

NTPC LIMITED
(A Govt. of India Enterprise)
CORPORATE CONTRACTS, NOIDA
INVITATION FOR BIDS (IFB)
FOR
DEVELOPMENT AND OPERATION OF KERENDARI 'A' COAL BLOCK, DISTRICT
HAZARIBAGH, STATE OF JHARKHAND, INDIA
(Domestic Competitive Bidding)

IFB No. / Bidding Doc. No.: CS-7012-602(R4)-9

Date: 28.06.2021

1.0 NTPC Limited (NTPC) invites online bids on **Single Stage Two Envelope bidding basis (Envelope-I: Techno-Commercial Proposal & Envelope-II: Price Proposal) with Reverse Auction** from eligible bidders for Development and Operation of Kerendari `A` Coal Block, District Hazaribagh, State of Jharkhand, India as per the Scope of Work mentioned hereinafter.

2.0 Brief Scope of Work

The MDO shall plan, design, engineer, finance, construct, develop, operate and maintain the Kerendari Coal Mine (for which Mining Plan and Mine closure Plan has been approved by MoC) to deliver coal of specified quantity and quality to NTPC which includes Mine Development activities required for project. This shall interalia involve Land Acquisition and R&R related activities such as interaction with PAPs, State Government and other agencies, physical possession of land etc.

It also includes excavation of various rocks/earth cutting by mechanized means, loading, transportation, dumping, dozing, mining of coal, leveling at OB dumping site to ensure progressive mine closure and infrastructures facilities like equipment workshop, electrical substations, pumping arrangements, haul road maintenance, Diversion of nala, strengthening of nala, Construction of internal roads etc., and discharge of coal to delivery point and compliance to all statutory rules, regulation and laws as applicable.

3.0 Detailed scope of work, specifications and terms & conditions are given in the bidding documents which are available for examination and sale as per the details given below:

Bidding Documents Sale Start Date	28.06.2021
Last Date of Receipt of Queries from Bidders	12.07.2021 till 1700 Hrs. (IST)
Pre Bid Conference Date & Time	12.07.2021 at 1500 Hrs. (IST)
Last date & Time for receipt of Bids [Both Techno-Commercial Proposal (Envelope-I) and Price Proposal (Envelope-II)]	27.07.2021 up to 1500 Hrs. (IST)
Techno-Commercial Proposals (Envelope-I) Opening Date & Time	29.07.2021 at 1500 Hrs. (IST)
Cost of Bidding Document	INR 22,500/- (Indian Rupees Twenty Two Thousand Five Hundred only) per set

The date of opening of Envelope-II (Price Proposals) and Reverse Auction shall be intimated separately by NTPC.

4.0 Bid Security Declaration shall be submitted in a sealed envelope separately offline by the stipulated bid submission closing date and time. Any bid not accompanied by an acceptable Bid Security Declaration in a separate sealed envelope shall be rejected by Employer as being non-responsive and shall not be opened.

4.1 *Further, any 'Bidder from a country which shares a land border with India', as specified in the Bidding Documents, will be eligible to bid in this tender only if bidder is registered with the Competent Authority as mentioned in the Bidding Documents.*

4.2 *'Class-I local suppliers' only are eligible to participate in this tender, as defined in the bidding documents/ Public Procurement (Preference to Make in India), Order 2017 and its subsequent amendments/ revisions issued by DPIIT. The bidders may apprise themselves of the relevant provisions of bidding documents in this regard before submission of their bids.*

5.0 Qualifying Requirements

In addition to the satisfactory fulfilment of the requirements stipulated under section ITB, the following shall also apply:

5.1 Technical Criteria

Bidder should have carried out for itself or as a contractor or sub-contractor, excavation and transportation of Overburden by mechanized means and/or excavation and transportation of coal/ lignite/ iron ore/ bauxite/ manganese ore/ copper ore by mechanized means during the past 7 (seven) years reckoned from the date of opening of the Techno-commercial Bids such that the total composite volume of such excavation and transportation during any period of 1 (one) Year (consecutive 365 days) in the aforesaid period of 7 (seven) years is more than **15.2 million bank cubic meter** (the qualifying quantity), from maximum 5 (five) opencast mines of coal/ lignite/ iron/ bauxite/ manganese/ copper; provided that the quantity handled in at least one mine should not be less than 40% of the qualifying quantity (i.e. **6.08 million bank cubic meter**).

For the purpose of the Bid, the specific gravity of coal, lignite, iron ore, bauxite, manganese ore and copper ore shall be considered as [1.6], [1.15], [4.0], [2.4], [3.7] and [3.0] respectively.

The start date and end date of the qualifying period shall be specified by the Bidder. The start date and end date of each work claimed for qualifying experience shall fall on or within the dates specified in the qualifying period.

