



SIMHAPURI ENERGY LIMITED

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1920 MW Coastal based Coal Fired Thermal Power Plant

PRE QUALIFICATION REQUIREMENTS For

**ENGINEERING, PROCUREMENT & CONSTRUCTION (EPC) FOR
1320 MW (2x660 MW Unit 1&2 of Phase: III)**

September' 2014

1.0 INTRODUCTION

Simhapuri Energy Limited (SEL), India invites eligible National and International Bidders with requisite technical capability and sound financial position, to bid for the Engineering Procurement and Construction single point responsibility turnkey contract for 2x660 MW (Phase-III) Coastal Based Coal Fired Power Plant at Thamminapatnam Village, Chillakur Mandal, Near Krishnapatnam Port, SPSR Nellore District, Andhra Pradesh, India as described below. The bid ("**Bid**") must be submitted in a sealed cover containing two envelopes:

- i) Qualifying Experience and Techno-commercial Bid without Price
- ii) Price Bid

The item (i) must be submitted in four (4) copies.
(1 original + 3 copies + 1 Soft Copy (CD)).

2.0 DETAILS OF TENDER

- a) Cost of one set of Tender document : **Rs.300,000/- or USD 5000/-**
By Crossed Account Payee Demand Draft issued by an Indian Bank in favor of "Simhapuri Energy Ltd", Payable at Hyderabad, A.P.
- b) Cost of each extra set of tender document : **Rs.300,000/- or USD 5000/-**
- c) Date of Invitation of Bid : As indicated in Newspaper advertisement Dated **08.09.2014 & 15.09.2014.**
- d) Last date of Receipt of Request for Bid Documents : **15.10.2014.**
- e) Sale of Bid Documents : **15.09.2014 to 15.10.2014.**
- f) Last date of Pre-bid queries : **30.10.2014**
- g) Pre-bid conference with Bidders : **15.11.2014**
- h) Last date for Receipt of Bids (Technical & Price). : **01.12.2014 (12:00 Hrs).**
- i) Date of Technical BID opening: **01.12.2014 (16:00 Hrs)**
- g) Earnest Money Deposit (EMD):
Earnest money shall be submitted in a separate sealed envelope as per following :

By Bank Guarantee – **Rs.9.00 Crores (Rs. Nine Crores Only) or Equivalent USD** issued by any scheduled Bank or reputed Bank licensed to do business in India. Bank Guarantee should remain valid for a period of 180 days from the date of opening of the tender.

Details of the above and the other terms and conditions have been specified in the General Conditions of Contract.

3.0 THE PROJECT

Simhapuri Energy Limited (SEL) is a 1920 MW Coastal based Coal Fired Thermal Power Plant, with installed capacities of 4x150 MW (Phase-I & II) and is currently implementing an expansion project of 1320 MW (Phase-III: 2x660MW) at Thamminapatnam Village, Chillakur Mandal, Near Krishnapatnam Port, SPSR Nellore District, Andhra Pradesh, India.

1320 MW grass root power station shall be of super critical technology and will be set up as an expansion in the same Project site near village Tamminapatnam, District Nellore, Andhra Pradesh, where a suitable and adequate plots of land has been identified. The station would be implemented Unit wise in two stages each along with the necessary infrastructure to cater to the requirement of the 1320 MW power plant.

For the proposed 2x660MW station about 120 cusec of Sea water and around 5.73 Million Ton of blended coal per year for operation of the station at a plant load factor of 85% are required.

Coal for the power station shall be made available from Indonesia & Indigenous coal mines. From the point of view of infrastructure, this area is highly developed. Nearest perennial sea water source is the Buckingham Canal. Sea water supply to the plant is planned through an intake pump house in the Kandaleru Creek/Sea through a pipeline.

The Unit#1 shall be commissioned within 36 months and Unit#2 shall be commissioned no later than 60 months from the date of issue of Notice to Proceed (NTP).

4.0 SCOPE OF WORK

SEL invites eligible National and International Bidders with requisite technical capability and sound financial position to submit expression of interest to Bid for the Expansion project of 2x660 MW (Phase-III) on single turnkey EPC contract basis. The qualification document shall be submitted in line with the requirements indicated in the Document.

The expression of interest along with qualification document shall be submitted within Twenty Days (20) days from the date of issue of this Notice.

The qualified bidders will be asked by SEL to collect the EPC Tender Document against the submission of Tender Fee.

6.0 COMPLETION SCHEDULE

The COD of the Expansion Power Plant (Unit-1: 1x660 MW) is to be successfully completed within 36 months and (Unit-2: 1x660 MW) in 60 months from the date of issue of the Notice to Proceed to the successful Bidder.

7.0 GENERAL

- A. Bidder should submit their proposal for Unit #1 & Unit #2. SEL reserves the right to issue NTP for Unit #1 and/or Unit #2 with a min time gap of 24 Months.

