds based upon the unpaid foreign currency savings of citizens, which are not to become due until the date of the capital sale (27.07.2006.) issued to the natural persons, who are citizens of the Republic of Serbia.

In case that the first class bank guarantee has been submitted as the means of deposit payment, it is to be due within 48 hours after the declaration a buyer.

Deposit for participation is to be brought back 15 days after the public auction has been held.

The Privatization Agency keeps the right to change the auction date as well as the closing date for the application submission if necessary, but also to inform the interested parties on such changes, if any, until the auction date at the latest.

The site visit shall be carried out after the signing the Agreement on Confidentiality in period from 23.06.2006 to 18.07.2006, at the time previously established by the Privatization Agency, tel: 011/3020-804;011/3020-803 or fax: 011/3020-881.

\* The entire estimated capital value to be privatized, stated in EUR, was calculated according to the official exchange rate on 23.06.2006.

\*\* The total business income and expense data, stated in EUR, were calculated according to the average annual real exchange rates.

The sale of capital by the method of public auction is carried out by the Auction Commission, which is to be established by the Privatization Agency. The commission supervises the capital sale by the auction, registers the auction participants, pronounces the auction for unsuccessful, signs the minutes and performs other activities of importance for the auction performance in accordance with the Law. The conditions for the auction to be carried out are met, if at least one person has obtained the status of the auction participant and if it is presented personally or by an authorized representative. At the time ordered for the PUBLIC AUCTION opening, the auctioneer shall open the first bidding, on which occasion the means of payment can be in cash or due bonds. If there is more than one person at the first bidding, the auctioneer announces the initial price as well as each further increase. In case that none of the interested buyers reacts after the third call for acceptance the newly established price, the auctioneer

declares the auction finished by hammering. The selling price becomes the highest offered value, and the participant who has been the first to offer the highest price is declared a buyer. If there have not been interested parties after the announcement of the initial price, even after the third call, the auctioneer declares the first bidding unsuccessful by hammering and immediately afterwards opens the second bidding, on which occasion even undue state bonds can be the means of payment. Those who have applied for the second bidding can participate in, as well as the participants in the first bidding, in case it has been declared unsuccessful. If in the second bidding participate more than one person, the auctioneer announces the initial price, as well as each further increase. If none of the interested buyers reacts after the third call for acceptance the newly established price, the auctioneer, by hammering, declares the auction closed. The selling price becomes the highest offered value, and

the participant who has been the first to offer the highest price, is declared a buyer. If after the announcement of the initial price there have not been any interested persons even after the third call, the auction is declared unsuccessful, and the participants lose the right to be brought back the deposit. If only one party who has obtained the auction participant status attends the second bidding, that party is invited three times to accept the initial price. If the party accepts the initial price, she/he is declared a buyer and the initial price becomes the selling price. If the participant does not accept the initial price, the auction is declared unsuccessful, and she/he loses the right to be brought back the deposit.

### 1) Basic information on the subject undergoing privatization: Socially-owned Enterprise UKRAS, NOVI PAZAR

**Auction Sale Code:** 270706-1388p

Official ID number of the Subject: **07206755**

Field of work: **Stone extracting for building construction**

The entire estimated capital value to be privatized amounts to: **CSD 140.279.000** or **1.625.349 \*EUR** which is **70 %** of the total capital of the subject.

**Deposit** for auction participation: **CSD 7.014.000** or **81.267 \*EUR**

**Initial price:** **CSD 14.028.000**

**Minimum obligatory investments** into the subject to be privatized amounts to: **CSD 3.598.000**

#### The most important property of the subject undergoing privatization

##### A) Buildings – main facilities (m²):

1. Production hall with administrative premises (3100) 2. Old hall (2339) 3. Production hall 2 (118)

##### B) The most important equipment:

1) Milling machine (MINIŠAV) 2) Construction panel line 3) Measuring machine 4) Sludge pumps (2) 5) Drilling hammer (VK-30-2)

**C) Land (m²):** *Construction land: (50215) ((35583)– socially owned, (14632) – state owned); Other land: (39433) – socially owned, (4806) – state owned; Agricultural land: (56908) ((25868)– socially owned, (31040) – state owned); Forest land: ((41131) – socially owned, (12987) – state owned)*

