

TEA BOARD OF INDIA
MINISTRY OF COMMERCE & INDUSTRY
GOVERNMENT OF INDIA
14, B.T.M. SARANI, KOLKATA 700001

NO.04/DTD/2016
INVITATION FOR EXPRESSION OF INTEREST (EOI)

FOR TAKING OVER THE MANAGEMENT OF DEMDIMA TEA ESTATE UNDER M/S
SANTIPARA TEA CO. LTD. AND LANKAPARA,HUNTAPARA AND TULSIPARA TEA ESTATES
UNDER M/S DUNCANS INDUSTRIES LTD.

Pursuant to the Gazette Notification No. S.O.260(E) dated 28.1.2016 issued by, Govt. of India the Tea Board of India, a Statutory Body under the Ministry of Commerce & Industry, Government of India, invites Expression of Interest from interested Tea companies/Firms /Co-operative Societies /Persons /Any other company for taking over the management of
1) Demdima T.E under M/s. Santipara Tea Co.Pvt. Ltd. 2) Lankapara , 3)Huntapara and 4) Tulsipara Tea Estates located in West Bengal State under M/s Duncans Industries Ltd. to run the garden in a successful manner as per the provisions of various Acts and Rules applicable to the tea plantations.

For overview of pre-qualification criteria, bidding terms and conditions and suggested response formats, please visit Board's website www.teaboard.gov.in

The Tea Board shall have the right to modify, add or delete names of the estates as and when deemed necessary to form the list of tea estates which are offered to the intending applicants or bidders for management. .

Interested Tea companies/Firms /Co-operative Societies /Persons who meet the pre-qualification criteria may furnish their Expression of Interest for each garden individually with all the necessary documents in a sealed cover along with the covering letter duly signed by an authorized signatory and a non- refundable processing fee of Rs. 5,000 (Rupees Five Thousand only in the form of a Demand Draft drawn in favour of Tea Board of India, payable at Kolkata on or before -04.07.2016 by 16:00 hours at the following address:

The Secretary
Tea Board of India
14, B.T.M. Sarani (Brabourne Road)
Kolkata 700001
Phone: 033-22351331

**EXPRESSION OF INTEREST (EOI) FOR TAKING OVER THE MANAGEMENT &
RUNNING OF DEMDIMA TEA ESTATE UNDER SANTIPARA TEA CO. PVT. LTD. AND
LANKAPARA ,HUNTAPARA AND TULSIPARA TEA ESTATES UNDER M/S DUNCANS
INDUSTRIES LTD IN THE STATE OF WEST BENGAL**

**Tea Board of India
Ministry of Commerce & Industry
Dept.. of Commerce
Government of India**

1. GOALS OF THIS EXPRESSION OF INTEREST

The objective of this EOI is to solicit proposals from the interested Tea companies/Firms /Co-operative Societies /Persons for taking over the management of Demdima tea estate under M/s. Santipara Tea Limited and other three viz. Lankapara ,Huntapara and Tulsipara Tea Estates under M/s Duncans Industries LTD. located in West Bengal State , who have failed to comply with the obligations under the Tea Act,1953 as also the relevant provisions in terms of timely payment of workers dues regarding Provident Fund, Gratuity, ration and other fringe benefits/obligatory dues etc.

2. EOI ISSUING AUTHORITY

This Expression of Interest (EOI) is issued by the Tea Board of India, with an intent to short-list potential bidders. The Board's decision with regard to the short-listing of bidders through this EOI shall be final and the Board reserves the right to reject any or all the bids without assigning any reason.

3. TENTATIVE CALENDAR OF EVENTS

The following table enlists important milestones and timelines for completion of bidding activities:

Sl. No	Milestone	Date and time
1.	Release of Expression of Interest (Eoi)	13.06.2016
2.	Bidders Meeting	17.06.2016 at 2.30P.M.
3.	Last date for submission of written questions by bidders	22.06.2016
4.	Response to the Queries	26.06.2016
5.	Last date for Submission of Eoi Response	04.07.2016 till 4.00P.M.
6.	Opening of Eoi Responses	04.07.2016 at 5.00 P.M.
7.	Declaration of Short listed companies	To be informed in due course

4. AVAILABILITY OF THE EOI DOCUMENTS

EOI can be downloaded from the Tea Board's website. The bidders are expected to examine all instructions, terms, requirements and other details in the EOI documents. Failure to furnish complete information as mentioned in the EOI documents or submission

of a proposal not substantially responsive to the EOI documents in every respect will be at the bidder's risk and may result in rejection of the proposal.

