



MAHARASHTRA STATE POWER GENERATION CO. LTD.

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IFB No. DG/BSL U-6/2011/T-1/4677

Date: November 5, 2011

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DETAILED INVITATION FOR BIDS (IFB) (INTERNATIONAL COMPETITIVE BIDDING)

FOR

BHUSAWAL THERMAL POWER STATION 1X660 MW UNIT-6 PROJECT

- 1.0** Maharashtra State Power Generation Co. Ltd. (MAHAGENCO), invites bids in two bid system (Part – 1: Techno-commercial Bid and Part 2: Price Bid) for Design, Engineering, Manufacture, Assembly, Testing at Works, Supply at Site; Civil, Structural & Architectural Works and Erection, Testing & Commissioning of Bhusawal Thermal Power Station 1x660 MW Unit – 6 Project on Engineering Procurement & Construction (EPC) Basis from eligible bidders.
- 2.0** The bid specification can be purchased from the office of the Chief Engineer (P & P) upon payment of INR 100,000/- (in words INR One Hundred Thousands Only) OR USD 25,000/- (in words US Dollars Twenty Five Thousand only) inclusive of taxes thereon by cash (in case of payment in INR only) or by Demand Draft in favour of 'Maharashtra State Power Generation Co. Ltd.' Payable at Mumbai during 11.00 Hrs (IST) to 15.30 Hrs. (IST) on all working days from November 17, 2011 to December 3, 2011. The prospective bidder is required to submit the requisition on its letterhead which shall also include detailed postal address, fax no. of the bidder, name, e-mail ID and telephone No. of the contact person to whom communication is to be made. The bid specification shall be issued to the authorised representative carrying the requisition for bid specification. In case the prospective bidder requests for despatch of the bid specification to his address, the same shall be despatched by the Post/Air Mail/Courier, as the case may be, at an additional cost of INR 10,000/- (INR Ten Thousand Only) for delivery in India OR USD 5,000/- (US Dollars Five Thousand only) for International Delivery towards postal charges. However, MAHAGENCO does not assume any responsibility of postal/courier delays.

3.0 The schedule for the bidding shall be as under:

Sr. No.	Event	Date(s)
1.	Pre-bid Conference	January 3, 2012 11.00 Hrs. (IST) onwards
2.	Registration for e-tendering module	January 05, 2012 17.00 Hrs. (IST)
3.	Demo & Training Session for e-tendering module for submission of price bids online	January 10, 2012 11.00 Hrs. (IST) onwards
4.	Due Date for Submission of Bids	February 28, 2012 12.30 Hrs. (IST)
5.	Due Date for Opening of Part – 1 Bid (Techno-commercial Bid)	February 28, 2012 15.00 Hrs. (IST) onwards
6.	Due date for opening Part – 2 bids i.e. Price bids	Shall be notified later

4.0 Minimum Qualifying Requirements for the Bidders: The bidder should meet below mentioned Qualifying Requirements in addition to the other conditions stipulated under Instructions to Bidders:**4.1** The bidders shall be :

- a) a Qualified Manufacturer as defined under clause No. 4.2 below of (i) Pulverised Coal Fired Supercritical Steam Generator (SG), (ii) Supercritical Steam Turbine (ST) and (iii) Generator Set (GS)

OR

- b) a Qualified Manufacturer as defined under clause No. 4.2 below of SG/ST in consortium with a qualified manufacturer(s) as defined under clause No. 4.2 below of remaining equipment (SG /ST/GS as the case may be). In such a case, the bidder as well as his consortium partner(s) shall be jointly and severally liable to MAHAGENCO for successful performance of the contract if awarded. An irrevocable Consortium Agreement strictly in format stipulated in the bid specification executed among the consortium partners shall invariably be submitted along with the bid as a part of documental evidence of meeting stipulated qualifying requirements. In the event of award of contract, in addition to the performance bank guarantee to be furnished by the bidder, every consortium partner (except for the bidder) shall be required to furnish a separate on Demand Bank Guarantee equivalent to 1.5% of total contract price individually. Any of the members of the consortium (which shall also include as

stipulated under Clause 4.2 below, the parent manufacturer or Subsidiary/JV Company or the Indian Promoter holding more than 51% equity in the JV Company) shall not participate in the bidding in their individual capacity or as a member of another consortium.