B. Bidders should meet the qualification requirements stipulated herein under.

The Bidder shall provide satisfactory evidence that he and/or, where applicable, his collaborator/associate/consortium partner:

- i) is a manufacturer, who manufactures equipment of the type and unit size as offered and/or undertakes the type of work specified and has adequate technical knowledge and relevant experience for the works covered in the bidding documents.
- ii) does not anticipate a change in ownership during the proposed period of execution of work (If such a change is anticipated, the scope and effect thereof shall be defined).
- iii) has adequate financial stability and capability to meet the financial obligations pursuant to the works covered in the Bidding Documents.(The Bidders should submit copies of their profit and loss account and balance sheet for the last three (3) years)
- iv) has an adequate design, manufacturing and/or fabrication capability and capacity available to perform the work within the time period specified. The evidence shall specifically cover, with written details, the installed manufacturing and/or fabrication capacities and present commitments (excluding those anticipated under these bidding documents). If the present commitments are such that the installed capacity results in an inadequacy of design, manufacturing and/or fabrication capacities to meet the requirements appropriate to the works covered in his bid, then the details of alternative arrangements to be organized by the Bidder and/or his collaborator/associate for this purpose and which shall meet the Employer's approval, shall also be furnished.
- v) has an established project management organization covering the areas related to engineering of equipment/systems, interface engineering, procurement of equipment and the necessary field services required for successful construction, testing and commissioning of all the power plant equipment and systems covered in the scope of work for this contract and as required by the Bidding documents.
- vi) has established quality assurance systems and organization designed to achieve high levels of equipment/system reliability, both during his manufacturing and/or fabrication and field installation activities.

8.0 QUALIFICATION OF BIDDER

8.1 In addition to the requirements stipulated at Para 7.0 above, the Bidder should also meet the qualifying requirements stipulated hereunder in clauses 8.1.1 or 8.1.2 or 8.1.3 as the case may be and clause 8.2 :

8.1.1(a) The bidder should have designed, engineered, manufactured, erected supervised erection, and commissioned / supervised testing & commissioning of at least one no. of coal fired steam generator of capacity 600 MW and above, of the type specified (i.e. supercritical once through type), which is in successful commercial operation for a period of not less than one (1) year as on the date of bid opening. The bidder shall offer only the type & size of steam generator for which he is qualified.

- 8.1.1(b) The bidder should also have designed, engineered, manufactured, erected / supervised erection and commissioned / supervised testing & commissioning of at least one(1) number of super critical steam turbine of 600MW or above capacity and generator of 600MW or above capacity of the type specified (i.e. tandem compound, single reheat, regenerative, condensing, multi cylinder design steam turbine with super critical parameters directly coupled with generator of three phase, horizontal mounted, two pole, class F winding insulation, stator water/hydrogen cooled, cylindrical hydrogen cooled rotor type, suitable for indoor installation) which is in successful operation for a period of not less than one (1) year as on the date of bid opening. The bidder shall offer only the type & size of steam turbine – generator set for which he is qualified.

Turbine manufacturers who meet the requirements stipulated above except that they do not manufacture generators OR the generators manufactured by them do not meet the above requirements fully OR if they intend to offer generator of another manufacturer would also qualify if they associate/ collaborate with a generator manufacturer who meets the above requirement in respect of generator and sources the generator from such associate / collaborator. In such a case the bidder shall furnish an undertaking jointly executed with the associate/collaborator for the successful performance of the steam turbine generator set. This joint deed of undertaking shall be submitted along with the bid failing which the bidder shall be disqualified and his bid shall be rejected. In case of award, the associate/collaborator will be required to furnish an on demand bank guarantee for 0.5% (zero point five percent) of the contract price in addition to the contract performance security by the bidder.

In case the bidder is a manufacturer of only one of the above mentioned equipment(s) i.e. steam generator (coal fired) or steam turbine generator set, then he shall associate/collaborate with the manufacturer of the other equipment (i.e. steam turbine generator set or steam generator coal fired as the case may be), who shall in turn also meet the respective requirements under clause 8.1.1(a) or 8.1.1(b) above. In such a case the bidder shall along with the bid furnish an undertaking jointly executed with the associate/ collaborator for the successful performance of the relevant equipment being supplied by him (steam turbine generator set or steam generator as the case may be) in which the associate / collaborator and the bidder are jointly and severally liable to the Owner to perform all the contractual obligations for the relevant equipment (steam turbine generator set or steam generator as the case may be). The Deed of Joint Undertaking shall be submitted along with the bid, failing which the bidder shall be disqualified and his bid shall be rejected. In case of award, the associate/collaborator for steam generator will be required to furnish an on demand bank guarantee for 1% (one percent) and the associate/collaborator for steam turbine generator for an on demand bank guarantee of 1% (0.5% for steam turbine and 0.5% for generator) of the total contract price in addition to the contract performance security by the bidder. The additional bank guarantee is not applicable in case the manufacturer of Steam Generator or Steam Turbine Generator is a member of the Consortium bidding for the project.

