



**MISHRA DHATU NIGAM LIMITED**

**A Government of India Enterprise**

**PO Kanchanbagh, Hyderabad – 500 058, Telangana, India**

**Corporate Identity Number: U14292AP1973GOI1660**

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**EXPRESSION OF INTEREST  
TO IDENTIFY SUITABLE PARTNER FOR OPERATION & MAINTENANCE  
OF  
WIDE PLATE MILL COMPLEX  
FOR  
MANUFACTURING & MARKETING HOT ROLLED PLATES**

<b>Start of EOI Documents:</b>	<b>04/09/2019</b>	<b>at 11:00 Hrs</b>
<b>End of Issue of EOI Documents:</b>	<b>03/10/2019</b>	<b>at 17:30 Hrs</b>
<b>Receipt of EOI on/before:</b>	<b>04/10/2019</b>	<b>by 10: 30 Hrs</b>
<b>Opening of EOI:</b>	<b>04/10/2019</b>	<b>at 10:35 Hrs</b>

**Note:**

- **Detailed Invitation for Expression of Interest is herewith attached**
- **Any Corrigendum to the EOI shall be published in MIDHANI website only, [www.midhani-india.in](http://www.midhani-india.in)**

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## 1. **INTRODUCTION**

Mishra Dhatu Nigam Limited (MIDHANI) is a Public Sector Enterprise under Ministry of Defence and is located in Hyderabad, Telangana, India. The plant was set up for self reliance in strategic sectors of India and presently engaged in manufacturing armoured steel, low alloy steels, high alloy steels, special steels, stainless steels, super alloys, titanium & titanium alloys in various forms and sizes. MIDHANI is catering to the requirements of various sectors for the above indigenously developed material. For more information please visit our website, [www.midhani-india.in](http://www.midhani-india.in)

MIDHANI is setting up a new Hot Rolling Mills Complex inside its premises. This facility is consisting of state-of-the art equipment viz., modern Hot Rolling Mill, Walking Hearth reheating furnace, Shear, Hot Leveller, Primary & Secondary Descaler, Roller Hearth Heat Treatment Furnace, Pressure Quenching Unit for Heat treated plates, Tempering Furnace, Cooling Bed, Inspection table and all associated auxiliary facilities. Annual production capacity in this new facility is about 60,000 tons of rolled plates of various grades and sizes to meet the growing demands of Indian and Global Markets.

## 2. **SCOPE OF E O I**

MIDHANI desires to identify suitable Business Partner for OPERATION & MAINTENANCE of WIDE PLATE MILL COMPLEX for MANUFACTURE & MARKETING of Hot Rolled special Plates. The potential business partner need to have adequate experience / exposure to undertake all the responsibilities starting from obtaining orders, sourcing of slabs accordingly, manufacture and supply of hot rolled plates and also establish new customers to expand the business & utilise full capacity of the facility.

- 2.1 The business partner shall have experience in Operation of Hot Rolling Mills and in production of Plates in various grades like Stainless Steels, Alloy steels in a range of sizes.
- 2.2 Work with MIDHANI to explore the market and interact with the customers for manufacture and supply of hot rolled plates and also maintain good customer relations.
- 2.3 Entire Operation & Maintenance of Wide Plate Rolling Facility including input material receiving till inspection and dispatch of all orders for different grades and alloys shall be by Partner.
- 2.4 For rolling of Titanium & Titanium alloys and high alloy steel grades, MIDHANI may provide the required technical expertise while processing these grades.
- 2.5 Develop new materials, in association with MIDHANI – rolling from slabs to sheets / plates, heat treatment & finishing activities.

Hence applications are invited through this EOI, from reputed parties who are interested in working with MIDHANI.

### 3 **DETAILS OF THE PRODUCT**

Equipment in the Wide Plate Mill Complex are capable of processing various grades of steels, alloy steels and high nickel and high chromium materials, Titanium & Titanium alloys, Armour Steels, Maraging Steels, Super alloys & HSLA steels.

