

THE BISRA STONE LIME COMPANY LIMITED

[A GOVT OF INDIA ENTERPRISE]

REGD. OFFICE: SOURAV ABASAN, AG-104, SECTOR-II, SALT LAKE, KOLKATA-700 091

PHONE: 033 – 4016 9270 & FAX: 033 – 2321 3874

EMAIL: info.birdgroup@nic.in

(MINES AT BIRMITRAPUR, DIST-SUNDERGARH, ORISSA, PH.-0661 – 2610 236/205/202)

**NOTICE FOR EXPRESSION OF INTEREST FOR LONG TERM SUPPLY CONTRACT OF
CEMENT GRADE LIMESTONE TO CEMENT MANUFACTURER**

CORRIGENDUM

Clause 7(b) of Part II of the above Expression of Interest has been amended. For details please see Company's Website www.birdgroup.gov.in

All other terms & conditions of the Expression of Interest will remain unaltered.

Sd/-

General Manager (G & P)

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**Notice for Expression of Interest for long term supply contract of Cement grade
Limestone to cement manufacturer**

The BSLC calls for "Expression of Interest" from the existing cement producer, to shortlist parties who will participate in price bid to select cement producer for long term supply of Lime Stone by BSLC.

The Tender documents can be downloaded from company's website: www.birdgroup.gov.in. And the bidder has to submit an undertaking on the company's letter head that no amendment have been made in the tender document downloaded from company's website, at the time of submission of the tender document.

Tender documents can also be obtained from The Dy. General Manager [Commercial], The Bisra Stone Lime Company Limited (BSLC) at "SOURAV ABASAN" AG-104, SECTOR-II, SALT LAKE, and KOLKATA-700091

Last date of receipt of details in respect to this notice is 15.09.2010.

NOTE: Submission of documents/ details does not guarantee the inclusion of the name in the short listed cement manufacturers.

Sd/-

DGM (COMM.)

THE BISRA STONE LIME COMPANY LIMITED

[A GOVT OF INDIA ENTERPRISE]

REGD. OFFICE: SOURAV ABASAN, AG-104, SECTOR-II, SALT LAKE, KOLKATA-700 091

PHONE: 033 – 2321 3983/8588 FAX: 033 – 2321 3874

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(MINES AT BIRMITRAPUR, DIST-SUNDERGARH, ORISSA, PH.-0661 – 2610 800/270)

PART - I

**Notice for Expression of Interest for long term supply contract of Cement grade
Limestone to cement manufacturer**

The Bisra Stone Lime Company Limited (BSLC), a Government Company under Ministry of Steel, intends to have a long term supply arrangement of limestone with the existing cement manufacturers, having a plant of at least 1 million tonnes installed capacity, and desirous of putting up 2 (two) million tones per annum capacity cement plant near Birmitrapur, out of BSLC mines area, district - Sundargarh, Orissa.

The BSLC calls for "Expression of Interest" from the existing cement producer, to shortlist parties who will participate in price bid to select cement producer for long term supply of Lime Stone by BSLC.

The Tender documents can be downloaded from company's website: www.birdgroup.gov.in. And the bidder has to submit an undertaking on the company's letter head that no amendment have been made in the tender document downloaded from company's website, at the time of submission of the tender document. Any amendment and /or change will make the offer of the said party invalid.

Tender documents can also be obtained from The Dy. General Manager [Commercial], The Bisra Stone Lime Company Limited (BSLC) at "SOURAV ABASAN" AG-104, SECTOR-II, SALT LAKE, KOLKATA-700091 Last date of receipt of details in respect to this notice is 15.09.2010.

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PART - II

TENDER DOCUMENT

1. The Bisra Stone Lime Company Limited (BSLC), a Government Company under Ministry of Steel, is having substantial reserves of Cement Grade Limestone within its leasehold area near Birmitrapur, district - Sundargarh, Orissa .Now, BSLC intends to sell its Limestone production on long term supply basis to a cement manufacturer, who is desirous of putting up 2 (two) million tones per annum capacity cement plant near Birmitrapur, out of BSLC mines area, district - Sundargarh, Orissa.

The Chemical & Physical details of the materials to be supplied on long term supply basis are given below:

TABLE-I

Particulars(material)	Physical specification	Chemical_specification (Indicative)
Limestone Boulder	100 to 250 mm (Size Toll: +/- 10%)	CaO: 42%-45% MgO: 4% max

NOTE: The submission of application does not guarantee inclusion in the list of cement manufacturers, which will be determined by the committee of BSLC based on eligible criteria and evaluation method suggested in this tender.

