

UDUPI POWER CORPORATION LIMITED
NOTICE INVITING TENDER
INTERNATIONAL COMPETITIVE BIDDING (ICB)

FOR SUPPLY OF COAL FOR UDUPI POWER PLANT, LOCATED AT YELLURU, UDUPI DISTRICT, KARNATAKA STATE, INDIA.

The Udupi Power Corporation Limited (UPCL) invites sealed bids from eligible bidders for supply of Coal as detailed in Bidding Documents No. **UPCL/ICB/02/2013-14**.

UPCL OVERVIEW:

Udupi Power Corporation Limited (UPCL) is a Limited Liability Company registered under the Companies Act 1956 of India with its registered office located at Le-Parc Richmonde, 2nd Floor, No. 51, Richmond Road, Bengaluru - 560 025, Karnataka, India and has set up an imported coal based 1200 MW (2 x 600 MW) Udupi Power Project (UPP) in Yelluru, Udupi District of Karnataka State, India. The commercial operation date of the Unit # 1 (600 MW) achieved on 11.11.2010 and the commercial operation date of the Unit # 2 (600 MW) achieved on 19.08.2012.

PROJECT INFORMATION:

PROJECT NAME	:	Udupi Power Plant
CAPACITY	:	2 x 600 MW
OWNER	:	Udupi Power Corporation Limited, Le-Parc Richmonde, 2 nd Floor, No. 51, Richmond Road, Bengaluru – 560 025, Karnataka, India.
POWER STATION LOCATION	:	Kolachuru, Yelluru Village, Nandikur Post – 574 138, Udupi District, Karnataka, India. The Power Station is at a road distance of about 35 kms north of Mangalore in Udupi District of Karnataka State, and is about 30 kms from the New Mangalore Port Trust

through Rail. The Power Station is accessible by Road from the State Highway connecting National Highway NH 66 (Between Mangalore and Mumbai via Goa) and Karkala Town. Nearest Airport is Mangalore International Airport, which is at a distance of about 35 kms from the Power Station

ELEVATION ABOVE MEAN SEA LEVEL : 20 Mtrs to 40 Mtrs above Mean Sea Level

ACCESS TO POWER STATION : Road: About 3 km North of Karkala Road
Nearest Town is Padubidri
Rail: Nearest Railway Station – Padubidri
Railway Station

1.0 SCOPE OF SUPPLY

To enter into fixed term Contract on CIF basis from the date of signing the contract till 31st December 2014. The CIF price to vary based on methodologies provided in Exhibit II D of ITB which has to be indicated by the Bidder in price bid for supply of 1.5 MTPA of steam coal having Gross Calorific Value of range 5900 kcal/kg to 6200 kcal/kg on as received basis with sulphur content 0.8 % (Max) on air dried basis, ash content 12 % (Max) on air dried basis and moisture content 15.5 %(Max) on as received basis. General terms & conditions of the supply contract are included in the bidding document (see Draft Coal Supply Agreement).

Bidders can quote for 0.5 MTPA or 1.0 MTPA or 1.5 MTPA of coal. However, minimum quantity of 0.5 MTPA should be from single source. The bidders quoting for 1.0 MTPA shall be prepared to accept the order from the Purchaser for 0.5 MTPA and bidders quoting for 1.5 MTPA shall be prepared to accept the order from the Purchaser for 1.0 MTPA or 0.5 MTPA.

2.0 BID QUALIFICATION REQUIREMENTS

The bid shall meet the qualifying requirements (QR) for financial capacity (2.1), technical capacity (2.2) and for transportation arrangement (2.3). Bidder shall also note the stipulation of Clause 2.4 "Limitations" as specified herein below:-