3.1	Input slab sizes	Thickness	250 to 60 mm,
		Width	900 to 1350 mm &
		Length	1750 to 2500 mm
3.2	Output plate sizes	Thickness	4.0 to 50 mm
		Width	1000 to 3000 mm
		Length	5000 to 15000 mm
3.3	Mill Stack Details:	Mill Stand	4 high, Reversing Stand
		Work Roll Barrel Length	3200 mm
		Max Slab Thickness	250 mm
		Max rolled width	3100 mm
		Minimum Width	900 mm
		Minimum finish thickness	4 mm
		Max width at Min. thickness	2000 mm

### 4 **FACILITIES AVAILABLE:**

4.1	Walking Hearth Furnace	
4.2	Descaler Unit	
4.3	Entry Roller Table	Table length of 15000 mm
4.4	4 High Reversing Stand	Work Roll of 940 mm dia and 3200 mm barrel length
		Back Up Roll of 1830 mm dia
		Driven by 2 x 5000 kW motors
		Maximum roll gap of 300 mm
4.5	Exit Roller Table	Table length of 21000 mm
4.6	Dividing Shear	for plates of
		thickness of 4.0 mm to 25 mm
		Width of 900 mm to 3100 mm
4.7	Plate Leveller	Work Roll diameter 220 mm
		Roll barrel length 3300 mm
4.8	Cooling Bed	Table of 27000 mm length and 15000 mm width
4.9	Heat Treatment Furnace	
4.10	Roller Pressure Quench Unit	
4.11	Tempering Furnace	

- 4.12 Inspection Table
- 4.13 Slab Turning Device
- 4.14 HAGC in Mill stand
- 4.15 Online X ray gauge for thickness measurement
- 4.16 E O T Cranes – 200T/20T, 35/5 T and 15/5 T x 27.5mt & 15/5 T x 19.5 m

COMMON FACILITIES:

- 4.17 Electrical Power supply required for the entire Mill complex
- 4.18 LPG required for the reheating & heat treatment furnaces
- 4.19 Compressed air
- 4.20 Water supply for furnace cooling, Mill Stand, Descaling & Quenching.

## 5 **SCOPE OF WORK FOR THE PARTNER**

- 5.1 MIDHANI intends to provide the facilities of Wide Plate Mill Complex for a period **of 5 years**. The scope of the work of the partner shall include complete operation and maintenance of the Facilities except 11kV HT breaker operation. It shall be under MIDHANI scope as per the common practice. However some electrical equipment maintenance may be sourced out by the bidder to respective OEMs like UPS and battery charger etc.
- 5.2 The partner shall be required to operate and maintain the Facilities in accordance with Standard Operating Practices, within the Specifications and **Battery Limits** (for electrical maintenance to be defined).
- 5.3 The partner shall engage its own personnel / employees for operating and maintaining the Facilities. The personnel / employees or workers engaged by the partner for operating and maintaining the Facilities shall in no way be construed as an employee of MIDHANI.
- 5.4 If any plant or equipment of the Facilities is damaged or rendered unserviceable due to the reasons attributable to the partner, the total cost incurred on repair/ restoration of the same shall be borne by the Partner. All the equipments of the Wide Plate Mill will be handed over to the partner in good condition which shall be handed over back to MIDHANI in good running condition at the end of the agreement period.
- 5.5 Comprehensive insurance of the facilities to cover all risk & losses will be done by the partner with beneficiary being MIDHANI.
- 5.6 The premises can be used only for the production of Hot Rolled Plates / Sheets.
- 5.7 The partner has to operate the plant within the technical and environmental parameters and Standard Operating Procedures.
- 5.8 The partner will be responsible for procurement of input material i.e. Slabs in levelled and ground condition, Wooden Pallets for stacking / storing the slabs / semi finished / finished materials, all consumables required for the production as well as maintenance of the Mills and all its auxiliaries, Tools and Tackles and spare parts etc. required for the smooth operation of the plant and the cost of the same will be borne by the Partner.
- 5.9 The partner shall carry out necessary maintenance jobs including preventive Maintenance to ensure maximum availability of the equipment. The cost of the spares incurred during maintenance of the equipment shall be borne by the partner.
- 5.10 The partner will be responsible for the sale of all finished products along with the process scrap generated from the facilities. The prices shall be decided on mutual agreement.
- 5.11 The partner is not allowed to sublet the facilities to any other firm / organisation.