2. Approximate Geological Reserves of Limestone:

- i) Proved Category: 80 Million Tonne
- ii) Probable 95 Million Tonne.

3. Lease Status

The mining lease of BSLC mines has expired on 28.02.2000 and the renewal is due and presently mining is going on as per section 24(a) of MC Rule.

Note: The BSLC has applied for upgrade of production from 1(one) million tonne to 5(Five) million tonne per annum and steps has already been taken for environmental clearance and renewal of mining lease .This agreement will be subject to outcome of the aforesaid statutory clearance.

4.Contract period :

The period for supply of limestone on long term basis shall be for 10 (ten) years. After 10 years the contract may be renewed solely at the option of the by BSLC for further period on same terms & conditions, if the performance of the party is found satisfactory under this agreement.

5.Earnest money deposit:

- i) The bidder has to submit an EMD of Rs.10 crore along with bid_(Expression of Interest) in shape of Bank draft/Pay order drawn on any Schedule/Nationalized Bank in favour of The Bisra Stone Lime Company Limited (BSLC) payable at Kolkata. Name of the remitter shall be mentioned in the DD/PO.
- ii) The earnest money of the successful bidder shall be converted into security deposit which bears no interest.
- iii) Cheques, Bonds, guarantee bonds and Govt Securities (Stock Certificates, bearer bonds, promissory notes and cash certificates) will not be accepted towards the earnest money.
- iv) Tender without prescribed earnest money shall be rejected.
- v) Earnest money shall be refunded to the unsuccessful bidders after the award of contract, which bears no interest.

6. Security deposit (SD):

The selected company shall have to pay security deposit of Rs. 5 Crores, in addition to Rs.10 Crores EMD, which will become a part of the security deposit of Rs. 15 Crores. The security will be refunded after fulfillment of the contract.

7. Eligibility Criteria

a) The bidder has to submit an EMD of Rs.10 crore along with bid_(Expression of Interest), failing which the bid will be liable for rejection.

b) Cement manufacturer, having cement plant of at least 1 million tones installed capacity on its own name; or group of industries, having Cement Plant of at least 1 million tones installed capacity in the name of group industry, or the company / group of enterprises whose Cement Plant of at least 1 million tones is under construction will be eligible to participate in the expression of interest.

c) The cement manufacturers as mentioned above should be willing to put up 2 million tonnes cement plant near Birmitrapur, (out of BSLC mines/lease hold area), district - Sundargarh, Orissa.

d) The above mentioned cement manufacturers should have single window clearance for Govt. of Orissa, for putting up cement plant in Orissa.

e) The party should have turnover of at least Rs.500 crores per annum during the last three financial years.

f) BSLC may reject the bid if bidder is found involved in litigation with the company.

8. Evaluation Criteria

i) The short listing of Cement manufacturers will be done on the basis of Eligibility Criteria.

ii) The so short listed parties will be given price tender bid and the party offering highest price per tonne for purchase of limestone from BSLC will be selected as H1 for supply of limestone on long term basis.

iii) Preference will be given to the company having required land for establishment of 2 million tones capacity plant in the district of Sundergarh, Orissa. If the offer of company having required land is within 5 %(Five percent) of the highest bidder, who does not have required land the former may be offered the contract, but he has to match the highest bid price.

NOTE: The decision of the committee regarding short listing of the prospective buyers will be final and binding on the bidders.

9. Other Condition:

- a) The successful party has to furnish non-interest bearing Performance Bank Guarantee of 25 crores within 15 days from the date of commissioning of the plant.
- b) The selected party has to pay minimum of Rs. 12 crores per annum (@ 1/12th of Rs. 12.00 crore per month or value of the materials actually lifted whichever is higher. The agency has to start making payment from the date of commissioning of the plant or on expiry of 36 months from the date of signing of the contract whichever is earlier. However, during the interim period i.e. from the date of signing of agreement and completion of 36 months, the selected party will pay Rs. 2 Crores per annum as a development charge.
- c) The lifting and transportation of Limestone from mines to the cement plant will be the sole responsibility of the selected party, who will bear the entire logistic costs.
- d) **BSLC is to be paid the material value on per tonne basis at the agreed rate for the quantity actually lifted on month to month basis.**
- e) Base price will be decided on the basis of highest bid, which will be revised every six month i.e., 1st October & 1st April, as formulated in clause no.10.
- f) The mining right shall always be with BSLC, which will supply the agreed quantity on ex. Mines basis.
- g) The prospective bidders are expected to make their own assessment about suitability of Limestone reserve of BSLC for the purpose of proposed Cement plant of 2 million tones to be put up near Birmitrapur. BSLC will neither be liable for any claim on account of facts which a party is supposed to ascertain nor any arbitration request be accepted on this ground.
- h) In case of non supply of limestone by BSLC on account of closure of mines or whatsoever ground, the company will not be liable for direct or indirect loss suffered by the long term buyer. In such case, cement manufacturer will not be liable to pay as per stipulation in **Para 9(B) above**.
- i) If the mines are closed permanently, the contract gets terminated and security deposit and performance guarantee will be refunded to the party without any claim against the BSLC.
- j) The successful bidder is required to execute a formal contract with BSLC within 30 days from the date of the issuance of the L.O.I.
- k) BSLC reserves the right to cancel the whole or part of this tender, at any point of time, for which bidders shall have no claim of loss or damages on account of such cancellation.

