

**The West Bengal Power Development Corporation Limited
(A Government of West Bengal Enterprise)**

EXECUTIVE SUMMARY OF REQUEST FOR PROPOSAL (RFP) for

SELECTION OF MINE DEVELOPER AND OPERATOR for

**DEVELOPMENT AND OPERATION OF BARJORE AND GANGARAMCHAK AND
GANGARAMCHAK-BHADULIA COAL BLOCK
IN RANIGANJ COALFIELDS IN BIRBHUM DISTRICT OF WEST BENGAL, INDIA**

(Through Competitive Bidding)

1. The West Bengal Power Development Corporation Limited (WBDCL) invites bids on a **Single Stage Two Part basis (Techno-Commercial Proposal and Financial Proposal)** from eligible bidders for the development and operation of Barjore and Gangaramchak and Gangaramchak-Bhadulia Coal Block, in Raniganj Coalfields in the Birbhum District of West Bengal, as per the Scope of Work mentioned hereinafter.
2. The Barjore Coal Block is a 0.50 MTPA open cast coal mine with remaining coal reserves of about 1.24 MT and an average stripping ratio of 7.2. The Gangaramchak and Gangaramchak-Bhadulia Coal Block is a 1.00 MTPA open cast coal mine with remaining coal reserves of about 8.76 MT and an average stripping ratio of 4.94. WBDCL is looking to select a Mine Developer and Operator (MDO) to develop and operate the both mines for their remaining Life of Mine, which is about 3 years for Barjore and 11 years for Gangaramchak and Gangaramchak-Bhadulia or till expiry or termination of the mining lease, whichever is earlier.
3. **Scope of work for Mine Developer and Operator**
 - i) Development and augmentation of infrastructure of the mine
 - ii) Drilling and blasting operations with appropriate safeguards and compliance to statutory requirements
 - iii) Excavation of OB by excavators and transportation by dumpers to OB dumping locations
 - iv) Mining of ROM coal by using excavators and dumpers/tippers as per the Mining Plan and transportation of coal by dumpers to the mine pit top
 - v) Crushing of coal to -100 mm size
 - vi) Delivery of coal at the Delivery Point, which interalia includes the following:
 - a) Loading of coal from the mine pit top to tipper trucks for transportation
 - b) Transportation of coal by tipper trucks to the Bakreshwar Power Plant
 - vii) Facilitating and assisting WBDCL in pending land acquisition, pending statutory clearances, R&R activities and obtaining physical possession of land.
 - viii) Retain the existing employees of the mines
 - ix) Complying with all applicable laws and regulations regarding mine operations and maintenance, safety practices, protection of the environment etc.

4. Schedule of the Bidding Process:

Sl. No.	Event	Tentative Schedule
1	Publication of advertisement in newspapers	16 th February 2016
2	Availability of an Executive Summary (free of cost) on the following websites: i) MSTC www.mstcecommerce.com/eprochome/mdo ii) WBPDCCL (http://www.wbpdcl.co.in/) iii)WBMDTCL (http://www.wbmdtc.com/)	16 th February 2016
3	Start of registration of bidders on MSTC website	16 th February 2016
4	Start of receipt of bid document cost and download of bid documents	16 th February 2016
5	Site visit	22 nd February 2016 to 25 th February 2016
6	Pre-bid meeting	26 th February 2016 Venue: WBPDCCL Corporate Office in Kolkata Time: 1130 hours
7	Presentation and demo on e-tendering submission by MSTC	26 th February 2016, post the pre-bid meeting
8	Last date for receipt of pre-bid queries (queries to be emailed to mdo@mstcindia.co.in)	28 th February 2016
9	Issue of responses to pre-bid queries, addendum/ corrigendum if required	5 th March 2016
10	Demo of e-tendering submission on MSTC website	MDO/15-16/ET/Demo is running .New Bidders can bid after paying bid document fee
11	Start date for submission of Techno- Commercial Proposal and Financial Proposal on MSTC website and physical submission of the original documents related to bid submission	8 th March 2016 1100 hours
12	Last date for registration and receipt of bid document cost	21 st March 2016
13	Last date for downloading the bid documents	22 nd March 2016 1100 hours
14	Last date for submission of Techno Commercial Proposal and Financial Proposal on MSTC website	22 nd March 2016 1400 hours
15	Last date for physical submission of the original documents related to bid submission	22 nd March 2016 1400 hours
16	Opening of Techno Commercial Proposals (on the MSTC website)	22 nd March 2016 1600 hours
17	Opening of the original documents submitted by bidders (in presence of bidders who choose to attend)	24 th March 2016 Venue: WBPDCCL Corporate Office in Kolkata Time: 1500 hours
18	Announcement of technically qualified bidders and intimation to bidders by email	To be communicated later
19	Reverse Auction process	To be communicated later
20	Display of comparative statement	To be communicated later
21	Issue of LOA	To be communicated later
22	Signing of Coal Mining Agreement	To be communicated later