5. BIDDERS' CONFERENCE

Tea Board of India will host a bidder's Conference/Meeting at Tea Board, 14, B.T.M. Sarani, Kolkata at the address given under Contact Details. The Conference/Meeting is tentatively scheduled as per the schedule given in the Tentative Calendar of Events. The representatives of the interested companies (restricted to two persons) may attend the bidders' conference at their own cost. The purpose of the conference is to provide bidders with the clarifications regarding the EOI. It will also provide each bidder with an opportunity to seek clarifications regarding any aspect of the EOI and the project. The venue for the bid conference will be at the address given under Contact Details.

6. EOI PROCESSING FEES

A non-refundable processing fee for Rs. 5,000.00 (Rupees Five Thousand only) in the form of a Demand Draft drawn in favour of Tea Board of India, payable at Kolkata has to be submitted along with the EOI Response. Bids received without or with inadequate EOI Processing fees shall be liable for rejection.

7. VENUE & DEADLINE FOR SUBMISSION OF PROPOSALS

Proposals, in its complete form in all respects as specified in the EOI, must be submitted to Tea Board of India at the address specified above.

Tea Board may, in exceptional circumstances and at its discretion, extend the deadline for submission of proposals by issuing a corrigendum to be made available on the Tea Board's website, in which case all rights and obligations of Tea Board and the bidders previously subject to the original deadline will thereafter be subject to the deadline as extended.

Scope of Services

About Tea Board of India

Tea Board of India is a statutory body of the Central Government under the Ministry of Commerce & Industry. It was set up on 1st April, 1954 as per Section (4) of Tea Act, 1953. As an apex body of the tea sector, it looks after the overall regulation and development of the tea industry. The Board is headed by a Chairman.

The Board's Head office is situated at 14, B.T.M.Sarani, Kolkata-700001 and there are two zonal offices - one for North Eastern Region at Guwahati in Assam and another for Southern Region at Coonoor in Tamil Nadu. Under the control of these offices, there are 19 Regional offices and 71 sub-Regional Offices spread over in all the major tea growing states. It has also two overseas offices at Moscow and Dubai whose activities are mostly promotional in nature. Tea Board has wide functions and responsibilities which include extending financial and technical assistance to the tea growers, manufacturers and producers, workers welfare, export and domestic promotion, quality improvement, regulating and control of various aspects of tea trade including that of Tea Auctions, facilitating R & D activities, collection, collation and dissemination statistical data etc.

Need for this EOI

1. As per the assessment of the Tea Board that Demdima tea under M/s. Santipara Tea Co. Ltd. and Lankapara, Huntapara and Tulsipara Tea Estates under M/s Duncans Industries LTD located in West Bengal State were not managed by the estate management in accordance with the relevant provisions of the Tea Act 1953 and the Plantation labour Act, 1951 and was being run in a manner highly detrimental to the workers and tea industry.
2. There are high level of dues towards wages of workers, gratuity and other fringe benefits which were not paid by the estate management which is violation of the Plantation Labour Act, 1951. The estate is having huge dues on account of electricity bills also.
3. The estate management was not providing medical facilities as per Plantation Labour Act, 1951 which is presently being looked after by the State Govt. as a stop-gap arrangement through mobile medical services provided by staff of Health Department.
4. The estate is a defaulter in respect of Provident Fund and Gratuity.
5. Vide Gazette Notification No. S.O.260(E) dated 28.1.2016 the Department of Commerce, Ministry of Commerce & Industry, Govt. of India has authorized Tea Board to take immediate steps to take over the management or the control of Demdima tea garden, Lankapara, Huntapara and Tulsipara situated in North Bengal.

In view of the above facts, Tea Board is desirous of finding out a new entrepreneur who can run the estates as per provisions of the Tea Act, 1953 and the Plantation Labour Act, 1951.

Scope of work:

Tenure of the Management Control: The initial tenure of the management control shall be five years which may be extended as per provisions of Tea Act, 1953. At no point of time the management control of the tea estates shall exceed 11 years.

Monitoring Committee: The Central Government may constitute a Monitoring Committee of officials of Tea Board, State of West Bengal which would fix the remuneration to be paid to the management, entrusted to manage the tea estates. The representative of M/s Duncans Industries Ltd. may also be there in the committee wherever feasible. Such committee may cause inspection of the tea estates as and when necessary and shall submit a report to the Central Government.