## 6.0 **MIDHANI and PARTNER shall**

- 6.1 Jointly participate in submitting bids against the Tenders.
- 6.2 Market survey for requirement of Hot Rolled plates to increase the market share
- 6.3 Slabs (Raw material) shall be procured by the partner in consultation with MIDHANI. The procurement costs shall be borne by the partner.
- 6.4 In the event that MIDHANI will bag orders for manufacture and supply of Hot Rolled Plates, the modalities of pricing the raw materials (Input slabs) and price of finished material shall be worked out on mutually agreeable basis. The final Quality control checks and issue of test certificate, Delivery Challan and Invoicing shall be by MIDHANI.
- 6.5 The Agreement shall be in vogue **for a period of Five years** from the Date of signing the Contract and can be extended further on mutually agreed terms and conditions

## 7.0 **MIDHANI's OBLIGATION**

- 7.1 After commissioning of the Facilities (presently under construction), MIDHANI shall hand over the Wide Plate rolling & Finishing facilities to the partner for plant operation and maintenance to produce the intended products.
- 7.2 The weighing system for weighment of input and output materials is provided within the plant premises.
- 7.3 Power, LPG, water and compressed air for operation of the Facilities shall be provided by MIDHANI on chargeable basis, however, the bidder shall inform MIDHANI about the production plan so as to plan the electric and utility maximum demand control.
- 7.4 Charges on account of Power shall be determined on the basis of meters reading installed at the Site.
- 7.5 A set of engineering drawings necessary for operation and maintenance of the Facilities shall be maintained by MIDHANI at its plant office which shall be referred to by the partner during operation & maintenance as & when required.
- 7.6 MIDHANI shall coordinate for common facilities and shall have un-hindered right to visit / inspect the premises.
- 7.7 Furnace cooling water required for running the Facilities shall be provided by MIDHANI within the Plant premises on chargeable basis.

## 8.0 **TIME PERIOD**

**Minimum period of the contract / agreement will be for 5 years subject to satisfactory performance of the partner.**

## 9.0 **PARTNER's OBLIGATION**

- 9.1 Partner shall comply, at his own cost and expense, with all the existing laws or laws hereafter enacted, including but not limited to all environmental laws and ordinances; with all rules and requirements pertaining to health, fire and safety; operation and cleanliness of the Premises provided. Partner shall not use the Premises for any purpose that is unlawful or that tends to

injure or depreciate the Premises. Partner shall not allow any nuisance to exist on the Premises, and will abate any nuisance promptly without expense to MIDHANI

- 9.2 Quality Control Checks and Issue of relevant test certificate shall be under the scope of the partner for all orders booked and executed by the partner (except for cases as in point 6.4, wherein MIDHANI shall issue Test certificates, Delivery challan and Invoice).

#### 10. **ELIGIBILITY CRITERIA:**

Only those organizations that meet the following criteria are eligible to participate:-

SI	Criteria	Documents for Confirmation
a	Should have an average Annual turnover of INR 500 Crores or equivalent foreign currency for the last three financial years (i.e. FY 2015-16, 2016-17 & 2017-18).	Copies of Audited Annual Reports to be submitted.
b	<p>Should have positive net worth in each of the previous three financial years (i.e. FY 2015-16, 2016-17 &amp; 2017-18).</p> <p style="text-align: center;">OR</p> <p>Should submit solvency certificate for INR 100 Crores issued not earlier than 6 months from the date of this tender.</p>	<p>Copies of Audited Annual Reports to be submitted</p> <p>In case of Indian Parties, the solvency certificate should be issued by any Nationalised or scheduled bank from India.</p> <p>In case of foreign parties, it should be issued by Nationalised or scheduled bank from India having a branch in foreign land or countersigned by nationalised or scheduled bank of India</p>
c	Should be Registered Indian Company and should have been established and operating Hot Rolling Mills. <b>The party should have experience in Hot Rolling of Stainless Steels (or) Alloy Steels in the form of Sheets (or) Rounds (or) Strips</b> , since at least 4 years before the date of this advertisement.	<p>Certificate of Incorporation issued by the Registrar of Companies clearly stating the year of establishment. OR</p> <p>Certificate of Registration of firms OR</p> <p>GST registration in case of proprietary firms.</p> <p>Certificate of incorporation issued by appropriate statutory authorities.</p> <p>Copies of Purchase Orders received for manufacture of Hot Rolled Steel Products should be enclosed.</p>
d	Indian Registered Companies should have PAN, TAN, TIN and GST.	Details & copies of PAN, TAN, TIN & GST to be submitted.

e	Should not be a trading company.	Self-certified document to be submitted.
f	Unconditional acceptance of all commercial terms and conditions	Self certified documents to be submitted.
g	P F & E S I Establishment Code	Allotment letters issued by respective authorities.
h	The Tenderer should not have been debarred / delisted / blacklisted / banned for participation in Tender by Govt of India or by Govt of India Undertaking / enterprises.	Self-certified document to be submitted.