2.1 QR for Financial Capacity:

- a) **Net worth:** Bidder shall have minimum Net worth of Rs. 150/300/500 crores (Rs. one hundred and fifty crores/ three hundred crores/Five Hundred crores only) in accordance with the offered quantity of 0.5MTPA /1.0 MTPA/1.5 MTPA)) at the close of the preceding financial year i.e. 2012-13. Bidder shall provide Certificate(s) from its statutory auditors specifying the net worth of the bidder, as at the close of the preceding financial year and also confirming that for the purposes of this Tender Document, net worth (the "Net Worth") is computed considering the sum of subscribed and paid up equity and free reserves minus the sum of revaluation reserves, miscellaneous expenditure not written off and accrued liabilities including accumulated losses.
- b) **Turnover:** Bidder shall have minimum Turnover of Rs.350/700/1000 crores (Rs.three hundred and fifty crores/seven hundred crores/One Thousand Crore Only) respectively in accordance with the offered quantity of 0.5 MTPA / 1.0 MTPA / 1.5 MTPA) as at the close of immediate preceding 3 financial years i.e. 2010-11, 2011-12 and 2012-13. Bidder shall provide Certificate(s) from its statutory auditors specifying the Turnover of the bidder, for preceding 3 financial years and also certifying that the Turnover (the "Turnover") means only the revenue earned from supply of thermal/coking coal at site/port of delivery.

2.2 QR for Technical Capacity:

- a) Bidder shall be an "Established Coal Producer" with an annual production capacity during the immediate preceding 3 financial years viz., 2010-11,2011-12, 2012-13 of 1/2/3 million tonnes (one/two/three million tonnes) respectively in accordance with the offered quantity of 0.5 MTPA /1.0 MTPA /1.5 MTPA respectively or more and having reserves of more than 15/30/45

million tonnes (fifteen /thirty/forty five million tonnes) respectively in accordance with the offered quantity of 0.5MTPA /1.0 MTPA /1.5 MTPA of coal as specified in 1.0 above.

Or

Bidder shall be a “Regular Supplier” of bulk quantity of coal having supplied annually more than 0.5/1.0/1.5 million tonnes (half/one/one and half million tonnes) respectively in accordance with the offered quantity of 0.5 MTPA/1.0 MTPA /1.5 MTPA or more during the immediate preceding 3 financial years viz., 2010-11,2011-12 and 2012-13 and having back to back arrangement with an “Established Coal Producer” who meets the Qualifying Requirement as specified in above. Authorization certificate in this regard from the established coal producer shall be provided by the regular suppliers as per Exhibit II G of ITB.

- b) Further the Bidder should have in the past supplied directly or through PSU’s to any Power/Cement/Steel/Fertilizers/Industrial utilities anywhere in the world , at least under 2 (two) Long Term Supply Contracts (CIF Basis) quantity of 0.5/1.0/1.5 million tonnes (half/one/one by half million tonnes) respectively in accordance with the offered quantity of 0.5MTPA/1.0MTPA/1.5MTPA or more per annum under each of the contract for the immediate preceding 3 financial years viz., 2010-11,2011-12 and 2012-13 and provide experience certificates to that effect from end user and statutory auditor.
- c) Bidder shall provide Certificate from its statutory auditors and the concerned clients certifying the contracts undertaken and successfully fulfilled during the immediate preceding 3 financial years.
- d) The Bidder shall have firm long-term transportation arrangement with Ship-owner(s) who should meet the qualifying requirement as specified in 2.3.
- e) The quality of coal shall meet the requirements of Coal Specification as at Clause 1.0 above.

2.3 QR for Transportation Arrangement

- a) The Transporter- Ship owner(s) shall be an established international shipping company which owns and operates panamax vessels and has a proven track record of industrial transportation of coal and shall have transported at least 1 million metric tonnes of coal per year over a period of at least 3 years in panamax bottoms.

- b) In case of a regular transporter, who does not own ships, he shall have a long term contract arrangement with a ship owning or ship operating company to ensure uninterrupted supplies and the ship-owners / ship operator shall meet the criteria given at (a) above.

2.4 Limitations

- a) The Bids must clearly indicate the Bidder's name and address, the name of the coal mine, the seam and other technical details. Bidders are required to furnish the details of the past experience and enclose relevant documents like copies of authentic work order, completion certificates, agreements, profit & loss accounts and Balance Sheet for the immediate preceding (3) financial years.