5.2 Financial Criteria

a) In any three consecutive Financial Years, as proposed by the Bidder out of preceding four Financial years, as on the date of opening of Techno-commercial bids:

i) The average annual turnover of the Bidder should not be less than **INR 8100 Million (Indian Rupees Eight Thousand One Hundred Millions)** or in equivalent foreign currency; and

ii) The average annual cash accrual of the Bidder should not be less than **INR 900 Million (Indian Rupees Nine Hundred Millions)** or in equivalent foreign currency. The Bidder must have a positive cash accrual in the last Financial Year out of the three consecutive Financial Years considered by the Bidder.

- b) Net Worth of the Bidder as on the last date of the last financial year out of the three consecutive Financial Years, as proposed by the Bidder at clause 5.2(a) above should not be less than **INR 4500 million (Indian Rupees Four Thousand Five Hundred Millions)** or in equivalent foreign currency, which should be equal to or more than 100% of its paid up share capital.
- c) The unutilized line of credit for fund based and non-fund based limits with cash and bank balances including fixed deposits of the Bidder as on a date not earlier than 15 days prior to the date of Techno-commercial Bid opening, duly certified by its Bankers should not be less than **INR 378 Million (Indian Rupees Three Hundred Seventy Eight Millions)** or in equivalent foreign currency. In case certificates from more than one bank are submitted, the certified unutilized limits should be of the same date from all such banks.
- i) Where another Company of the Group acting as the Treasury Centre is responsible for Treasury Management of the Bidder having combined credit/guarantee limit for the whole group, the Bidder would be required to provide a Banker's certificate regarding the unutilized line of credit for fund based and non-fund based limits together with cash and bank balances including fixed deposits available to such Treasury Centre. Further, Treasury Centre shall certify that out of the aforesaid limits certified by the bankers, the Bidder shall have access to the line of credit of a level not less than the specified amount at clause 5.2 (c) above. In proof of this, the Bidder would be required to furnish along with its Techno-commercial Bid, a Letter of Undertaking from the Treasury Centre, supported by a Resolution passed by the Board of Directors of the Holding Company, as per the format enclosed in the bidding documents, pledging unconditional and irrevocable financial support for the execution of the Contract by the Bidder in case of award.
- ii) In case the Bidder's unutilized line of credit for fund based and non-fund based limits specified at clause 5.2 (c) above is not sufficient, a comfort letter from one of the bankers specified in the bidding documents unequivocally stating that in case the Bidder is awarded the contract, the Bank would enhance line of credit for fund based and non-fund based limits to a level not less than the specified amount to the Bidder or to the Treasury Management Centre as the case may be, shall be acceptable.

5.3 ROUTES

The Bidder shall be either a single corporate entity or a consortium of up to three corporate entities and may follow any one of the following routes:

5.3.1 ROUTE - 1

Bidder fulfils all the requirements at clause 5.1 & 5.2 on its own.

5.3.2 ROUTE - 2

- i. In case a Bidder does not meet the requirement of clause 5.1 & 5.2 above on its own, it can quote on the basis of experience of its Subsidiary (ies) and /or Holding Company and/or Subsidiaries of its Holding Company. In such a case the consolidated experience of Bidder and its Subsidiary (ies) and/or Holding Company and/or Subsidiaries of its Holding company shall be considered, as applicable.

However, Bidder on its own should meet either Technical Criteria at clause 5.1, or financial criteria at Clause 5.2 above.

- ii. The Bidder, who meets the requirements of clause 5.2 on its own and meets the requirement of Clause 5.1 above based on the strength / experience of its Subsidiary (ies) and/or Holding Company and/or Subsidiaries of its Holding company will be required to furnish a legally enforceable Joint Operating Agreement (JOA) executed between the Bidder and its Subsidiary (ies) and/or Holding Company and/or Subsidiaries of its Holding company extending experience / strength to the Bidder along with its Techno-commercial Bid, valid for at least 5 years, which will have to be extended till such time the mine achieves 85% of the contracted capacity of the project, as per the formats enclosed in the bidding documents. The number of executants of the JOA shall not exceed three including the Bidder. Further each of the executants of the JOA other than the Bidder shall be required to submit a performance guarantee equivalent to 1% of the estimated annual contract value towards the faithful performance of terms & conditions contained in JOA as per the format specified in the bidding documents. These performance guarantee(s) shall be in addition to the Contract Performance Guarantee to be submitted by the Bidder as per bidding documents and shall be kept valid and operative till 90 days after the expiry of the validity of JOA.
- iii. The Bidder who meets the requirements of clause 5.1 on its own and meets the requirement of clause 5.2 based on the strength / experience of its Subsidiary (ies) and/or Holding Company and/or Subsidiaries of its Holding company will be required to furnish along with its Techno-commercial Bid, a Letter of Undertaking from the Subsidiary (ies) and/or Holding Company and/or Subsidiaries of its Holding company, supported by Board Resolution of such company(ies), as per the format enclosed in the bid documents, pledging unconditional and irrevocable financial support for the execution of the Contract by the Bidder in case of award. The number of such Subsidiary (ies) and/or Holding Company and/or Subsidiaries of its Holding company lending strength/experience to the Bidder shall not exceed three including the Bidder.
- iv. Net worth of the Bidder and its Subsidiary (ies) and/or Holding Company and/or subsidiary(ies) of its Holding Company, lending strength /experience to the Bidder for meeting Technical or Financial Criteria, in combined manner, should be equal to or more than 100% of their total paid up share capital, as on the last date of the last financial year out of the three consecutive Financial Years, considered by bidder for meeting Financial Criteria. However, net worth of the Bidder and its Subsidiary (ies) and/or Holding Company and/or Subsidiary(ies) of its Holding Company, seeking qualification under this Route, as on the last date of the last financial year out of the three consecutive Financial Years, considered by Bidder for meeting financial criteria, should not be less than 75% of their respective paid up share capital individually.