### 10.1 UNDERTAKING BY THE PARTNER

1. The partner shall give an undertaking that they would be deploying people who have prior hands-on experience in Operating Hot Rolling Stainless Steel / Alloy Steel Plates.
2. The maintenance crew deployed should have prior experience in mechanical / electrical maintenance, including trouble shooting of level 2 automation, roll changing and bearing replacement etc.
3. The details of the crew with their bio-data shall be submitted by the partner to MIDHANI before deploying them.

### 10.2 Additional Requirements:

- a) The applicant can also be asked to furnish additional information / confirmation in connection with verification of the documents, if deemed necessary.
- b) The Terms & Conditions mentioned herein shall have to be considered by the prospective partner in totality and the EOI containing incomplete information or documents or not complying with the above conditions shall be summarily be rejected.

## 11. APPLICATION FORM

(To be filled by the Party and submitted along with EOI)

SI No.	Description	Response from Party
a	Name of the firm	
b	Address of the firm with website	
c	Details of contact person (a) Name : (b) Email : (c) Tel : (d) Mob:	



	(e) FAX :	
d	Please enclose a brief about the history of company, capabilities & facilities, collaborators, manpower, marketing distributors, financial standing etc. Attach literatures/documents to support your statements wherever necessary	
e	Please enclose the catalogue / technical literatures / brochure	
f	Is the company registered under the statutory requirements applicable locally? Please enclose a copy of the relevant documents, GST, PF, ESI, all licences under labour laws.	
g	Nature of the company : PSU / Limited / Listed Company / Partnership Co. / Private Enterprise / Proprietorship Concern	
h	Please provide the company sales turnover and PBT for the last <b>five</b> years :	
i	<b>Please respond to attached Questionnaire and details (Annexure 1 &amp; Annexure 2)</b>	
j	Any other points, that may wish to add with supporting documents	

## 12 **INSTRUCTIONS TO APPLICANTS:**

The applicant should submit the following information / documents:-

- 12.1 Application format duly filled in, signed and stamped, as per clause No: 11 of this EOI.
- 12.2 Expression of Interest documents in original / downloaded form, duly signed and stamped at each page as token of acceptance of all terms and conditions with e-mail, phone and fax nos.
- 12.3 Following additional documents:
  - Company Brochure
  - Registration Certificate with various tax authorities or Government Departments, etc.

## 13 **SELECTION CRITERION**

- 13.1 RFQ will be issued to all eligible prospective partners. **H1 bidder** will be selected as partner.
- 13.2 Apart from common sharing and support facilities that are to be reimbursed by the partner through a separate agreement / contract, the partner shall pay a minimum

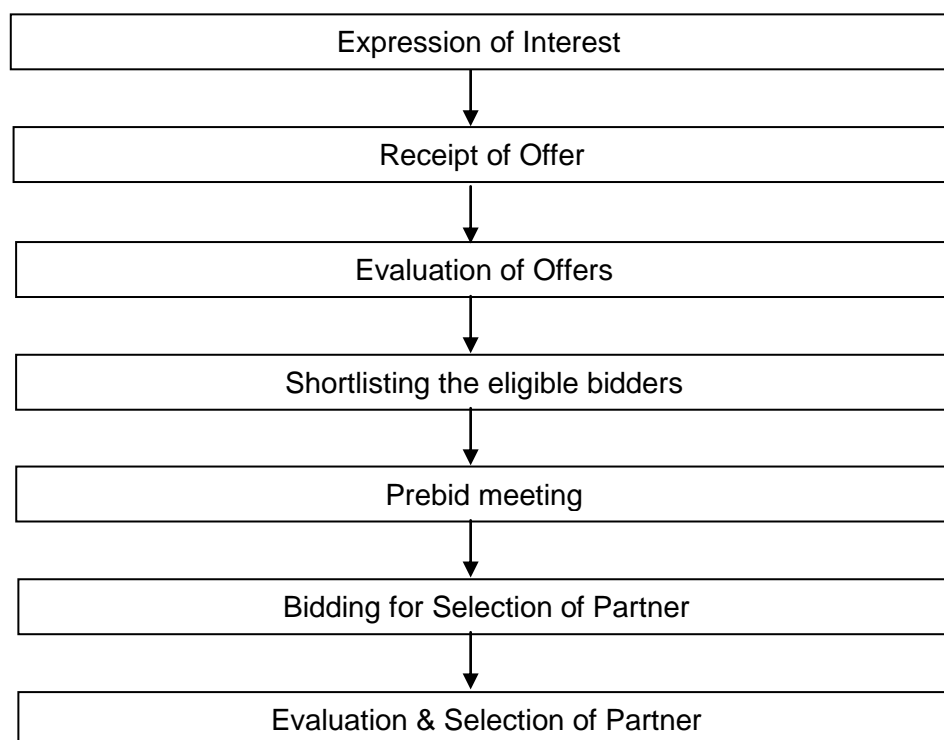
guarantee sum plus a percentage share of revenue earned, as rental for use of facilities. The minimum guarantee from the first year of Contract for the five years shall be as:

Year	Minimum guarantee
1	Rs 12 Cr PLUS % share of revenue earned
2	Rs 15 Cr PLUS % share of revenue earned
3	Rs 15 Cr PLUS % share of revenue earned
4	Rs 18 Cr PLUS % share of revenue earned
5	Rs 18 Cr PLUS % share of revenue earned

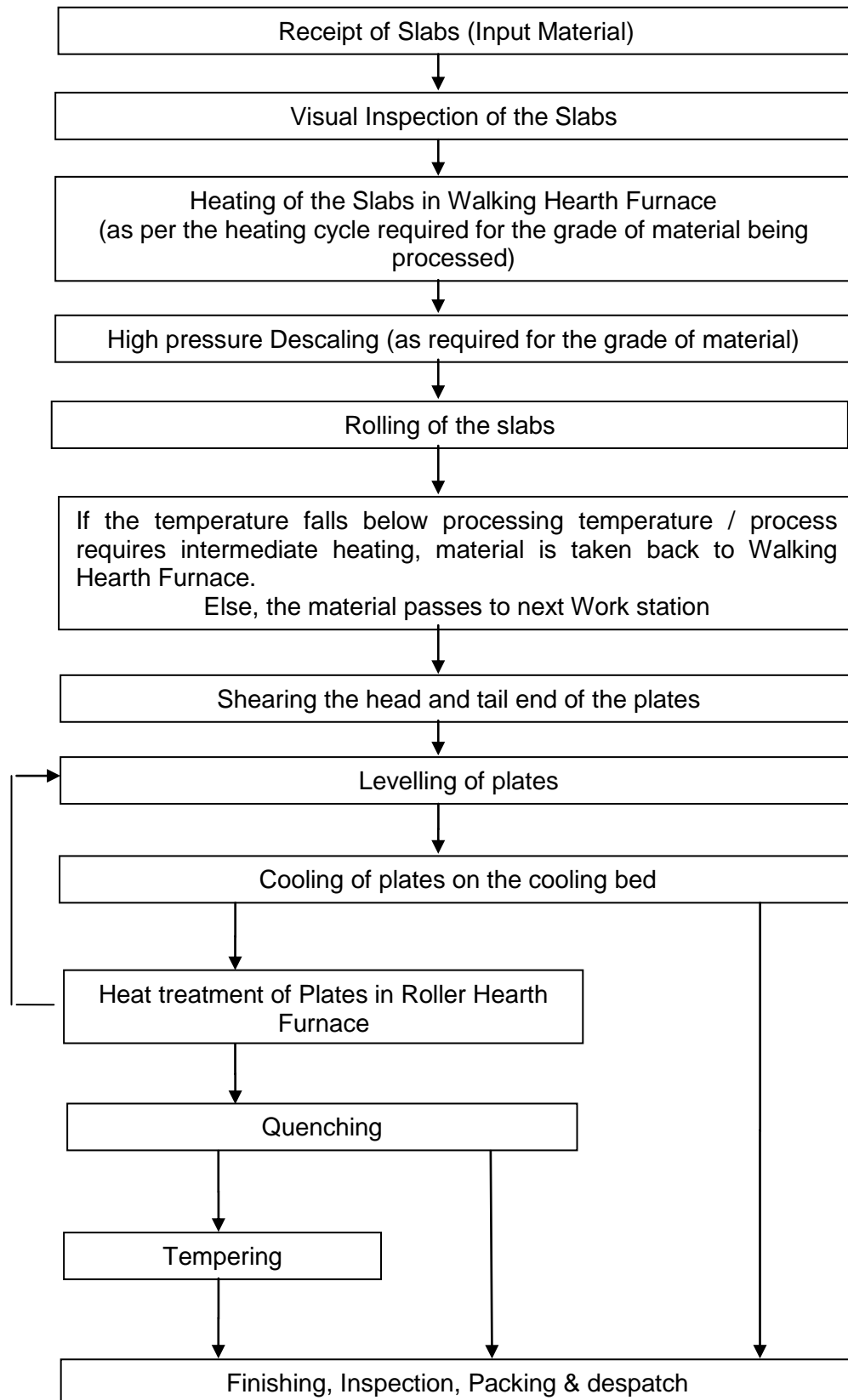
**Percentage share of revenue shall be specified by the partner.**