Powers of the Central Government: The Central Government/Tea Board shall have the power to give any direction to the Authorized Person in accordance with the provisions of the Tea Act, 1953 and the Authorized Person shall have to comply with the same.

Liability of the Tea Estate: Liability, if any, of the Authorized Person taking over the management of any of the tea estate notified in the Notification dated 28.01.2016 shall accrue from the date of taking over the management of the tea estate. The Authorized Person is not liable to action/omission done by the previous management (owner) prior to such taking over which may lead to any claim after taking over the management by the Authorized Person.

Honouring Previous Contracts: The Authorized Person shall not be liable to honour the contracts/agreement entered by the previous management (owner). The Authorized Person shall have the liberty to enter into fresh contract with the vendors including labour unions. However the Authorized Person shall not pay less wage/perquisite/benefits to the workers which the workers were enjoying immediately prior to the taking over the management of the garden.

Duties & Responsibilities of the Authorized Person

- i. From the date of handing over the management the Authorized Person shall take all necessary steps for reopening/normal functioning of the tea estate the management of which has been handed over to it.
- ii. The Authorized Person shall, as soon as may be after taking over the management of the tea estate, prepare the inventory of all properties, movable and immovable, including lands, building, works, workshops, stores, instrument, plant, machineries, automobiles and other vehicles, stocks of raw material in the course of production, storage or transit, raw materials, cash balance, cash in hand, deposits in bank or with any other person or body or loan, reserve funds, investments and book debts and all other rights and interest arising out of such property as were immediately before the date of taking over of the industrial undertaking, in the ownership, possession, power or control of the company, whether within or without India; and all books of account, registers, maps, plans, sections, drawing, records, documents or titles of ownership of the estate and all other documents of whatever nature relating thereto; all borrowings, liabilities and obligations of whatever kind of the company including liability on account of terminal benefits to the garden workers subsisting immediately before taking over the management.
- iii. The Authorized Person shall, also immediately after taking over the tea estate, prepare a list of creditors including statutory, secured and unsecured existing on the date prior to the date of taking over the management.

- iv. The Authorized Person will be liable to pay wages, statutory and non statutory dues and other expenditure essential for day to day management of the tea estate from the date of taking over.
- v. The Authorized Person will be liable to maintain and keep proper accounts of the sale, purchase, expenses and other ancillary expenditures.
- vi. The Authorized Person shall not retrench any of the workers, employees holding non managerial post without prior permission of the Monitoring Committee.
- vii. The Authorized Person shall not close/abandon the tea estate at any point of time after taking over the management of the tea estate.
- viii) The authorised person shall furnish performance security of Rs.1.5 crores (Rupees one crore and fifty lakhs only) in the form of a Bank Guarantee for satisfactorily functioning / managing of each of the tea estates. The authorised company shall give the said Bank Guarantee within 15 days of the receipt of the order from the Board regarding its decision to handover the management control to the company. The said Bank Guarantee is a security for the satisfactory running of the garden and will indemnify the board for the loss due to dereliction of duty and/or negligence or any other misconduct in the performance of task so assigned. In case of unsatisfactory management of the tea estate/dereliction of duty/negligence /misconduct in the performance the whole or part of the performance guarantee can be forfeited by the Tea Board in addition to the termination of the management control ,and the proceeds of the performance security shall be payable to the Development and Welfare Fund of the tea estate as compensation. The performance security will be discharged by the Tea Board after completion of the company's satisfactory performance obligation.
- ix) The Authorized Person shall be liable to all acts and omission arising out of the day to day running of the tea estate from the date of taking over the management of the tea estate.
- x) The Authorized Person shall maintain highest standard of ethics and management principle while managing the tea estate after getting the management control over the tea estate.
- xi) The Authorized Person shall manage the tea estate with due diligence and economy in accordance with generally accepted professional standards and practices.
- xii) The Authorized Person shall take adequate steps in improving the overall health of the tea estate.
- xiii) The Authorized Person shall handover the tea estate to the original owner as and when asked by the Tea Board or the Central Government.
- xiv) The Authorized Person shall submit report to the Tea Board/Central Government as and when asked for.
- xv) The Authorized Person shall utilize the subsidy/benefits given by the Tea Board under various scheme for the very purpose for which the subsidy/benefits is intended to.
- xvi) The Authorized Person shall maintain the existing infrastructure of the tea estate including the labour lines and shall take all reasonable steps to improve the same.
- xvii) The Authorized Person shall indemnify the Tea Board/Central Govt. of all claim/damages/loss arising out of its own mismanagement/dereliction of duty of the staff employed by it.
- xviii) The Authorized Person shall take all reasonable steps to run the estate.
- xix) The Authorized Person shall comply with all prevailing applicable laws.
- xx) The management would not carry out any alteration in the layout and structure of the garden without the consent of the Tea Board /Central Govt.

