

GOVERNMENT OF ASSAM
OFFICE OF THE REGISTRAR OF COOPERATIVE SOCIETIES, ASSAM
KHANAPARA, GUWAHATI

REQUEST FOR EXPRESSION OF INTEREST

No: CPL.47/2018/111

Dated: 01/09/2018

1. Background:

The Assam Polyester Cooperative Society Ltd. (APOL) is a State Public Sector Enterprise registered under Assam Cooperative Societies Act,1949 (2007) in the year 1981 and engaged in production of spun yarn. The Spinning Unit of the Mill has 19,200 spindles installed capacity out of license capacity of 25,000 spindles at an average production of 5 TPD. Due to Financial constraints, the Mill was unable to run profitably since 2013-14 and remained closed from December 2016. The Government of Assam decided to revive the Mill and provided budget provision of Rs.10.11 crore as financial support for its sustainable operation. Government of Assam now proposes to engage suitable partner for sustainable operation of the Spinning Unit of the Assam Polyester Cooperative Society Ltd. (APOL), Tulsibari, Rangia, Dist. Kamrup, Assam. The Registrar of Cooperative Societies, Assam invites interested bidders to submit their Expression of Interest (EOI) for managing sustainable operations of APOL. Interested parties may visit the website at **www.assam.gov.in** and **www.rcs.assam.gov.in** for details.

2. Scope of Work:

- A. Procurement of raw material
- B. Operation of the mill including:
 - i. Production of yarn
 - ii. Stock-keeping of supplies as well as yarn
 - iii. Marketing of yarn and other by-products.
- C. Maintenance, repair and procurement of spares for the machinery
- D. Capacity assessment and upgradation of the employees and equipment
- E. Waste management in compliance with the applicable regulations
- F. Maintenance of accounts and preparation of financial reports (which should be submitted to the Board of Directors on quarterly basis).
- G. Exploring opportunities for business development including product diversification, new customer acquisition, branding and advertising etc.
- H. Obtaining various certifications, process and quality accreditations and industry affiliations.

3. Qualification Criteria:

. The bidders shall be shortlisted for the next stage based on the following qualification criteria:

- a. The entity must be a company registered under the Companies Act, 1956 (or 2013) or partnership firm registered under the Partnership Act of 1932 or registered under (Converted to) the Indian Limited Liability Partnership Act, 2008
- b. The entity should be operational in India for at least the last five financial years
- c. The net worth of the entity should not be less than Rs.20.00 crore and average annual turnover not less than Rs.10.00 crore during last 3 years
- d. The bidder must have a proven track record in operating spinning mills profitably
- e. The bidder must hold valid PAN and GST Number
- f. The bidder must have:
 - i. Qualified general / operations managers with prior experience in the domain
 - ii. Qualified textile engineering experts
- g. The bidder shall agree to share a percentage of profits with APOL
- h. The bidder shall agree to the retention of the existing manpower intact.
- i. The bidder shall submit bid for 3(three) years.

4. Submission of EOI:

Interested bidders may submit their EoI through the Assam Government's e-procurement portal: assamtenders.gov.in along with the following supporting documents:

- i. Self-attested copy of the registration certificate of the firm
- ii. Annual reports / work orders for the last 5 years
- iii. Financial statements regarding net worth of the company/firm duly certified by Chartered Accountant
- iv. Audited financial reports of the last 3 financial years (2015-16, 2016-17 and 2017-18) including balance sheet and P&L statement
- v. Self-attested copy of the PAN Card and GSTN registration certificate
- vi. Profiles of managers/textile engineering experts engaged by the firm/company.

The last date for submission of EOIs is: **01st October, 2018.**

5. Other Details:

- a. A brief Status Report on the current condition of the man, machine, management and operations of APOL is enclosed at **Annexure – A** for providing more clarity to the prospective bidders
- b. Interested entity may visit the Mill site with prior intimation to the undersigned in writing / by email
- c. The contact office is the Registrar of Cooperative Societies, Assam in **rcsassam@gmail.com** and the contact person at the Rangia Tulsibari site is Sri M. R. Baruah, MD (mobile no 70028-34220 email – **apolgasagency9@gmail.com**).
- d. The undersigned reserves the right to accept/reject any or all the offers without assigning any reason thereof.