4.2 The Qualified SG/ST/GS manufacturer, as the case may be, shall be any one of the entities as defined under Clauses 4.2.1 to 4.2.4 below:

4.2.1 The manufacturer (herein after referred to as the 'parent manufacturer') who has designed, engineered, manufactured/got manufactured, supplied, erected/ supervised erection, commissioned/supervised commissioning at least one number of 500 MW or more capacity i) Pulverised coal fired Supercritical Steam Generator along with associated auxiliaries (SG) and/or ii) Supercritical Steam Turbine along with associated auxiliaries (ST) and/or iii) Generator Set along with associated auxiliaries (GS) which is/are in successful operation at least for one year as on date of opening of bids and is having a subsidiary /Joint Venture company registered as per Indian Companies Act 1956 for manufacturing of respective equipment in India (if registered as public limited company, should have obtained certificate of commencement of business) prior to date of opening of bids provided:

- i) In case of Subsidiary, the equity participation of the parent manufacturer should be minimum 51% and in case of the JV Company, the equity participation of the parent manufacturer should be minimum 26% (In case of Parent Manufacturer of GS, the same shall be minimum 10%). In case of JV Company, one of the promoters shall have equity participation of minimum 51%.
- ii) The equity lock in period shall be at least 7 years from the date of incorporation of the subsidiary/Joint Venture Company or up to the end of the defect liability period of the contract, whichever is later.
- iii) Such subsidiary/ Joint venture company is having minimum subscribed and paid up capital of INR 500 Million (INR 50 Crores) as on the date of opening of bids. The promoters shall ensure that the minimum subscribed and paid up capital of such subsidiary/JV company is INR One Billion (INR 100 Crores) after opening of price bid but before the award of contract maintaining the equity proportion as stipulated above, failing which, the bid shall be disqualified.
- iv) Such subsidiary/ Joint venture company has a valid technology transfer agreement including license to manufacture and supply in India, with the parent

manufacturer for manufacturing respective equipment of type, size, rating as specified in technical specification valid minimum up to end of defect liability period of the contract. The technology transfer agreement should necessarily include transfer of technological know-how in the form of complete design dossier, design software, drawings and documentation, quality system manuals, imparting relevant training to the personnel of subsidiary/ Joint Venture Company.

- v) The Deed of Joint Undertaking (DJU) in format stipulated in the bid specification, executed among the parent Manufacturer(s), Indian Subsidiary/ Joint venture company and Indian Promoter(s), if existing, holding 25% or more equity in the Subsidiary /Joint Venture Company stipulating that all the executants of the DJU shall be jointly and severally liable to MAHAGENCO for successful performance of the equipment is submitted along with the bid.
 - vi) The executants of DJU give firm commitment to indigenise manufacturing of respective equipment as per Phased Manufacturing programme **stipulated in the bid specification.**
 - vii) Minimum 75% of the land required for setting up of the manufacturing facility in India is in possession with clear title in the name of such subsidiary/ Joint venture company prior to submission of bids (or in the name of Indian promoter but pledged/leased to such subsidiary/ Joint venture company).
 - viii) In case of award of the contract, in addition to the Contract Performance Security to be submitted by the bidder, every executants of the DJU(s) (except for the bidder, if applicable) shall submit on demand Bank Guarantee equivalent to 0.5% of the total contract price.
- 4.2.2** The subsidiary company/Joint Venture Company, as the case may be, stipulated under clause 4.2.1 above and meeting requirements as stipulated under 4.2.1 i) to 4.2.1 viii) above.
- 4.2.3** The Indian Promoter holding at least 51% of the equity in Joint Venture company stipulated under clause 4.2.1 above which meets requirements as stipulated under 4.2.1 i) to 4.2.1 viii) above. Such promoter should have engineered/got engineered, supplied, erected and commissioned during last 10 years large industrial projects on EPC basis (with or without civil works) in the area of power, steel, oil & gas, petrochemicals, fertilizer and / or any other process industry with the total value of contracts

executed pertaining to such projects being Rs. Ten Billion (Rs. 1,000 Crores) or more out of which contract(s) executed pertaining to at least one of such projects should be Rs. Four Billion (Rs. 400 Crores) or more. These projects shall be in successful operation for a period of not less than one year as on the date of opening of bids.

4.2.4 An Indian Manufacturer who has designed, engineered, manufactured/got manufactured, supplied, erected/ supervised erection, commissioned /supervised commissioning of at least one number of 500 MW or more capacity i) Pulverised Coal Fired Sub-Critical Steam Generator along with associated auxiliaries and/or ii) Sub-Critical Steam Turbine along with associated auxiliaries and/or iii) Generator along with associated auxiliaries which are in successful operation for at least one year as on date of opening of bids. However, to be qualified as the manufacturer of SG/TG, as the case may be:

- i) has valid ongoing collaboration and technology transfer agreement including license to manufacture and supply the Supercritical Steam Generator and/or Supercritical Steam Turbine of type, size and rating specified in the technical specification with the manufacturer(s) of respective equipment who meet the experience criteria stipulated under clause No. 4.2.1 above (herein after referred to as 'collaborator'). The collaboration/technology transfer agreement should necessary include transfer of technological know-how in the form of complete design dossier, design software, drawings and documentation, quality system manuals, imparting relevant training to the personnel of the Indian Company and shall be valid minimum up to end of defect liability period of the contract.
- ii) The Deed of Joint Undertaking (DJU) in format stipulated in the bid specification, executed among the Indian Manufacturer and the collaborator stipulating all the executants of the DJU shall be jointly and severally liable to MAHAGENCO for successful performance of the equipment and **to indigenise manufacturing of respective equipment as per phased manufacturing programme as stipulated in the bid specification** is submitted along with the bid (in case of different collaborator for SG and TG, separate DJU shall be submitted).
- iii) In case of award of the contract, in addition to the Contract Performance Security to be submitted by the successful bidder, every Indian Manufacturer (if the entity other than the successful bidder) and collaborator shall submit on

demand Bank Guarantee equivalent to 0.5% of the total contract price.

- 4.3** The bidder/consortium partner responsible for the Engineering should have experience of detailed engineering with his in-house engineering set up of at least two Nos. of 210 MW (one single unit) or more capacity or One No. of 500 MW (one single unit) or more capacity coal fired thermal power project(s) which are in commercial operation as on date of opening of bids. The scope of work shall necessarily include major packages of power plant viz.: i) Main Plant Island; ii) Coal Handling Plant; iii) Ash Handling Plant and iv) Cooling Tower and Water System (water treatment/waste water treatment, DM Plant and Circulating Water System). The certificate issued by the reference power station owner evidencing scope of work executed with in-house engineering set-up shall invariably be submitted along with the bid.

OR

The bidder shall furnish along with bid, the proof of tie-up till completion of the project, with an engineering consultancy firm who has executed contracts as Owner's Engineer or EPC Contractor's Engineer for at least two Nos. of 210 MW or more capacity or One No. of 500 MW or more capacity coal fired thermal power project(s) which are in commercial operation as on date of opening of bids. The scope of work shall necessarily include major power plant packages (including associated Civil Works) viz.: i) Main Plant Island; ii) Coal Handling Plant; iii) Ash Handling Plant and iv) Cooling Tower and Water System (water treatment/waste water treatment, DM Plant and Circulating Water System). The certificate issued by the reference power station owner evidencing scope of work executed shall invariably be submitted along with the bid. In case of award of the contract, the Consultant, within 30 days from the award of the contract, shall furnish to the owner, on demand bank guarantee equivalent to INR Twenty Million (INR Two Crores) or 0.05% of the contract value whichever is higher, valid beyond 90 days from the scheduled date of completion of guarantee period.

- 4.4** The bidder/consortium leader should have annual turnover of minimum INR Five Billion (INR Five Hundred Crores) or equivalent per annum for the preceding three consecutive years. The bidder shall submit a copy of audited annual accounts statements as a documentary evidence of the same. For the purpose of converting turnover from any foreign currency to Indian Rupee, the Reserve Bank of India (RBI) Reference rate prevailing as on the date of issuance of Invitation for Bids (IFB) shall be considered.
- 4.5** The net worth of the bidder as on last day of the preceding financial year as on the date of techno-commercial bid opening shall not be less than 100% of paid up share capital. The bidder shall submit a copy of audited annual accounts statements as a documentary evidence of the same.

- 4.6** The bidder must submit the relevant information regarding financial and commercial particulars in the appropriate columns of Annexure – III and the details regarding his experience to meet the qualification requirement in the Annexure – IV, enclosed with the Bid Specification.
- 4.7** Notwithstanding anything stated above, MAHAGENCO reserves the right to assess bidder's capability and capacity to perform, should the circumstances warrant such assessment in the overall interest of MAHAGENCO.
- 4.8** All above Qualifying Requirements should be read in totality and not in isolation.
- 5.0** Price Preference to Domestic Manufacturers: Pursuant to the Mega Power Project Policy of Govt. of India, the Indian Manufacturers are eligible for price preference as per the procedure laid down in the bid specification.
- 6.0** Bid Security: The bidder shall have to deposit an interest free Bid Security i.e. unconditional Earnest Money Deposit (EMD) amounting to INR 500,000,000/- (In words INR Five Hundred Million only) OR USD 12,000,000/- (USD Twelve Million only) along with the bid in the form stipulated in the bid specification.
- 7.0** MAHAGENCO does not bind itself to accept the lowest or any of the bids and reserves the right to accept any bid or reject any or all bids without assigning any reasons thereof.
- 8.0** MAHAGENCO reserves the right to withdraw this Invitation for Bids or cancel the bidding process at any time without assigning any reason for such decision.

Sd/-
Chief Engineer (P&P)
MAHAGENCO,
Mumbai – 400 051