- xxi) The Central Government would be competent to terminate the tenure of management, if it is satisfied that the intended purpose is not being served by continuation thereof after giving fifteen days notice.
- xxii) The management so entrusted with the running of garden would not abandon the same without giving sufficient notice, of at least two months to the Tea Board/ Monitoring Committee on Management. A bank guarantee would be provided by the management as per para (viii) above and the said guarantee would stand forfeited.
- .xxiii) The applicant company has to deposit a fixed amount with Tea Board being the Development and Welfare Fund for the Development of the concerned Tea Estate and welfare of its workers.

Responsibilities

Sl. No.	Responsibilities of the Company	Responsibilities of Tea Board
1.	All the 23 functions as mentioned above	Provide timely information to the interested companies as per the tentative schedule
2.	Inform Tea Board from time to time regarding their mode of work in running the tea estates	Tea Board will interact and discuss with the prospective company and Govt. departments ,Tea producers Associations from time to time on the issues related to the matter
3.	The company should in a timely manner pay the wages and fringe benefits to the workers as per Tea Act,1953 and dues to various Govt. dept.	In case difficulties are faced, the matter will be referred to the district administration/concerned State Govt./concerned Govt. dept. for amicable settlement.
4.	The companies may avail various financial assistance schemes of the central Govt. implemented through Tea Board India	Tea Board, on receipt of such claims, may extend financial benefits to the company subject to fulfilment of terms and conditions of different schemes
5.	The company should not be a wilful defaulter towards paying workers dues and Govt. payments	The Govt. Of India and Tea Board will have absolute power to tackle such situation through legal means

The requirements given in this Expression of Interest are indicative only and Tea Board will seek inputs from the pre-qualified bidders in further refining the requirements and all aspects of services before finalizing the Request for Proposal.

Bidding Terms and Conditions

1. CONDITIONS UNDER WHICH THIS EOI IS ISSUED

- i) This EOI is not an offer and is issued with no commitment. Tea Board reserves the right to withdraw the EOI and change or vary any part thereof at any stage. Tea Board also reserves the right to disqualify any bidder, should it be so necessary at any stage.
- ii) Tea Board reserves the right to withdraw this EOI if the Board determines that such action is in the best interest of the Board.
- iii) Short-listed bidders would be issued formal tender enquiry/Request for Proposal inviting their technical and commercial bids at a later date.
- iv) Timing and sequence of events resulting from this EOI shall ultimately be determined by Tea Board.
- v) No oral conversations or agreements with any official, agent, or employee of Tea Board shall affect or modify any terms of this EOI and any alleged oral agreement or arrangement made by a bidder with any department, agency, official or employee of Tea Board shall be superseded by the definitive agreement that results from this EOI process. Oral communications by Tea Board to bidders shall not be considered binding on the Board.
- vi) Neither the bidder nor any of the bidder's representatives shall have any claims whatsoever against Tea Board or any of their respective officials, agents, or employees arising out of, or relating to this EOI or these procedures (other than those arising under a definitive service agreement with the bidder in accordance with the terms thereof).
- vii) Applicants who are found to canvass, influence or attempt to influence in any manner the qualification or selection process, including without limitation, by offering bribes or other illegal gratification, shall be disqualified from the process at any stage.
- viii) Each applicant shall submit only one Pre-qualification requirements proposal.

2. RIGHTS TO THE CONTENT OF THE PROPOSAL

For all the bids received before the last date and time of bid submission, the proposals and accompanying documentation will become the property of Tea Board and will not be returned. Tea Board is not restricted in its rights to use or disclose any or all of the information contained in the proposal and can do so without compensation to the bidders. Tea Board shall not be bound by any language in the proposal indicating the confidentiality of the proposal or any other restriction on its use or disclosure.

3. ACKNOWLEDGEMENT OF UNDERSTANDING OF TERMS

By submitting a proposal, each bidder shall be deemed to acknowledge that it has carefully read all sections of this EOI, including all forms, schedules and annexure hereto, and has fully informed itself as to all existing conditions and limitations.

4. The Bids will be evaluated in two stages. A) Technical Bid, B) Commercial Bid

The bidder shall furnish Technical and Commercial Bids and the bid will be decided as follows:

- I. The bidders will submit the Technical Bid in the form as enclosed at Annexure –I and the Commercial Bid in the form as enclosed at Annexure – II in separate envelopes.