Balance sheet per year	2004		2005	
	CSD	**EUR	CSD	**EUR
Shown in:				
Total business revenues	0	0	0	0
Total business expenses	45.686.000	625.818	44.805.000	540.425

**Main products/ services:** 1) Marble panels 2) 3) 4)

**Total number of employees:** 105; of which BS/ BA: 4

### 2) Basic information on the subject undergoing privatization: Enterprise for production and trade RESAVICA, RESAVICA

**Auction Sale Code:** 270706-1667p

Official ID number of the Subject: **07870906**

Field of work: **Production of clothes**

The entire estimated capital value to be privatized amounts to: **CSD 28.911.000** or **334.980 \*EUR** which is **70 %** of the total capital of the subject.

**Deposit** for auction participation: **CSD 1.446.000** or **16.749 \*EUR**

**Initial price:** **CSD 2.891.000**

**Minimum obligatory investments** into the subject to be privatized amounts to: **CSD 7.014.000**

#### The most important property of the subject undergoing privatization

##### A) Buildings – main facilities (m²):

1. Construction facility (3023)

##### B) The most important equipment:

1) Machine UNION SPECIJAL (Union) 2) Buttonhole stitching machine with 5 threads (Singer step) 3) Buttonhole stitching machine with 3 threads (Vilkons DZIP) 4) Buttonhole stitching machine (MAUZER PFFAF)

**C) Land (m²):** *Construction land: (5185) – socially owned*

Balance sheet per year	2004		2005	
	CSD	**EUR	CSD	**EUR
Shown in:				
Total business revenues	9.075.000	124.312	6.740.000	81.296
Total business expenses	18.720.000	256.431	23.493.000	283.366

**Main products/ services:** 1) Woolen fabric 2) Combed yarn fabric 3) Silken fabric

**Total number of employees:** 109; of which BS/ BA: 2

### 3) Basic information on the subject undergoing privatization: Socially owned enterprise for production and trade of electric products ZASTAVA PES, SURDULICA

**Auction Sale Code:** 270706-1669p

Official ID number of the Subject: **07630867**

Field of work: **Production of electric equipment for motors and vehicles**

The entire estimated capital value to be privatized amounts to: **CSD 504.381.000** or **5.844.030 \*EUR** which is **70 %** of the total capital of the subject.

**Deposit** for auction participation: **CSD 40.350.000** or **467.523 \*EUR**

**Initial price:** **CSD 80.701.000**

**Minimum obligatory investments** into the subject to be privatized amounts to: **CSD 54.283.000**

#### The most important property of the subject undergoing privatization

##### A) Buildings – main facilities (m²):

1. Hall Surdulica (12365) 2. Annex hall Surdulica (1895) 3. Garage (775) 4. Production hall (472) 5. Neutralization facility (251)

##### B) The most important equipment:

1) Assembly line (15W) 2) Riveting machine (BIT-TUB) 3) Plasting injecting machine (ES1300/275) 4) Motor survey device (9/14GM) 5) Drill (2E 440 2) 6) Rotor packaging machine

**C) Land (m²):** *Construction land: (51155) ((48266) – socially owned, (2889) – state owned) Agricultural land: (4625) – socially owned*

Balance sheet per year	2004		2005	
	CSD	**EUR	CSD	**EUR
Shown in:				
Total business revenues	112.241.000	1.537.506	152.526.000	1.839.724
Total business expenses	147.943.000	2.026.561	175.150.000	2.112.608

**Main products/ services:** 1) Motors 2) Rotors 3) Relays 4) Tool shed 5) Magnetic lighters

**Total number of employees:** 261; of which BS/ BA: 22

#### 4) Basic information on the subject undergoing privatization: Socially owned enterprise for final works in building construction UKRAS, NIŠ

**Auction Sale Code:** 270706-1670p

Official ID number of the Subject: **07174250**

Field of work: **Final works**

The entire estimated capital value to be privatized amounts to: **CSD 14.898.000** or **172.617 \*EUR** which is **70 %** of the total capital of the subject.

