GOVERNMENT OF ASSAM MINES & MINERALS DEPARTMENT DISPUR

Notification

Request for Expressions of Interest

No.PEM.33/2007/14

Dated, Dispur, the 12th June, 2007.

The Government of Assam invites Expression of Interest from investors for setting up mineral based industries as a joint venture with Assam Mineral Development Corporation Ltd., a Government of Assam enterprise. The mineral blocks involved are of coal, cement grade limestone, kaolin (china clay), granite, iron ore and glass sand. The limestone blocks each with an estimated reserve ranging from 57 to 63 million tonnes are located in North Cachar Hills District. The coal blocks each with an estimated reserve ranging from 0.20 to 1.60 million tonnes are located in the districts of Karbi Anglong and North Cachar Hills. One kaolin block with an estimated reserve of 0.74 million tonnes is located in Karbi Anglong district. Granite blocks with reserve ranging from 2 to 30 million cubic metres are located in Morigaon and Karbi Anglong district. One iron ore block with an estimated reserve of 11 million tonnes is located in Dhubri district. Glass sand block with a reserve of 10 million tonnes is located in Nagaon district. Further details on the minerals and location of the mineral blocks may be obtained from the Directorate of Geology & Mining, Assam or Assam Mineral Development Corporation Ltd. or from the website www.dpeassam.nic.in or www.assam.gov.in

The Government of Assam proposes that the parties interested in taking up exploration/exploitation of the mineral deposits and setting up mineral based industries shall form joint venture companies (JVC) with Assam Mineral Development Corporation Ltd. (AMDC). A.M.D.C as a partner in the JVC shall hold shares in lieu of the Mining lease held /to be obtained by it. The AMDC shall enter into a MOU with the joint venture partner granting the JVC exclusive rights for exploration/exploitation of the mineral deposits in the said area. No money shall be paid by the Government of Assam or A.M.D.C to obtain shares in the equity of the JVC. All legal requirements and formalities of the State Government as well as of the Autonomous District Councils shall be required to be observed by the JVC. The JVC would setup the mineral based industries within the State of Assam.

AMDC would enter into a Memorandum of Understanding (MOU) with the selected parties. An earnest money equivalent to 1 % of the total equity base would have to be deposited by the selected party at the time of signing of the MOU. The earnest money would be adjusted against dividends payable in future. No interest shall accrue on the earnest money. In case of failure to commission the projects in time, the earnest money shall stand forfeited and the MOU shall stand terminated. In addition to the shares given to A.M.D.C the JVC would be required to pay a facilitation fee per tonne/cubic metre of the mineral extracted. This shall form a part of the offer in the Expression of Interest. All royalty, taxes, rents, cess, etc. payable as per law and rules and the facilitation fee shall be payable by the JVC to A.M.D.C at the time of removal of the mineral from the mining lease area or in advance, as applicable

After operationalisation of the project, if at any point of time, the same becomes unoperational for a continuous period of 24 months, the AMDC would have the right to withdraw from the joint venture. In such an eventuality AMDC would surrender its shares and the MOU shall stand terminated. Any amount of earnest money remaining unadjusted at that stage shall stand forfeited.

It is desirable that the Interested parties have substantial experience in mining operations, are capable of setting up relevant mineral based industries, have sound financial resources to undertake the projects and be willing to provide such financial guarantees/indemnity bonds, etc. as may be required.

Expressions of Interest must contain the following minimum information:-

- 1. Comprehensive account of experience in mining/mineral based industry with details of total investment and projects executed and/ or under execution.
- 2. Financial status/ capabilities with supporting documents including but not limited to audited balance sheets.
- 3. Proposed end product of the mineral.
- 4. Brief details of the project proposed to be set up.
- 5. Likely total capital investment in the proposed project.
- 6. Time frame of commissioning of the proposed project.
- 7. Infrastructure available for the proposed project.
- 8. The equity base, and the percentage of equity being offered to AMDC.
- 9. Amount of facilitation fee being offered with escalation.
- 10. Track record of the company.
- 11. Whether the interested party would be agreeable to enter into the M0U for an alternate block on the same terms & conditions the block applied for cannot be agreed to by the Government.
- 12. Any other information the company may wish to furnish in support of its application.

Applications complete in all respects must reach the office of the Principal Secretary, Mines & Minerals Department, Government of Assam, Assam Secretariat, Block - C, 3rd floor, Dispur, Guwahati-781006 by 4.00 P.M. of 6th of August. 2007. The application must be submitted in a sealed cover giving the following details on the envelope:-

- (a). Name of the bidder.
- (b).Industry proposed to be setup.
- (c). Mineral required.
- (d). Block as given in the statement placed on the website.