l) BSLC will not provide land, water, electricity etc. and the same shall be arranged by the party.

m) The prospective bidder should make his own assessment about the quantity and quality of Limestone resource and all the relevant risk factors and evaluate the same before participation in the EOI. On this basis no claim, whatsoever, or request for arbitration shall be entertained by BSLC, which will not be liable for any losses, whatsoever, suffered by the bidder.

10. Price

Base price will be decided on the basis of highest bid, which will be revised every six month i.e., 1st October & 1st April, on the basis of preceding one month average price of cement as notified by Cement Manufacturer Association of India. If the Cement Manufacturer Association of India price list is not available, then the price of Cement Corporation of India will be considered as a base price for the price revision and if the price list of Cement Corporation of India is not available in such cases the price of any other PSU will be taken as a base price of the price revision.

NOTE: The price is exclusive of royalty, sales tax, freight and other government levies which shall be borne and paid by the party on actual basis at prevailing rate on the date of dispatch.

11. Lifting of material

The successful bidder will be allowed to lift the materials not exceeding the quantity for which this contract is made and the materials should be lifted exclusively for self consumption and no trading for the same shall be allowed. Breach of this condition will render the supply agreement invalid and the same may be concealed at the risk and cost of the buyer with no claim against BSLC, **and forfeiture of earnest money. The material will be lifted from the stock yard by the buyers on ex mines basic & pay the royalty & taxes on ex mine basic. Material will be weight before dispatch at the nominated weigh bridge & result of the weight shall be binding on the both parties & will be the basic of the payment.**

12. Submission of bids

The prospective buyers fulfilling the above eligibility criteria ,may submit their offer against this "Expression of Interest" with their profile, credential, description of the plant, capacity, present source of raw materials, annual turn-over along with the documentary evidence to DGM (Commercial),BSLC, "SOURAV ABASAN" AG-104, SECTOR-II, SALT LAKE, KOLKATA-700091 on or before 15.09.2010.

13. Force meajure Clause.

The prospective buyers shall have no claim whatsoever against the company for any loss / damage caused to the contractor by reason of war, riot, commotion, disturbance, pestilence / epidemic sickness, strike, lock-out , earthquake, fire, storm, flood, explosion, any change in the nature of deposits, break down at plant or machinery for whatever reason, failure/restriction of electrical or other power. Act of God, scarcity/insufficiency of supply of wagons by Railways, preventing or delaying the loading of ores, Government requisition, Govt. order or statutory action or any cause of whatever nature or description beyond the control of the company.

14. Termination

The contract may be terminated at the option of the BSLC if the bidder violets any clause of the tender agreement and/ or does not pay the price of the materials as per agreement clause for two (2) months successively and/or if the bidder indulges in trading activities, instead of using the material for its own use.

15. Arbitration:

Any dispute or difference under or arising out of or in respect of the Agreement/Accepted Contract may be referred to the sole Arbitration of a person appointed by the Chairman cum Managing Director, The Bisra Stone Lime Company Limited (BSLC), "SOURAV ABASAN" AG-104, SECTOR-II, SALLAKE, KOLKATA-700091 and his decision in the matter will be final and binding on the contractor and the company. **The arbitration shall be carried out as per the provision of the Arbitration and Conciliation Act.1996 and Rules made there under as amended from time to time.**

Note: i) The High Court of Kolkata will have the jurisdiction to address any unsettled dispute.

ii) No claim on arbitration will be entertained in regard to facts which party is supposed to ascertain before participating in the tender.

Sd/-

DGM (COMM.)