Sd/-
Registrar of Cooperative Societies, Assam
Khanapara, Guwahati-22

Annexure-A

Status Report on the “As is to be study” and DPR of the Assam Polyester Co Operative Society Ltd., (APOL)

- A. **Registration No** under Assam Cooperative Society Act 1949/(2007): G-17/81-82 Dated 14th Sept., 1981.
- B. **Area of operations:** Mill’s area of operation is the entire Northeast and Assam with adjoining states.
- C. **Address:** Present address of the Society is at Village, P.O. & P.S. Tulasibari, Rangia, Kamrup.
- D. **Objectives:** The main objectives of the Mill are to promote the economic interest of its members by undertaking spinning, dyeing, sizing, weaving and manufacturing of the textile materials of all kinds and supply of yarn of all types to the weavers and to others. When yarn is supplied to the weaver members, the same shall be supplied at a reasonable price consistent with the economic working of the Mill.
- E. **Brief account of the Mill:** APOL Mill started its commercial production of synthetic blended spun yarn from 24th June 1988 and APOL Fabrics since 1991. Though initially APOL products were accepted in the market and became household product it could not sustained due to the liberalised policies post 1995 era and it failed to compete the market due to presence of big textile manufacturer and / or traders taking advantages of their sizes and shares who used to dominate the prices of yarns and fabrics. Secondly the APOL could not utilize its installed capacity due to shortage of working capital. Due to various reasons the APOL Mill compelled to suspend its production on 25th December, 2003 particularly for lack of funds. The Spinning unit of the Mill was again revived on 1st June 2006 with limited manpower and funds from the Govt. of Assam leaving weaving and processing units as it is which was disposed after observing all necessary formalities. However, the operation of the Spinning unit has to be suspended again on 31st December, 2016.
- F. **The Management:** The APOL Spinning unit is managed by the Managing Director guided by an elected Board of Director constituted under the provision of the Assam Cooperative Societies Act, 2007 as amended.
- G. **Manpower:** Existing Managerial workforces along with different categories are as shown below:

Managing Director: Mr. Manash Ray Baruah.

Managers Technical: (9)

- a) Mr. Brajen Pathak, Manager (General).
- b) Mr. Debabrata Khan, Manager, (Technical) on Contractual Basis.
- c) Mr. Sibuprasad Tarafder (Shift Manager) on Contractual Basis.

- d) Mr. Balendra Kumar Deka, Deputy Manager, Administration.
- e) Mr. Jagadish Kalita, Deputy Manager, Maintenance & Marketing.
- f) Mr. Siba Prasad Deka Deputy Manager, Mechanical.
- g) Mr. Nomal Ch Nath, Assistant Manager, Electrical.
- h) Mr. Harihar Kakaty, Assistant Manager Spinning production.
- i) Mr. Asraf Ali Ahmed, contract basis as Welfare Officer.

Assistants/ Staffs (10)

- a) Mr. Satish Sarma, Section Officer, Time Office
- b) Mr. Sukleswar Deka, Account Officer
- c) Mr. Rohini Baishya, Head Office Personnel as Sectional Officer
- d) Mr. Abdul Taleb, Head Office Personnel as Account Officer
- e) Ms. Pranita Kalita, Senior Typist
- f) Mr. Hargobinda Patowary, Senior Office Assistant
- g) Mr. Bhubaneswar Das, Sr. Excise Assistant
- h) Mr. Nagen Kalita, Sr. Production Clerk
- i) Mr. Ranjan Boro, Sr. Store Assistant
- j) Mr. Bishnu Deka, Sr. Assistant

Technicians: 19 Nos
 Security Staffs: 20 Nos
 Regular Workmen: 322 Nos

H. Existing Machineries with status and capacity:

Sl. No	Type of Machines/ Numbers	Status	Capacity/Hr.
1	Mixing Bale Opener/ Pre-opener- 2 nos	Old machine LMW Make 1987	60 Kg
2	Blow Room B 2/2 M.B.O -1No	Old machine LMW Make 1987	75 Kg
3	Blow Room LB 3/2 R M.B.O.-1No	New Machine LMW Make 2012	250 Kg
4	Waste Extraction System -One lot	Old Machine LMW Make 1987	-
5	Airmaster Waste Extraction system -1 lot	New Machine Airmaster 2012	-
6	Carding Machine C 1/3- 6 Nos	Old Machines LMW Make 1987	30Kg
7	Carding Machine LC 333- 4 Nos	New Machines LMW Make 2012	65Kg
8	Drawing Machine DO/6, Two Delivery-4nos	Old Machines LMW Make 1987	100Kg
9	Drawing Machine LRSB 851	New Machine LMW Make 2012	101Kg
10	Speed frame LF 1400 -120 spdls - 4nos Speed Frame LF 1400 - 96 spdls- 1 no	Old Machine LMW Make 1987/88 Damaged as spares	60 Kg
11	Speed Frame LF-1400A- 120Spdls- 1	New Machine LMW Make 2012	120 Kg