Any change to the above schedule shall be notified on the MSTC website as well as the websites of WBPDCCL and WBMDTCL. Interested parties are advised to regularly check these sites.

5. Qualification Requirements – Technical Criteria

5.1 A bidder shall meet the following technical criteria:

5.1.1 The Bidder should have in any continuous 12 (twelve) month period in the last 7 (seven) calendar years, reckoned from the last date of submission of bids, mining experience of having owned/operated and produced at least **4.8 million BCM** of aggregated volume of overburden and/or coal/ lignite from up to 3 (three) open cast mines located in India. The same continuous 12 (twelve) month period shall be considered across the mines.

AND

5.1.2 The Bidder should have in any continuous 12 (twelve) month period in the last 7 (seven) years mining experience of having operated and produced at least **2.4 million BCM** of aggregated volume of overburden and/or coal/ lignite from a single open cast mine.

5.1.3 The specific gravity (tonnes/ cubic meter) to be used for converting tonnes of coal/lignite to BCM are: Coal – 1.50 and Lignite – 0.80

5.1.4 BCM shall be calculated as = (Coal or lignite produced in MT / specific gravity) + overburden removed in cubic meters

6. Qualification Requirements – Financial Criteria

6.1 The average net worth of the bidder during the last 3 (three) financial years should be at least Rs. **29,00,00,000/- (Rupees Twenty Nine Crores only)**. Additionally the net worth of the bidder (and for a consortium bidder, each member of the consortium) shall be positive (greater than zero) in each of the last 3 (three) financial years.

AND

6.2 The average annual turnover of the bidder in the last 3 (three) financial years should be at least Rs. **142,00,00,000/- (Rs One Hundred and Forty Two Crores Only)**.

AND

6.3 The bidder should have unutilized credit limits (duly certified by its bankers) for fund based and non-fund based limits together with cash and bank balances including fixed deposits as on a date not earlier than 30 (thirty) days from the last date of submission of bids, of at least **Rs. 4,30,00,000/- (Rupees Four Crores and Thirty Lakhs only)**.

7. Credentials of Subsidiary/ Subsidiaries and/or Holding Company and/or the Subsidiary/ Subsidiaries of Holding Company

A bidder, whether it is a Single Bidder, or member of a Consortium, may fulfill the Technical Criteria and the Financial Criteria either on its own or on the basis of its own experience and credentials as well as the experience and credentials of up to 2 (two) of its Subsidiary/ Subsidiaries and/or Holding Company and/or the Subsidiary/ Subsidiaries of its Holding Company.

8. Consortium

- 8.1** The bidders may be a consortium having up to 2 (two) corporate entities; the experience and credentials of the consortium members shall be added and considered for meeting the Technical Criteria and the Financial Criteria.
- 8.2** For meeting the Technical Criteria of 5.1.2, the total number of mines being considered shall not exceed 3 (three) mines from across the members of the consortium.
- 8.3** The consortium members shall nominate one of the members as the Lead Member through a binding Consortium Operating Agreement. The Lead Member should fulfill at least:
- i) The Technical Criteria given in Clause 6.1.2 shall be met by the Lead Member.