Disclaimer

The Government of Assam reserves the right to accept any EOI, to reject any or all EOIs, and to cancel the entire process at any time prior to the signing of the MOU, without thereby incurring any liability to the respondent/s. The Government of Assam shall neither be bound to offer any reason for such acceptance/rejection nor entertain any correspondence with the unsuccessful respondents in the matter. This request for EOI does not bind the Government of Assam in any MOU, nor is an offer of an MOU. The Government reserves the right to offer an alternate block on the same terms & conditions for entering into the MOU. if the block applied for cannot be agreed upon.

Sd/- T. Das.
Under Secretary to the Government of Assam
Mines & Minerals Department,
Dispur.

Mineral Blocks in Assam for allotment

| Sl | Name | Block | Area | District | Quality | Reserve | Location | Торо- |
|----|---------------|-------------------|------|------------------|--|----------------------|---|---------|
| No | of | Diock | (Sq. | District | Quanty | (million | Location | sheet |
| | Minerals | | Km.) | | | tonne) | | No. |
| 1 | Lime- | Juipahar (A) | 2.38 | N C Hills | CaO-38.0-47.0%, MgO-0.12-4.45%, | 63.00 | All the three blocks lie between | 83 C/14 |
| | stone | Juipahar (B) | 2.00 | - do – | Fe ₂ O ₃ -2.53-26.6%, Al ₂ O ₃ -2.28-7.95% | 60.00 | lat 25°31'22" to 25°32'40" N and | -do- |
| | | Juipahar (C) | 2.12 | - do - | SiO ₂ -5.65-12.29%, LOI-16.47-39.35% | 61.00 | long 92°47'50" to 92°47'20" E | -do- |
| | | AMDC | 2.00 | - do - | CaO-42.45-50.43% MgO-0.50-2.85%, Fe ₂ O ₃ -2.95-21.74% Al ₂ O ₃ -1.53-14.00% SiO ₂ -1.96-11.63% | 157.00 | lat 25°31'22" to 25°32'40" N and long 92°47'50" to 92°47'20" E | do- |
| 2 | Coal | Koilajan | 0.40 | Karbi Anglong | Moist-8.82%-15.80% Ash-4.42-9.70%, F.C25.0-33.0% Cal value-7940-8570 Kcal/Kg. | 0.50 | lat 25°58'38"N and long 93°33'30"E | 83 G/9 |
| | | Sheelveta | 1.50 | - do - | Moist10.82-16.30% Ash-7.0-24.47%, F.C22.0-28.40% Cal value-7480 Kcal/Kg. | 0.20 | lat 25°58'25" to 26°0'30" N and long 93°17'30" to 93°18'35" E | 83 G/5 |
| | | Garampani | 2.50 | N C Hills | Moisture-1.1-14.3% Ash-5.0-18.0%, F.C33.4-49.7%, VM-36.0-47.5% Cal value-5790-7350 Kcal/Kg | 1.00 | lat 25°30'30" N and long 93°57'00" E | 83 C/14 |
| | | Khota Arda | 1.50 | - do - | Moisture-10.6-12.7% Ash-4.0-20.3%, F.C32.0-39.7%, VM-34.0-44.7% Cal value-6240 Kcal/Kg | 1.60 | lat 25°41'00" N and long 92°55'00" E | 83 C/14 |
| | | Amlakhi | 1.0 | Karbi Anglong | Sub-bituminous, detail quality to be analyzed | 0.40 | lat 25°59'45" N and long 90°31'25" E | 83 G/9 |
| | | Jirkinding | 0.50 | - do - | Sub-bituminous, detail quality to be analyzed | 0.20 | lat 25°40'00" N and long 92°42'15" E | 83 C/10 |
| 3 | Kaoline | Deopani | 0.40 | Karbi Anglong | SiO ₂ -43.70-48.89% Al ₂ O ₃ -37.1-41.62% Fe ₂ O ₃ -0.30-1.90% LOI-12.35-14.53% | 0.74 | lat 26°14'27" to 26°14'39" N and long 93°45'54" to 93°46'57" E | 83 F/16 |
| 4 | Granite | Bura Mayang | 0.75 | Morigaon | Brown Colour | 2 million Cum | lat 26°17'00" N and long 92°01'00"E | 83 B/3 |
| | | Mahamaya | 3.50 | Karbi Anglong | Pink Colour | 30 million Cum | lat 26°12'95" N and long 93°04'00"E | 83 F/4 |
| 5 | Iron Ore | Chandar- dinga | 1.55 | Dhubri | Fe-31.70-46.45% SiO ₂ -15.68-49.72% Al ₂ O ₃ -0.20-4.41% S - 0.12-0.21% P-0.11-0.40% | 11.00 | lat 26°11'55" N and long 90°21'20"E | 78 J/8 |
| 6 | Glass Sand | Jiyajuri | 2.90 | Nagaon | SiO ₂ -91.21-98.38% Fe ₂ O ₃ -0.008-0.79% CaO-Trace – 0.38% MgO- Trace – 0.12% TiO ₂ - Trace – 0.38% Al ₂ O ₃ -0.20-4.41% | 10.00 | lat 26°19'00" N and long 92°52'55" to 92°54'15" E | 83B/15 |