	no		
12	Ring Frame G 5/1 - 960 Spdls -20 Nos	Old Machine LMW Make 1987-88	100Kg (40s)
13	Cone Winding RT-95 -120 Drums/Mc-8 Nos	Old Machine Textool Co Make 1987	38Kg
14	Assembly Winding DRT - 120Drums-4Nos	Old Machines Textool Co. Make '87	76Kgs
15	Ring Doubling DY-600 - 400 Spdls-18Nos	Old Machine Textool Co. Make 1987	10Kgs
16	Ring Doubling SNK -440spdls - 4Nos	New Machine SNK Make Coimbatore- 2012-15	15Kgs
17	Double Sided power Reeling M/cs - 15Nos	Old Machines	16Kg

I. **Modernization:** As shown above, around 17 % of total machineries were undertaken replacement / modernization of spinning machineries of APOL Mill out of the funds received from the NEC for a scheme amount of Rs. 457.34 Lakh sanctioned during November 2012. The fund was sanctioned with a funding pattern of 90% of the Project cost to be borne by the NEC and 10% of the cost by the State Govt. NEC has released Rs. 329.28 Lakh of its Share in two installments of Rs. 164.64 Lakh each and Rs. 36.58 Lakh was also released by the State Govt. against state share. The last and final installment of NEC share and Govt. share is yet to be released to the APOL, the implementing agency of the Project of Up-gradation /Replacement.

J. Financial Position:

Share Capital

Present share Capital position of the Mill as on 31.03.2016 (as per audited Balance Sheet) are as follows:-

i) Authorized Share Capital - Rs. 2000.00 Lakhs

ii) Paid -up Share Capital:

1. Individual share capital of around 4590 share holders -	Rs.	
12.81 Lakh		
2. Co-operative Societies	Rs.	0.37 Lakh
3. Government of Assam	Rs.	1634.00 Lakh

Assets and Liabilities:

Assets:

As per Audited Balance Sheet of APOL for the year 2015-16 assets are as under:

1. Machineries	Rs.	676.23 Lakh
2. Landed Property	Rs.	26.80 Lakh
3. Plantation, Trees etc	Rs.	0.99 Lakh
4. Furniture and Office Equipments	Rs.	13.66 Lakh
5. Buildings	Rs.	242.32 Lakh
	Total of Assets	Rs. 960.00 Lakh

Liabilities:

As per audited Balance Sheet as on Dt. 31.03.2016 and present liabilities worked out as on current basis of the Mill are as follows:

a) Pending salary and wages for one month :	Rs. 37.50 Lakh
b) ASEB unpaid arrear dues with surcharge on principal :	Rs. 50.00 Lakh
c) Central excise dues prior to closure of the Mill in 2006:	Rs. 30.00 Lakh
d) Dues of P.S.F Supplier viz, M/s Sethia International, Kolkata:	Rs. 30.00 Lakh

GRAND TOTAL LIABILITIES STANDS AT: **Rs. 147.50 Lakh.**
Accumulated Loss is of Rs. 3101.90Lakh.

K. Other Information: It is worthwhile to mention here that the 33KV power feeder line from

ASEB, Rangia Power Grid station to APOL Mill Tulasibari, in a single user line is damaged and

remains disconnected since Nov. 2017 and a demand note for repair of power line has been

received from APDCL (LAR), Rangia dated 14/03/2018 for an estimated amount of Rs.

14.00Lakh which requires to be deposited for re-connection of the power.

L. Profit and Loss Statement:

The Mill has been running in losses. The accumulated loss of the Mill as on 31/03/2016 is of Rs. 3101.90Lakhs. Profit and Loss position of the Mill for last three years are given below:

<u>Year</u>	<u>Current Loss</u>	<u>Accumulated Loss</u>
2013-14	Rs. 13.50Lakh	Rs. 2673.92 Lakh
2014-15	Rs. 130.42Lakh	Rs. 2804.35 Lakh
2015-16	Rs. 297.55Lakh	Rs. 3101.90 Lakh

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