AND

- ii) 50% of the Financial Criteria for net worth, turnover and unutilized credit limit (clauses 6.2.1, 6.2.2 and 6.2.3 respectively) shall be met by the Lead Member.
- 8.4** Other conditions for bidders:
- 8.4.1** A bidder, irrespective of whether it is bidding as a single bidder or as a member of a consortium must be registered as a company under Indian laws and shall have its registered office in India.
- 8.4.2** In case a bidder (whether as a single bidder or as a member of consortium) is claiming mining experience where it is operating as part of a consortium or a joint venture, its experience shall be considered limited to the proportion of its ownership in such consortium or joint venture, as the case may be.
- 8.4.3** A bidder can submit only one bid either singly or as part of a consortium.
- 8.4.4** In case of a consortium, the Lead Member shall at least meet 50% of the Financial Criteria for net worth, annual turnover and unutilized credit limit

9 Bidding Process

- 9.1** A single stage two part process is being followed. The process shall be entirely conducted through the e-tendering mode on the MSTC website (www.mstcecommerce.com/eprochome/mdo). Bidders shall submit a Techno-Commercial Proposal and a Financial Proposal containing their Initial Price Offer. The Initial Price Offer submitted by a bidder shall not be greater than the Ceiling Price declared by WBPDC.
- 9.2** The Techno-Commercial Proposal would be evaluated as per the Qualification Requirements (QR) and the Financial Proposals of only technically qualified bidders would be opened.
- 9.3** The technically qualified bidders shall be ranked in ascending order based on their Initial Price Offer. Based on the ranking, the technically qualified bidders holding the first **75% (seventy five percent)** of the ranks (with any fraction rounded off to the higher integer) or five technically qualified bidders, whichever is higher, shall be eligible for participating in the Reverse Auction.
- 9.4** The lowest Initial Price Offer submitted by a Technically Qualified Bidder shall become the

Applicable Ceiling Price for the Reverse Auction. During the Reverse Auction, the Technically Qualified Bidders who are eligible for participating in the Reverse Auction shall be permitted to place their Final Price Offer on the MSTC website, provided that it is lower than the Applicable Ceiling Price by at least the minimum decrement amount. The Technically Qualified Bidder that submits the lowest Final Price Offer at the conclusion of Reverse Auction process shall be the “L1 bidder”. The L1 bidder shall be selected by WBPDCCL as the MDO, subject to certain due diligence to be done by WBPDCCL. During the Reverse Auction, the minimum decrement shall be **Rs. 2/- (Rupees Two only)** and any decrement shall be in multiples of **Rs. 2/- (Rupees Two only)** and if a new lower bid is received in the last 8 minutes of the auction, the auction shall be automatically extended by 8 minutes from the last received bid time.

9.5 At the time of issue of Letter of Award and signing of the Coal Mining Agreement, the Final Price Offer received from the L1 Bidder be considered as the following:

- i) Mining Charge – this shall be the sum of the Base Mining Charge for the production of coal and all associated activities in bringing the coal to the pit top of the mine and the Base Transportation & Handling Charge for transportation of coal from the mine pit top to the designated Delivery Point, inside the Barkreshwar Thermal Power Plant of WBPDCCL.

9.6 The Composite Mining Charge shall be revised every quarter based on the below formula:

- (a) 20% fixed
- (b) 25% linked to WPI
- (c) 25% linked to CPI for Industrial Workers
- (d) 30% linked to WPI for high speed diesel

9.7 Payment shall be made on the monthly bills submitted by the MDO; payment shall be released within 60 days of submission of bills. 10% of the monthly bill amounts shall be retained by WBPDCCL and shall be released by WBPDCCL at the beginning of each quarter, after the quarter end volumetric surveys.

10 Registration on MSTC website

10.1 All intending bidders are required to register their firms/ companies as Vendors on MSTC website (www.mstcecommerce.com/eprochome/mdo). For online registration, the bidder is required to click on the link ‘**Register as Vendor**’ provided on the above webpage. The bidder needs to fill up the online form with appropriate details and submit. The bidder should note that it is required to create its own user id and password during the process of filling up this form and no separate communication will be send for user id and password. The bidder shall itself remain responsible for maintaining the secrecy of its user id and password.

