



## **EXPRESSION OF INTEREST**

Hindustan Zinc limited invites the Bid from interested parties for the sale of Zinc concentrate

Subject: Tender for sale of RDM Zinc concentrate

**TEDER NO: HZL/CONC/RDM/ZN10110 18<sup>th</sup> JAN 10**

### **Quantity**

A total of 10000 dmt (+/-10% in Seller's option) Rajpura Dariba Zinc concentrate

### **Quality**

Zinc concentrate as produced at Rajpura Dariba Mines (RDM) the indicative chemical analysis is as per Annexure

### **Shipment**

EARLY FEB 2010 at Seller's option, in bulk in 1 lot, with one discharge subject to suitable transport available for material movement to port and suitable vessel availability

### **Delivery**

CIF FO MCP (As per Incoterms 2000). Discharge rate to be 3000 wmt pwwd shexuuatutc for MCP. Disport to be declared by 31<sup>st</sup> Jan 2010.

### **Payment**

Against Sight L/C to be established by 5<sup>th</sup> Feb 2010

### **First Provisional Payment**

100% payment against LC on presentation of the following documents at the counter of negotiating bank

- 3/3 Bills of Lading
- Provisional Invoice issued by HZL based on LME 10 days prior to the BL date

- Provisional weight and assay certificate issued by HZL
- Insurance certificate

## **Second Provisional Payment**

100% payment less the first provisional payment, basis latest available data to be paid upon completion of QP

## **Final Payment**

Buyer/Seller to pay to the indebted party (less provisional payments) once all details are known.

Value Exposure: In case there is a value exposure due to fluctuation of LME prices by more than 10% of the payment made, LC Value to be enhanced within 3 days of receipt of such request, the exposure will be calculate on 15 calendar Avg. LME.

### Conditions of LC:

\*Irrevocable and sight LC (of 110% value) to be opened by a first class bank acceptable to HZL and should be opened within 2 days of vessel nomination.

\*LC to be opened at average price of 10 LME days prior to the date of Proforma Invoice and the first provisional payment to be done on average of 10 days prior to the date of Bill of Lading. In case there is a rise in LME price by more than 10%, LC value to be enhanced within 3 days of receipt of such request from HZL.

\*LC to allow for confirmation at HZL's cost

\*LC to allow for multiple negotiations

\*LC to have TT reimbursement clause for payment within 2 working days.

\*All charges outside India to be borne by the applicant.

## **Splitting limits**

Zinc      0.30%  
Silver     20 gram/dmt

## **Weighing / Sampling / Moisture determination**

These operations shall be carried out at the port of loading. In accordance with international practice under the supervision of a reputable supervision company. Lots size about 500 wmt each. Buyer shall have the right to be represented at their own expenses.

## **Deductions**

Treatment Charge

Treatment Charges to be quoted in USD /DMT on a flat basis without scales delivered CIF MCP or freight parity

All fractions pro rata

### **Penalties**

No penalties shall apply.

### **Quotational Period**

The quotational period will be Avg of Feb 10 for 3700MT metal and balance metal month after the month of shipment. Ag will be Avg month of FEB 2010

### **Payable Metals**

Zinc: The Zinc to be paid for each DMT of Zinc concentrate shipped hereunder shall be 85% (Eighty-five percent) of the full Zinc content, subject to a minimum deduction of 8.00 (Eight) units/DMT, at a price equal to the daily official LME Settlement Quotation for Standard Zinc in US Dollars, as correctly published in the "London Metal Bulletin" and averaged over the applicable Quotational Period.

Silver: The silver to be paid for each DMT of Zinc concentrate shipped hereunder shall be 70% (seventy percent) of the balance silver content, subject to a minimum deduction of 3 troz at a price equal to the daily official LBMA Spot Quotation for Silver in US Cents, as correctly published in the "London Metal Bulletin" and averaged over the applicable Quotational Period.

### **Assays**

To be exchanged in the usual manner by crossing courier i.e. Buyer and Seller certificates. Buyer to furnish assay results on the letterhead of LME registered laboratory. In case delay in exchange beyond to 60 days, penalty will be application @ 0.30% p.a. on final bill value

### **Information to bidders**

HZL reserves the right to accept any bid or reject any or all the bids, received. Should the seller for any reasons refrain from concluding a contract with the successful bidder, the latter shall have no right to claim any damages in this connection

The bids to be submitted by 1500 hrs Indian time on Thursday 21<sup>st</sup> Jan 2010 at the fax no +91 1472 255 647 and email to [vimal.godha@vedanta.co.in](mailto:vimal.godha@vedanta.co.in) and [sundeep.prasanna@vedanta.co.in](mailto:sundeep.prasanna@vedanta.co.in). The bids should be valid till 1700 hrs Friday 22<sup>nd</sup> Jan 10

Annexure 1

Detailed assay of RDM Zinc Concentrate

Elements	Range			Average
Pb (%)	2.1	-	2.9	2.30
Zn (%)	46		49	48.00
Cu (%)	0.1	-	0.2	0.08
Fe (%)	8	-	10.0	9.00
Ag (ppm)	150	-	190	175
Cd (%)	3500	-	4000	3700
ISM (%)	6.1	-	7.5	7.16
SiO <sub>2</sub> (%)	4.4	-	5.2	4.95
Gr.C (%)	1.5	-	2.5	2.01
Hg (ppm)	200	-	320	260
As (%)	0.25	-	0.35	0.3
Co (ppm)	45	-	55	50
Ni (ppm)	25	-	50	37.5
Sb (%)	0.25	-	0.35	0.3
Bi (ppm)	25	-	55	40
Mn (%)	0.15	-	0.30	0.225
Cl(%)	<0.005	-		
F(ppm)	350	-	400	375
S(%)	31	-	37	34
%Moisture	9		10	9.5
Size analysis:		65 to 75%(-400#)		