- II. Only those bidders who score a cut-off mark of 40% in the Technical Evaluation, their Commercial Bids will be opened.
- III. In the Commercial Bid, the Commercial Score will be decided on the basis of the following formula :

$$CS = 100 \times \frac{CC}{HC}$$

Where CS - Commercial Score
 HC – Highest Commercial Quote
 CC – Commercial Quote by the Company

- IV. The weight age to be given for Technical and Commercial Bid is 60% : 40% . The consolidated weighted score will be calculated as follows :

Consolidated weighted score = (Technical Score x 60) + (Commercial Score x 40)

The Bidders who scored the highest marks in the consolidated weighted score will be awarded the management control of the garden.

Criterion for evaluation of technical bids:

Annexure-I

Sl. No	Evaluation Parameters	Max Marks
A.1	Turnover of the firm/company/Organisation	15
A.2	Years of Experience of the company/organization in running of Tea Estate	15
A.3	Availability of working capital of the firm /company/organization (Latest)	20
A.4	Number of Tea Estates presently under the ownership of the applicant company's common management	10

A.5	No of workers (permanent) in the roll of the Estates presently under the management of the applicant	10
A.6	No. of factories owned by the applicant under company's common management	10
A.7	Experience in taking over and reviving notified closed/sick tea gardens	05
A.8	Uprooting and Replanting activity undertaken for the last three years (area in ha.)by the company	05
A.9	The average sale price (auction sale/Pvt Sale/Export) of any one of the gardens under the applicant company/organization. The applicant should furnish the details.	10

The qualifying score is 40% i.e. 40 out of 100.

Documents to be submitted in support of Technical Bid :

- i. Copy of Certificate of Incorporation/Partnership Deed
- ii. Detailed list of tea estates with all documents such as Tea Board Registration Certificate copy , name of the Directors/ Owners/ Partners in company/ firm /society letter pad.
- iii. Tea produced in the last three years and average price fetched both in auction and private sale/export.
- iv. Copy of the latest Annual Returns/Form –E of the Factories submitted to Tea Board .
- v. Details number of workers engaged in tea plantation estate wise.
- vi. Details of area uprooted and replanted in last three calendar years.
- vii. Audited accounts with audit report, Director's Report, Cash flow, Fund flow i.e. complete set of

- accounts for the last three financial years.
- viii. Income Tax acknowledgement with computation of income
 - ix. A working capital certificate from the statutory auditor of the company after considering the ageing analysis of debit and credit balances as well as inventories for last two years
 - x. A projected unaudited Profit and Loss and Balance Sheet for March, 2016 and 2017
 - xi. Any new loan taken after March, 2015
 - xii. Details of mortgaged assets
 - xiii. Current ratio and liquid ratio for last two years
 - xiv. If the working capital is being funded from Directors or Partners or any other concern, then all the documents as stated above will be required for that persons or entity
 - xv. PAN No. of individual Directors and company
 - xvi. Copy of the I.T. Return submitted to IT Department by the company and the directors

Commercial Bid:

Amount to be given to the Development and Welfare Fund for the development of tea estate and welfare of its workers and the tea estate in rupees per annum is to be submitted as **Annexure –II in a separate sealed envelope superscribed as “Commercial Bid”**. However, the payment has to be made quarterly or as negotiated after approval of the bid.

ANNEXURE-II

I/We _____ tea company will pay a

sum of Rs. _____ to the Development and Welfare Fund of the tea estate per annum for taking over the

management control of _____ T.E.

N.B. (in case the bid is for more than one tea estate, then such bids will have to be made for each of the estate separately.)

Date: _____

Name of the Authorised Signatory _____

Signature with Official Seal _____

5. LANGUAGE OF PROPOSALS

The proposal and all correspondence and documents shall be written in English.

6. The bidder should furnish as part of the EOI details of their website where the profile was uploaded and
7. The invitation for bids is open to all entities registered in India

Dispute Resolution: In the event of any dispute or difference relating to the interpretation and application of the provisions of the EOI, such dispute or difference shall be referred by either by the Tea Board or the Authorized Person for Arbitration to the sole Arbitrator as per the provisions of the Arbitration and Reconciliation Act, 1996. The sole Arbitrator shall be appointed by the Secretary, Ministry of Commerce & Industry, Govt. of India. The venue of the Arbitration shall be Kolkata and the language shall be English.