10.2 Upon successful submission of the online registration form, the bidder shall receive an e-mail on its registered e-mail address confirming the registration. The bidders shall have to pay a onetime registration fee of **Rs 10,000/- (Rupees Ten Thousand only)** along with service tax at the rate of 14% {**Total Rs 11,400/- (Rupees Eleven Thousand Four Hundred only)**} in favor of MSTC Limited. Bidders already registered on the MSTC portal need not pay the registration fees again. The payment can be made through NEFT or e-payment to MSTC’s following bank account.

Bank Details	:	Axis Bank ,Shakespeare Sarani Branch, Kolkata
Account Details	:	Axis Bank A/c.No.005010200057840
IFSC Code No.	:	UTIB0000005.

10.3 After remittance of the payment, the bidder should send the details of payment like remitting bank,

date of payment, UTR number, amount, name of the remitter and name of the bidder as registered in MSTC's website through e-mail to sanjibpoddar@mstcindia.co.in, arindam@mstcindia.co.in and smaity@mstcindia.co.in.

- 10.4** The bidder can then login in the same website as mentioned above through the 'Vendor Login' section. The bidder shall need a valid Class III Digital Signature Certificate (DSC) along with user id and password to login. The DSC which shall be used during the first login shall get mapped with the user id and the same DSC shall have to be used for all subsequent logins and bidding. Hence the DSC should be in the name of the person who shall act as the authorized signatory of the bidder for the bid process and bid submission.
- 10.5** A bidder needs to register only once with the above website. The same registration can be used for bidding in various RFPs being processed in the above website.

11 Payment of bid document cost

- 11.1** The bid document cost is **Rs. 50,000/- (Rupees Fifty Thousand only)**.
- 11.2** The payment towards the bid document cost is to be remitted in favor of MSTC Limited by NEFT or e-payment to MSTC's bank account as per following detail.

Bank Details : Axis Bank ,Shakespeare Sarani Branch, Kolkata
 Account Details : Axis Bank A/c.No.005010200057840
 IFSC Code No. : UTIB0000005.

- 11.3** After remittance of the payment, the bidder should send the details of payment like remitting bank, date of payment, UTR number, amount, name of the remitter and name of the bidder as registered in MSTC's website through e-mail to sanjibpoddar@mstcindia.co.in.
- 11.4** It may be noted that the download of bid documents, attending the site visit and pre-bid meeting, and bid submission shall be allowed only to those bidders who have registered on the MSTC website and also paid the requisite bid document cost.

12 Contact Persons from MSTC

Sl No	Name of Contact Person	Email	Land Line No	Mobile No
1	Mr Arindam Bhattacharjee	arindam@mstcindia.co.in	03322901004	9330102643
2	Mr. Sabyasachi Mukherjee	smukherjee@mstcindia.co.in		7278030407
3	Ms Sumana Maity	smaity@mstcindia.co.in		9831155225

13 Other important points

- 13.1** Amount of Bid Security to be submitted along with the bid by bidders (in the form of Bank Guarantee from a Scheduled Bank): **Rs. 1,15,00,000/- (Rupees One Crore and Fifteen Lakhs only)**.
- 13.2** Amount of Performance Security required to be furnished by Selected bidder (in the form of Bank Guarantee from a Scheduled Bank) after signing of the Coal Mining Agreements: **Rs. 7,65,00,000/- (Rupees Seven Crores and Sixty Five Lakhs only)**.

- 13.3 Ceiling Price: Rs. 1299/- (Rs. One Thousand Two Hundred Ninety Nine) per ton**
- 13.4** Nodal officer from WBPDCCL:
Shri Ambar Roy, General Manager (MMC) & Shri A.B. Haldar, Advisor (Mining)
Email: coalmines_rfp@wbpdccl.co.in; Phone: +91 83369 03682/ 83369 03745
- 13.5** Dedicated email address for this RFP: coalmines_rfp@wbpdccl.co.in
- 13.6** NIT No: WBPDCCL/GM(MMC)/NIT/Barjora and Gangaramchak & Gangaramchak-Bhadulia / 31
dt. 12.02.2016
- 13.7** RFP No.: WBPDCCL/GM(MMC)/NIT/Barjora and Gangaramchak & Gangaramchak-Bhadulia / 31
dt. 12.02.2016
- 13.8** E-Tender No: MDO/BGGB/15-16/ET/6
- 13.9** E-Reverse auction No: MDO/BGGB/15-16/RA/4