5.3.3 ROUTE - 3 (Consortium)

- i. Bidder may be a Consortium of up to three corporate entities and should collectively meet the requirement of technical criteria mentioned at clause 5.1 above. At least one of the Consortium partner should have handled at least 40% of the qualifying quantity mentioned at clause 5.1 from single mine (i.e. **6.08 million bank cubic meter** from single mine).
- ii. All the Consortium members shall select one of the members as the “leader” who should meet on its own financial criteria mentioned at clause 5.2 above.

- iii. Net worth of all the consortium members in combined manner, as on the last date of the last financial year out of the three consecutive Financial Years, proposed by Bidder for meeting Financial Criteria, should be equal to or more than 100% of their total paid up share capital. However, net worth of each member of the consortium excluding the leader, as on the last date of the last financial year out of the three consecutive Financial Years, considered by Bidder for meeting Financial Criteria, should not be less than 75% of their respective paid up share capital individually.
- iv. Each member of the consortium should meet either
 - a. At least 20% of the Qualifying Quantity mentioned at clause 5.1 i.e. **3.04 Million bank cubic meter** of overburden and/or coal/ lignite / iron/ bauxite/ manganese/ copper from a maximum of five open cast mines of Coal / Lignite/ Iron/ Bauxite/ Manganese/ Copper, in any year. However, the total number of mines to be considered for meeting the technical criteria at clause 5.1 collectively by all consortium members shall not exceed five.
 - or
 - b. At least 20% of the absolute value(s) of the Financial Criteria mentioned at clause 5.2 above.
- v. In this route, none of the consortium members will be allowed to draw any technical or financial strength from its Subsidiary (ies) and/or Holding Company.
- vi. Each of the Consortium members will be required to furnish a legally enforceable Consortium Operating Agreement (COA) along with Techno-commercial Bid holding themselves jointly & severally responsible and liable to NTPC to perform all contractual obligations, valid for the entire period of contract, as per the format enclosed in the bidding documents. The number of executants of the COA should not exceed three.

NOTES:

- i) The word “overburden” shall also include “inter-burden provided it is measured and accounted separately.”
- ii) For criteria at clause 5.1 in case the Bidder is seeking qualification as a mine owner, the volume of overburden/coal/lignite/ iron ore/ bauxite/ manganese ore/ copper ore production should be certified by Statutory Auditor of the Bidder.
- iii) For criteria at clause 5.1, in case the Bidder is seeking qualification as a mine operator under a contract, the Bidder should submit a copy of the Contract Agreement and a certificate of production of Overburden/coal/lignite iron ore/ bauxite/ manganese ore/ copper ore from the Owner.
Alternatively, a certificate from the Statutory Auditor of the Bidder certifying the volume of overburden/coal/lignite/ iron ore/ bauxite/ manganese ore/ copper ore production
- iv) “Holding Company” and “Subsidiary” shall have the meaning ascribed to them as per Companies Act, in vogue.
- v) In case the Bidder is not able to furnish its audited financial statements on stand alone entity basis, the unaudited unconsolidated financial statements of the Bidder can be considered acceptable provided the Bidder further furnishes the following documents for substantiation of its qualification:
 - i. Copies of the unaudited unconsolidated financial statements of the Bidder along with copies of the audited consolidated financial statements of its Holding Company.

- ii. A Certificate from the Chief Executive Officer (CEO)/Chief Financial Officer (CFO) of the Holding Company, as per the format enclosed in the bidding documents, stating that the unaudited unconsolidated financial statements form part of the Consolidated Financial Statements of the Company.

