

# PUBLIC INVITATION FOR PARTICIPATION IN PUBLIC AUCTIONS

## Basic data on Auction sale

Interested parties can purchase the auction documents at the price of **RSD 40.000**, after they receive the invoice from the Privatization Agency. VAT is not calculated in the price. Purchase of the auction documents is obligatory, and on their receipt one is to sign the Confidentiality Agreement. After the payment evidence has been submitted, the auction documents can be collected at the following address:

10 Bulevar Mihaila Pupina (5<sup>th</sup> floor), Novi Sad, 09:00–16:30, in the period from 30.10.2007 to 28.11.2007.

**DEADLINE FOR SUBMISSION OF APPLICATIONS IS 29.11.2007, BY 16:30.**

Filled application, which is a part of the auction documents, with the signed draft of the SPA and the deposit payment evidence, is to be submitted in a sealed envelope marked with: "THE APPLICATION FOR PARTICIPATION IN PUBLIC AUCTION 071207, 10 Bulevar Mihaila Pupina (5<sup>th</sup> floor), Novi Sad".

*\* The total estimated capital value to be privatized, stated in EUR, was calculated according to the official exchange rate on 24.10.2007.*

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

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

**THE AUCTION WILL BE HELD ON: 07.12.2007.**

at the address: **Novi Sad, JP Sportsko poslovni centar Vojvodina-SPENS, at 11:00.** Registration of the auction participants will be held at the same address on:

**07.12.2007, from 09:00 to 10:50.**

**Means of payment** can be in domestic currency, foreign convertible currency, state bonds based on the unpaid foreign currency savings, which are due not later than the date of the capital sale (07.12.2007) issued to the individuals, who are citizens of the Republic of Serbia. If a participant applies only for the second bidding, the means of payment can be even the state bonds based on the unpaid foreign currency savings, which are not due until the date of the capital sale (07.12.2007) issued to the individuals, 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 returned 15 days after the Public auction has been held.

The Privatization Agency keeps the right to change the auction date, as well as the deadline 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 signing of the Confidentiality Agreement in the period from 30.10.2007 to 28.11.2007, at the time previously agreed with the Privatization Agency, tel: (+381 21) 452–959 or fax (+381 21) 452–967.

## Brief description of the PUBLIC AUCTION procedure

The sale of capital by Public auction is carried out by the Auction Commission, which is established by the Privatization Agency. The commission supervises the capital sale by auction, registers auction participants, declares auction unsuccessful, signs the minutes and performs other activities important for auction performance in accordance with the Law. The conditions for auction to be carried out are fulfilled if at least one person has obtained the status of an 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, when 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 of 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 opens the second bidding immediately afterwards, when even undue state bonds can be the means of payment. Those who have applied for the second bidding can also participate, as well as the participants in the first bidding, in case it has been declared unsuccessful. If more than one person participates in the second bidding, 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 returned 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, it 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 it loses the right to be returned the deposit.

**1) Basic information on the privatization entity: Limited liability company ELMIKS for reparation, production and trade in electrical appliances, BAČKA PALANKA**

**Auction sale code: 071207-2121**

Official ID number of the entity: **08177139**

Field of work: **Repair of electric appliances**

The entire estimated capital value to be privatized amounts to: **RSD 528.000** or **\*EUR 6.834**, which is **31,78 %** of the total entity capital.