- b) The Bidder shall submit his offer for coal supply, preferably, considering supplies from countries such as Australia, South Africa, Indonesia, China, Colombia etc.

- c) Any Bid not containing sufficient descriptive materials to describe accurately the properties / characteristics, details as called for above may be treated as incomplete and non-responsive and hence likely to be rejected.

3.0 COST OF BIDDING

The Bidder shall bear all costs associated with the preparation and submission of his Bid, and the OWNER / OWNER'S ENGINEER will in no case be responsible or liable for those costs, regardless of the conduct or outcome of the Bidding Process.

4.0 SITE VISIT

The Bidder and any of his personnel or agents are advised to visit and examine the Power Station and its surroundings including access to and from the Site, Infrastructure and other Facilities, including Road, Rail and other transport facilities to and from the Site and obtain for himself on his own responsibility all information that may be necessary for preparing the Bid and entering into a Contract. Bidder himself will be responsible for any incidental or consequential damage or loss, and expenses incurred as a result of the Power Station visit.

5.0 BID DOCUMENTS

One complete set of Bid Documents (Instructions to Bidders and Terms of the Contract) may be collected by any eligible Bidder or his authorized representative on submission of written request to The Director - Technical, Udupi Power Corporation Limited, Le-Parc Richmonde, 2nd Floor, No. 51, Richmond Road, Bengaluru – 560 025, Karnataka, India, and on payment of the cost of document (Non-refundable) in the form of crossed Account Payee Demand Draft / remittance by wire etc. for Rs. 1,25,000 (One lakh Twenty Five Thousand) / US \$ 2000 (Two Thousand) drawn in favour of Udupi Power Corporation Limited, Payable at Bengaluru.

6.0 BID SECURITY AND VALIDITY OF BIDS

The Bids must be accompanied by Bid Security for an amount of US \$ 35000/70000/100,000 (US Dollars thirty five thousand/seventy thousand / one hundred thousand only) respectively in accordance with the offered quantity of 0.5 MTPA/1.0 MTPA/1.5 MTPA in the form of Bank Guarantee. The Bid and Bid Security shall be valid for a period of 120 Days or as such extended period till the finalization of the Bids occurs.

7.0 SCHEDULE

Particulars	Date/Time
Date of publication of NIT:	31.12.2013
Sale of bid documents:	On all working days from 11.00 Hrs to 17.30 Hrs between 2 nd January 2014 to 6 th February 2014
Pre bid meeting:	This meeting will be held in Bangalore and shall start from 11.30 Hrs on 24 th January 2014 . Actual venue will be informed to all the Purchasers of bid document in advance.
Bid submission:	13 th February 2014,13.00 Hrs IST
Date of opening of Techno Commercial bid:	13 th February 2014, 16:00 Hrs IST
Date of opening of Price bid:	Will be intimated to all responsive bidders as indicated in clause 17.0 of Instructions to Bidders

8.0 GENERAL

- Bid Documents are not transferable. Bids received from those who have not purchased the Bid Documents will be rejected.
- Purchase of Bid Documents will not automatically mean that the BIDDER is considered qualified.
- Bids in part will be summarily rejected.
- The requirements stated in the Bidding Documents are minimum, notwithstanding anything stated in this document. UPCL also reserves the right to assess the Bidder's capability and capacity to perform the Contract should the circumstances warrant such an assessment in the overall interest of UPCL.
- UPCL reserves the right to accept or reject any Bid(s) and to annul the process of submission of Bids, at any time without assigning any reason thereof.
- All communication in respect of this Bid shall be addressed to:

Director (Technical)

Udupi Power Corporation Limited,

Le-Parc Richmond, 2nd Floor,

No. 51, Richmond Road,

Bengaluru – 560 025, Karnataka, India.

Phone: 080 - 4025 4025

Fax: 080 - 4025 4000

E-mail ID's: mulla.ra@lancogroup.com; murali.ds@lancogroup.com