**Deposit** for auction participation: **CSD 1.192.000** or **13.809 \*EUR**

**Initial price:** **CSD 2.384.000**

**Minimum obligatory investments** into the subject to be privatized amounts to: **CSD 225.000**

##### The most important property of the subject undergoing privatization

###### A) Buildings – main facilities (m<sup>2</sup>):

1. Administrative building – Rajičeva 1a (206)
2. Business premises – Bregalnička (394)
3. Tin garages (19) (378)
4. Barrack in Belgrade (držalac) – Astronomska 8 (270)

###### B) The most important equipment:

- 1) Vehicle (TAM 80 T 5B)
- 2) Hanging scaffolding
- 3) Compressor
- 4) Computer
- 5) Mixer
- 6) Construction jack

**C) Land (m<sup>2</sup>):** *Construction land: (29494) – state owned*

Balance sheet per year	2004		2005	
Shown in:	CSD	**EUR	CSD	**EUR
Total business revenues	94.000	1.288	8.633.000	104.129
Total business expenses	4.178.000	57.231	50.565.000	609.900

**Main products/ services:** 1) Dyeing 2) Putting floor and wall linings 3) Other final works 4) Wholesale and retail trade of various goods

**Total number of employees:** 26; of which BS/ BA: 1

#### 5) Basic information on the subject undergoing privatization: Socially owned enterprise for final production ŠPIK-SLOGA, IVANJICA

**Auction Sale Code:** 270706-1702

Official ID number of the Subject: **17466399**

Field of work: **Production of construction carpentry**

The entire estimated capital value to be privatized amounts to: **CSD 111.192.000** or **1.288.329 \*EUR** which is **70 %** of the total capital of the subject.

**Deposit** for auction participation: **CSD 13.343.000** or **154.599 \*EUR**

**Initial price:** **CSD 26.686.000**

**Minimum obligatory investments** into the subject to be privatized amounts to: **CSD 51.713.000**

##### The most important property of the subject undergoing privatization

###### A) Buildings – main facilities (m<sup>2</sup>):

1. Production hall with equipment (2053)
2. Hall of new manual and mechanical carpentry (1019)
3. Final product warehouse (748)
4. Production hall (855)

###### B) The most important equipment:

- 1) Four-sided machine
- 2) Four-sided machine (WEING 2788)
- 3) Four-sided milling machine
- 4) Panel forming machine (139)
- 5) Three-cylinder grinder (Dinke)

**C) Land (m<sup>2</sup>):** *Construction land: (23020) –socially owned*

Balance sheet per year	2004		2005	
Shown in:	CSD	**EUR	CSD	**EUR
Total business revenues	79.186.000	1.084.710	137.557.000	1.659.172
Total business expenses	113.981.000	1.561.341	170.654.000	2.058.379

**Main products/ services:** 1) Prefabricated facilities 2) Goods 3) Furniture

**Total number of employees:** 184; of which BS/ BA: 8

#### 6) Basic information on the subject undergoing privatization: Socially owned enterprise – clay product plant BABUŠNICA, BABUŠNICA

**Auction Sale Code:** 270706-1708

Official ID number of the Subject: **17029061**

Field of work: **Production of clay bricks and tiles**

The entire estimated capital value to be privatized amounts to: **CSD 34.808.000** Din ili **403.299 \*EUR** which is **70 %** of the total capital of the subject.

**Deposit** for auction participation: **CSD 3.481.000** or **40.330 \*EUR**

**Initial price:** **CSD 6.962.000**

**Minimum obligatory investments** into the subject to be privatized amounts to: **CSD 17.280.000**

##### The most important property of the subject undergoing privatization

###### A) Buildings – main facilities (m<sup>2</sup>):

1. Plant hall (6735)
2. Marine-oil plant (154)
3. Office space-offices (203)
4. Canteen – co-owner (50)

###### B) The most important equipment:

- 1) Tunnek furnace (CER Čačak)
- 2) Tunnel kiln
- 3) Roling automatic machines (RS-3)
- 4) Panel transporter (PT800x11500)
- 5) Electric dredger (BKV-Dalit)
- 6) Mill (K-20)
- 7) Fine mill (1000-800)

**C) Land (m<sup>2</sup>):** *Construction land: (32395) – socially owned, Agricultural land: (102150) – socially owned*

Balance sheet per year	2004		2005	
Shown in:	CSD	**EUR	CSD	**EUR
Total business revenues	12.860.000	176.160	23.154.000	279.277
Total business expenses	14.845.000	203.351	23.053.000	278.059

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**Main products/ services:** 1) Production of bricks, tiles and baked clay construction products

**Total number of employees:** 69; **of which BS/ BA:** 1