**Deposit** for participation in the auction: **RSD 53.000** or **\*EUR 683**

**Initial price** at the auction sale: **RSD 106.000**

**Minimum obligatory investments** into the privatization entity amounts to: **RSD 0**

**Main property of the privatization entity**

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

1. Administration building and repair shop – non-registered user (234)

**B) Main equipment:**

1) Tools for plastics nozzling (Livnica Kl.) 2) Pressing tools (Livnica Kl.) 3) Regulatory transformer station

**C) Land (m²):**

Balance sheet per year:	2005		2006		
	Shown in:	RSD	**EUR	RSD	**EUR
Total operating revenues		1.450.000	17.489	2.296.000	27.299
Total operating expenses		2.400.000	28.948	2.787.000	33.137

**Main products/ services:** 1) Rewinding

**Total number of employees:** 2; of which **BS/ BA:** 1

**2) Basic information on the privatization entity: Socially-owned construction company DTD-KANAL, NOVI SAD**

**Auction sale code: 071207-2122**

Official ID number of the entity: **08041920**

Field of work: **Building of hydroconstructions**

The entire estimated capital value to be privatized amounts to: **RSD 102.681.000** or **\*EUR 1.329.303**, which is **70 %** of the total entity capital.

**Deposit** for participation in the auction: **RSD 12.322.000** or **\*EUR 159.517**

**Initial price** at the auction sale: **RSD 24.643.000**

**Minimum obligatory investments** into the privatization entity amounts to: **RSD 4.491.000**

**Main property of the privatization entity**

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

1. Administration building, Novi Sad, Industrijska St. (111) 2. Transportation building, Novi sad, Industrijska St. (1037) 3. Machine hall, Novi Sad, Industrijska St. (1909) 4. Concrete plant, Novi Sad, Industrijska St. (620) 5. Reinforcing section (231)

**B) Main equipment:**

1) Dredger loader (JCB 4CX, 4x4x4,96 k) 2) Profile shovel (H-600) 3) Mud shovel (980/86061 1525mm) 4) Passenger vehicle (Škoda Fabia) 5) Pump (GRUNDFOS AP) 6) Office furniture 7) Computer equipment

**C) Land (m²):** *Entire land: (19716); Construction land: (19716) – state-owned;*

Balance sheet per year:	2005		2006		
	Shown in:	RSD	**EUR	RSD	**EUR
Total operating revenues		39.987.000	482.312	96.145.000	1.143.154
Total operating expenses		46.178.000	556.986	89.660.000	1.066.048

**Main products/ services:** 1) Construction services 2) Services related to use of machinery 3) Concrete production 4) Cutting and cranking of reinforcement

**Total number of employees:** 58; of which **BS/ BA:** 10

**3) Basic information on the privatization entity: Public veterinary service-Veterinary station RUMA, RUMA**

**Auction sale code: 071207-2123**

Official ID number of the entity: **08221898**

Field of work: **Veterinary services**

The entire estimated capital value to be privatized amounts to: **RSD 6.327.000** or **\*EUR 81.907**, which is **70 %** of the total entity capital.

**Deposit** for participation in the auction: **RSD 633.000** or **\*EUR 8.191**

**Initial price** at the auction sale: **RSD 1.265.000**

**Minimum obligatory investments** into the privatization entity amounts to: **RSD 786.000**

**Main property of the privatization entity**

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

1. Incubator facility – user (206) 2. Veterinary pharmacy – user (130) 3. Building of D.D.D. station – user (150) 4. Business premises of the pharmacy – user (21) 5. Health centre building – user (400)

**B) Main equipment:**

1) Trichinoscope (4 pieces, Mikro T-10) 2) Container (3 pieces) (SC 20/20) 3) Trichinoscope (4 pieces, ESP) 4) Air conditioning box (3 pieces) 5) Digestion apparatus 6) Gas stove (3 pieces, MBS-7)

C) Land (m<sup>2</sup>): Entire land: (3923); Construction land: (3923) - state-owned;

<b>Balance sheet per year:</b>	<b>2005</b>		<b>2006</b>	
Shown in:	RSD	<b>**EUR</b>	RSD	<b>**EUR</b>
Total operating revenues	11.968.000	144.355	17.435.000	207.300
Total operating expenses	10.800.000	130.266	12.697.000	150.966

**Main products / services:** 1) Veterinary services

**Total number of employees:** 24; **of which BS/ BA:** 9