- 13.3 Maintenance and upkeep of Midhani's facilities as listed in section 4.0 needs to be maintained by the partner.
- 13.4 To evaluate the upkeep of equipments, experts from MIDHANI and Partner will carry out periodic audit of the facility and submit their report.
- 13.5 Any damage of the machine will be recovered from the partner to the extent of damage.
- 13.6 The parties interested to quote may visit MIDHANI for having a better understanding, before submission of their offers.

**14 PROCEDURE FOR SELECTING SUITABLE PARTNER:**



15      **PROCESS FLOW FOR HOT ROLLED PLATES**    (Sequence of Operations )



**16 GENERAL TERMS & CONDITIONS:**

- 16.1 MIDHANI reserves the right to accept or reject any offer of Expression of Interest without assigning any reasons what so ever.
- 16.2 Final selection of suitable applicant from the EOIs received will be done by MIDHANI at its sole discretion and the decision of MIDHANI shall be final.
- 16.3 The selected applicant shall ensure compliance of all the Government regulations / laws / conventions / policies / guidelines / orders etc. In force related to any or all of the above activities as amended from time to time. Applicant shall undertake to abide by the statutory requirements of the Indian Government from time to time.
- 16.4 Eligible parties to study carefully all documents referred to herein before accepting the same.

**17. LAST DATE FOR SUBMISSION OF EXPRESSION OF INTEREST:**

The due date and time for submission of the Expression of Interest is 10:30 Hrs of \_\_\_\_\_.

**18. REQUEST FOR STATUS UPDATE ON EVALUATION PROCESS:**

MIDHANI will not accept or respond to Proponents requests for information on the status and progress of the EOI evaluation process. Additional information regarding the EOI process may be posted on MIDHANI website [www.midhani-india.in](http://www.midhani-india.in)

**19 OWNERSHIP OF E O I DOCUMENTS & INFORMATION THEREIN:**

All Expression of Interest documents will become the property of MIDHANI upon submission. Where the applicant believes that information provided in response to this EOI is, or should be kept confidential, or disclosure of this information would unreasonable affect applicants business affairs, the same should be informed to MIDHANI in the EOI. All such information or document should be clearly marked as 'confidential'. In so far as is practicable MIDHANI will give effect to the applicant stated wishes and requested for access to such information will be determined under the RTI Act.

**20 NO CONTRACTUAL OBLIGATION:**

MIDHANI is not bound contractually or in any other way to any applicant to this Expression of Interest. MIDHANI is not liable for any costs of compensation in relation to the consideration of this Expression of Interest.

**21 DISCLAIMER:**

The issue of this document does not in any way commit or otherwise obliges MIDHANI to proceed with all or any part of an EOI process. The EOI request is not the subject of any process contract or any contractual obligations between MIDHANI and applicant. MIDHANI may, at its absolute discretion, elect to abandon any part or whole of the process without giving prior notice to the prospective partners.

## **22 NON DISCLOSURE AGREEMENT**

A Non Disclosure Agreement shall be signed and submitted along with the RFQ.

## **23 ARBITRATION**

Any differences among the parties, in relation to this EOI, shall be resolved amicably through negotiation. Failing which, the issues / in case the differences remain unresolved, the same shall be referred for arbitration for resolution. This EOI shall be governed by laws of India, venue shall be Hyderabad and language shall be English.

In case quote is submitted by PSU / Govt Company, arbitration as per DPE guidelines issued from time to time shall be applicable.

## **24 JURISDICTION**

The courts at Hyderabad shall have exclusive jurisdiction over all the matters of this EOI.

## **25 INDEMNITY**

The successful applicant shall keep MIDHANI indemnified from all cost, expenses, claims and also all damages etc incurred / suffered by MIDHANI on account of the operations carried out by the prospective partner.