

Notice inviting “Expression of Interest” for manufacturing partnerships for production of Zinc based Alloys

Date: 07-07-2020

Vedanta Limited, a subsidiary of Vedanta Resources pic. is one of the world's leading diversified natural resource companies. With business operations in India, South Africa, Australia, Ireland, Namibia, Liberia and Sri Lanka; Vedanta is a leading producer of Oil Gas, Zinc. Lead. Silver, copper, iron ore. Aluminum and Commercial Power.

Hindustan Zinc Ltd (HZL), a subsidiary of Vedanta Limited in Zinc - Lead - Silver - Wind Energy business and world's leading integrated producer of zinc, is actively seeking interest in manufacturing partnerships with reputed producers of metal alloys for production of Zinc based alloys.

This is in line with its long term vision to expand its downstream & value added product manufacturing capabilities and is in support of Govt. of India's initiative on “Make in India” & “Self Reliant India”

The various products that HZL intends to manufacture through these manufacturing partnerships include

- Zinc Die Cast Alloys
- Zinc- Al Alloys
- Zinc- Ni Alloys
- Other Zinc based products

Further, Hindustan Zinc is open to various forms of manufacturing partnerships including but not limited to:

- a. **Contract Manufacturing:** This is for manufacturers already having established production lines and willing offer them to HZL for production for end products on payment of conversion charges/ other tolling arrangements
- b. **Co-Manufacturing as an ancillary to HZL:** This is manufacturers seeking to expand their facilities and willing to put up production lines nearby HZL's production facilities centered around Chittorgarh and Dariba in Rajasthan. In this case HZL can assist in provision/procurement of land for the facility and shall be willing to provide molten metal for direct use

1. Broad Scope of Work

- The prime raw Material i.e. Zinc (Ingot/Cathode: Include provision for cathode melting) will be provided by HZL. Any other raw material /consumables/utilities required for production shall be procured by the selected partner.

- Raw Material Aluminum(P0610), Copper (BS EN 1978) shall be accountability of Partner. Use of any other Raw Material will be as per the specifications provided by HZL. Secondary material will be not permitted.
 - Ensure production of various Zinc Based alloys in line with the agreed manufacturing process and qualifying to the process/quality requirements set-out by HZL (Refer Annexure-1).
 - Quality Assurance/ Quality Check procedures shall be prescribed by HZL for which HZL may also appoint a 3rd party QC agency. Partner will need to ensure adherence to the prescribed process.
 - Partner will need to ensure availability of its production lines for any process audits while operations.
 - Ensure branding packing & labelling (any product water marks) are in line with the HZL's branding and labelling requirements. Batch No/Heat No to be marked on Ingot.
 - Partner shall ensure supply of end products to various locations as specified by HZL from time to time
 - Any statutory/licensing requirements for set-up the unit/ maintaining the Consent to Operate shall be in partner's scope.
 - Utility requirement like Power, water & Air will be provided by HZL free of cost at agreed Consumption norms in case of "Co-Manufacturing as an ancillary "Model. Partner has to ensure the No wastage of Utilities so supplied. A Metering system shall be installed to account for consumption of utilities.
 - Partner will ensure the Availability of Plant to Process the Input at any point of time. Plant Shutdown will be planned and informed well in advance.
 - Process Input supplied by HZL will be transported and delivered up to premises, Unloading of Process Input and Loading of Finished goods will be in Partner's Scope.
 - Storage & Safe Custody will be as per HZL SOP in Partner's Scope. Partner shall be accountable for any damage and stock pilferage of any material possessed by HZL.
 - Partner shall establish a process Control Laboratory in factory having adequate facilities to carry out testing / Analysis as per HZL Standards. Partner shall maintain records in Proper Format to ascertain and ensure compliances.
 - Partner will follow all HSE guideline and Contractor Safety Management Standards of HZL.
2. **Minimum Period of Engagement:** Can be mutually discussed on win-win proposition.
 3. **Production Capacity:** HZL is liking to generate around 20-40KT production facility through this framework. More than one partners may also be used to fulfill this capacity. Bidders may suitable quote based on their capacity.
 4. **Packing/Labelling and Branding:** The end products shall be labelled and branded as per HZL's brand requirements. Any content provided for such packing/labelling and branding shall be HZL's Intellectual property and will comply to the terms of Intellectual Property & Copyright clause and specified by HZL in the final contract.
 5. **Selling & Distribution Rights (Optional):** HZL may be open to give the selling & distribution rights (non-exclusive) for select regions in case the bidder prefers. Bidders to clearly specify any such interest. The decision will be at sole discretion of HZL.

Any bidders showing interest solely for selling & Distribution rights (with no production capabilities) are discouraged to apply. (They may approach HZL marketing team separately for any such interests)

6. Selection Process

- **Last Date for Submission of EOI** along with the submission of required documents: 31st July 2020.
- Signing off Non-Disclosure Agreement for any sort of business critical, confidential, copyright information shared between the parties
- **Technical Qualification:** A technical assessment shall be carried out for all interested parties. This may involve an on-site technical feasibility study of the production works of interested parties. The technically qualified parties shall move to next phase.
- **“Request for Proposal”:** The selected participants post technical qualification will be issued a request for proposal seeking for the final commercial offers.
- The commercial offers received shall be assessed by HZL and contract shall be awarded to the final selected bidder

7. Documents To be submitted along with EOI

- **Approach Note:** Covering the model to be adopted, any specific proposal, production capability, capex investment, ramp-up/commissioning time etc., Opex break as per annexure – Ref. Annexure 2.
- Relevant documents establishing the “Consent to Operate” for bidders offering their production unit on contract manufacturing model, along with environment clearance certificate.
- Last 3 years Financial Statement duly audited by certified agencies.
- Last 3 years production details including capacity utilization to establish relevant experience in production and brief production process to be shared.
- Any experience/acknowledgement certificates from reputed customers.
- GST registration certificates.
- Shareholding pattern of the firm including name and contact details of key promoters.

8. Submission of EOI

EOI may be submitted in electronic form at the following details by close of business hours on 31st July

Name: Deepesh Kumar Goyal
Designation: -Manager - Commercial, Commercial
Mobile Number: +91 7568188626
Email address: _ Deepesh.Goyal2@vedanta.co.in

For any query to help submission of EOI, may please get in touch in with

Name: Vishal Chawla
Designation: Deputy Manager
Phone Number:9116624380
e-mail address: vishal.chawla2@vedanta.co.in

Name: Aakriti Singal
Designation: Associate Manager
Phone Number: 9136020133
e-mail address: Aakriti Singal <Aakriti.Singal@vedanta.co.in>

Annexure :1: Represent Chemical and Physical Specification

Annexure: 2: Represent Basic Calculation Sheet

Both the documents can be downloaded separately.