

**His Majesty's Government
Ministry of Finance
Privatization Cell**

Notice

ON

**The Privatization of Lumbini Sugar Mills Ltd.(LSML) by
Selling its Current Assets including Machines and by
Leasing the Land and Buildings.**

First Date of Publication

(6 September 2005)

With the objective of promoting private sector participation in the economic development of the nation, His Majesty's Government of Nepal (HMG/N) has decided to privatize Lumbini Sugar Mills Ltd by selling its business including the machinery plants and current assets on "as is where is basis" and by leasing the land and buildings mentioned in the Bid Document for at least 25 (Twenty five) years. As per decision, the interested individuals, firms, companies, cooperatives and joint venture companies are informed by this public notice to submit their proposals based on the following procedures for this purpose.

1. The Information Memorandum and Bid Documents shall be made available to the potential bidders from the Privatization Cell, Ministry of Finance after fulfilling the following conditions:
 - a. Signing the Confidentiality Agreement attached with the Information Memorandum.
 - b. Submitting evidence to show a deposit amounting to Rs. 10,000/ (Rs. Ten thousands only) for national bidders and US\$ 150.00 (US\$ One hundred fifty only) for international bidders in Account Number Sa. A. 131855/057 of Privatization Cell, MoF at Nepal Rastra Bank Thapathali, Kathmandu, Nepal. (The amount shall not be refundable.).
2. The business information about the factory, Bid forms and the draft agreements are included in the Information Memorandum and Bid Documents.
3. The proposal must be submitted by the bidders or their representatives in the Privatization Cell, Ministry of Finance within office time. The Bid Bond of worth Rs. 20,00,000/ (Rs. two million) valid for at least 6 months should be attached with the Technical Part of the proposal
4. Four copies each of technical and financial proposal including all related documents shall be submitted. At least one set of each documents submitted, shall be clearly marked by "ORIGINAL.". All the documents attached with the proposal shall be the property of HMG/N. The proposals should be submitted in two separate sealed envelopes.

On the top right side of the sealed envelope containing the technical proposal, it must be clearly marked by "The Technical Part of the Proposal for the Purchase/Lease of Lumbini Sugar Mills Ltd "

On the top right side of the sealed envelope containing the financial proposal, it must be clearly marked by "The Financial Part of the Proposal for the Purchase/lease of Lumbini Sugar Mills Ltd".

Both the envelopes must contain the name, address, telephone number, fax number and e-mail address of the bidder/ representative or contact person.

5. Proposals must be submitted to Privatization Cell, Ministry of Finance, Singh Durbar, Kathmandu, Nepal within 45 days of the first publication of this notice. The technical proposal will be opened in the presence of representatives of the bidder at 2:00 p.m. on the day immediately after the last date of submission but the absence of any of the bidder's representatives shall not affect the opening of the proposal in the stipulated time. If the day stipulated for opening the proposal happens to be public holiday, it will be opened on next day when the office opens. The proposals submitted after the deadline will not be acceptable.
6. The technical proposal will be evaluated on the basis of the following criteria.

Criteria		Marks
1	Bidder/Investor's Business Experience	25
2	Bidder/Investor's Experience in Similar Business (Sugar Production and Sales)	15
3	Financial Capability	20
4	Business Plan a. Capacity Improvement, Credibility and Qualitativeness (20) b. Employment Generation(20)	40
Total:-		100

7. The Bidders, found to be satisfactory in the technical evaluation of the proposals as mentioned in (6) above, shall be listed as pre-qualified bidders and the financial proposals of such bidders will be opened publicly. The financial proposals of the bidders who do not qualify technically shall be returned unopened.
8. Detailed information regarding the mills are included in the Information Memorandum and Bid Documents. Interested bidders are requested to contact at the following address for further information.
9. His Majesty's Government/Nepal (HMG/N) has assumed all the previous liabilities including the liabilities relating to employees of the company.

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