In case where audited results for the last preceding financial year are not available, certification of financial statements from a practicing Chartered Accountant shall also be considered acceptable.

The provisions of this Note (v) shall also be applicable for Subsidiary Company/ Holding Company / subsidiary of Holding Company / Consortium Members.

- vi) Net worth means the sum total of the paid up share capital and free reserves. Free reserve means all reserves credited out of the profits and share premium account but does not include reserves credited out of the revaluation of the assets, write back of depreciation provision and amalgamation. Further any debit balance of Profit and Loss account and miscellaneous expenses to the extent not adjusted or written off, if any, shall be reduced from reserves and surplus.
- vii) For clause 5.3.2 (iv), Net worth in combined manner as percentage of Paid up Share capital shall be calculated as follows:

If Net worth of the bidder (X1) and two of (X2 & X3) Subsidiary(ies) and/or Holding Company and/or Subsidiary(ies) of its Holding Company is X1, X2 & X3 respectively and corresponding Paid up share capital of the bidder and Subsidiary (ies) and/or Holding Company and/or Subsidiary(ies) of its Holding Company is Y1, Y2 & Y3 respectively, then

$$\text{Networth (in combined manner)} = \frac{X1+X2+X3}{Y1+Y2+Y3} \times 100\%$$

- viii) For clause 5.3.3 (iii), Net worth in combined manner as percentage of Paid up Share capital shall be calculated as follows:

If Net worth of the three Consortium partners is X1, X2 & X3 respectively and corresponding Paid up share capital of the three Consortium partners is Y1, Y2 & Y3 respectively, then

$$\text{Networth (in combined manner)} = \frac{X1+X2+X3}{Y1+Y2+Y3} \times 100\%$$

- ix) For meeting financial criteria, Bidder under Route-1 shall consider the same set of three consecutive Financial Years.

For meeting financial criteria, Bidder and its Subsidiary(ies) and/or Holding Company and/or Subsidiary(ies) of its Holding Company under Route-2 shall consider the same set of three consecutive Financial Years.

For meeting financial criteria, all the Consortium Members under Route-3 shall consider the same set of three consecutive Financial Years.

- x) Cash Accrual shall mean the net cash flow from operations i.e. PAT + Depreciation + Other non-cash expenses.
- xi) Other income shall not be considered for arriving at annual turnover.
- xii) For unutilized line of credit for fund based and non-fund based limits, Cash Accrual, Net worth and Turnover indicated in foreign currency, the exchange rate as on 7 days prior to the date of opening of Techno-commercial bid shall be used.

xiii) In case the bidder has executed any reference work as a JV partner/consortium member, the experience of the bidder shall be considered equivalent to the executed value of work corresponding to value of work under the scope of bid only as per the JV/Consortium Agreement/certified by owner/statutory auditor etc. (as applicable). In case bidder is not able to substantiate the above with documentary evidence, the experience of the bidder shall be considered in proportion to the bidder's equity participation as per JV/consortium agreement or other documentary evidence. However, experience in JV/consortium with equity participation less than 10% shall not be considered.

6.0 NTPC reserves the right to reject any or all bids or cancel/withdraw the Invitation for Bids without assigning any reason whatsoever and in such case no bidder/intending bidder shall have any claim arising out of such action.

7.0 A complete set of Bidding Documents may be downloaded by any interested Bidder from NTPC e-tender website <https://eprocurrentpc.nic.in>. **Tender Fee** towards the cost of bidding documents shall be submitted in the form of a crossed Demand Draft/Pay Order/Bankers Cheque/Online Transfer for an amount as indicated above, in favour of **“NTPC Limited”**.

For logging on to the e-Tender Site <https://eprocurrentpc.nic.in>, the bidder would require user ID, password and Class-III Digital Signature.

For downloading of bidding document, procedure for submission of bids & Reverse Auction methodology, bidders may please refer to the link “Bidders Manual Kit” given on home page of NTPC's e-tender website <https://eprocurrentpc.nic.in>.

Issuance of bid documents to any bidder shall not construe that such bidder is considered to be qualified. Bids shall be submitted and opened at the address given below.

8.0 Address for Communication:

AGM / Sr. Manager / Manager
Contract Services
NTPC Limited, 6th Floor,
Engineering Office Complex,
Plot No.: A-8A, Sector-24, NOIDA (State of Uttar Pradesh)
PIN - 201301
Ph. No: +91-120-4946662 / 4946605 / 4946679
Fax Nos. : + 91-120-2410011
Email: bmandal@ntpc.co.in, gstrandhawa@ntpc.co.in; skvashisth@ntpc.co.in

Websites: <https://eprocurrentpc.nic.in> or www.ntpctender.com or www.ntpc.co.in

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