- 8.1.1(c) The bidder should also have executed power plant on an Engineering Procurement and Construction (EPC) basis and has engineered/got engineered, supplied, erected and commissioned at least one (1)no thermal power plant consisting of Steam Generator and Steam Turbine Generator along with their associated auxiliaries, at least 250 MW capacity on a turnkey basis (with civil works), which are in successful operation for a period of not less than two (2) years as on the date of bid opening.

8.1.1(d) Bidder who meets the requirements 8.1.1(a) / 8.1.1(b) but does not meet the requirements stipulated at 8.1.1(c) above shall also qualify if he associates with an Engineering, Procurement and Construction (EPC) firm which is currently in the business of executing power plants and in turn meets the above requirements at 8.1.1(c). In such a case the bidder shall along with the bid furnish an undertaking jointly executed by him with his associate for the successful performance of the complete plant, failing which the bidder shall be disqualified and his bid shall be rejected. In case of award, the associate will be required to furnish an on demand bank guarantee for at least 1% (one percent) of the total contract price in addition to the contract performance security by the bidder. The additional bank guarantee is not applicable in case the EPC Construction firm is a member of the Consortium bidding for the project.

8.1.1(e) An Indian Joint Venture (JV) company for manufacturing of supercritical Steam Generators or supercritical Steam Turbine Generators in India between an Indian Company and a qualified supercritical Steam Generator or supercritical Steam Turbine Generator manufacturer as per clause 8.1.1(a) and 8.1.1 (b) above, the qualified supercritical Steam Generator or supercritical Steam Turbine manufacturer shall maintain a minimum equity of 26% in the JV company during the lock in period of 7 years from the date of incorporation of the JV company or up to the end of contract Warranty period, whichever is later.

The Indian partner of the JV mentioned above shall be a Steam Generator or steam Turbine Generator manufacturer or has experience in large turnkey projects shall hold minimum 51% equity in the JV Company during the lock in period of 7 years from the date of incorporation of the JV Company or up to the end of Contract warrantee period, whichever is later.

A qualified supercritical Steam Generator or Steam Turbine manufacturer as per clause 8.1.1 (a) and 8.1.1 (b) above having Indian Subsidiary shall maintain an equity participation of 51% in the Subsidiary for a minimum lock in period of 7 years from the date of incorporation of Subsidiary or up to the end of contract warrantee period whichever is later.

8.1.2(a) The bidder shall be either an Engineering, Procurement and Construction (EPC) organization or a Turnkey Management and Contracting organization executing power plants and has engineered/got engineered, supplied, erected and commissioned one (1)no thermal power plant consisting of Steam Generator and Steam Turbine Generator along with their associated auxiliaries, at least 250 MW capacity on a turnkey basis (with civil works).

In this case, the bidder shall individually associate with the steam generator and steam turbine generator manufacturer(s) who in turn meet the respective requirements under 8.1.1(a) & 8.1.1(b) above and sources the Steam Generator and Steam Turbine Generator from such associate/Collaborator. Further, the bidder shall offer only the type of steam generator and steam turbine generator with super critical parameters for which his associate/ collaborator is qualified.

Further the bidder shall along with the bid furnish undertaking(s) jointly executed by him and each of his associates for the successful performance of the equipment covered under clause 8.1.1(a) & 8.1.1(b) above in which the associate and the bidder are jointly and severally liable to the Employer to perform all the contractual obligations including the technical guarantees for the relevant equipment (Steam Turbine generator set or Steam Generator as the case may be), failing which the bidder shall be disqualified and his bid shall be rejected. In case

of award, the associates will be required to furnish an on demand bank guarantee for 2% (two percent) of the total contract price in addition to the contract performance security by the bidder (the associate/collaborator for steam generator will be required to furnish an on demand bank guarantee for 1%(one percent) and the associate/collaborator for steam turbine generator for an on demand bank guarantee of 1% (0.5% for steam turbine and 0.5% for generator).

- 8.1.2(b) Bidder who by himself has not carried out the engineering of the reference plants as per the requirements stipulated above, shall additionally associate with an engineering firm currently in the field of engineering power plants (sub critical and super critical) and who has carried out engineering of one (1)no thermal power plant consisting of Steam Generator and Steam Turbine Generator along with their associated auxiliaries, at least 250 MW capacity on a turnkey basis (with civil works),, which are in successful operation for a period of not less than two (2) years as on the date of bid opening. In addition to the experience of engineering sub critical power plant, the engineering firm shall have at least two super critical power plant units (one each at two separate / same station) of capacity 600 MW and above in hand as on date of bid opening.

Further, the Bidder shall along with the bid furnish an undertaking jointly executed by him with the engineering firm/design institute for the successful performance of the services included in the scope of engineering firm/design institute failing which the Bidder shall be disqualified and his bid shall be rejected. In case of award, the engineering firm/ design institute will be required to furnish an on demand bank guarantee for 0.05% of the total contract price in addition to the contract performance security to be furnished by the Bidder.

- 8.1.3 The Bidder should have been leader of a consortium who should have collectively executed a contract meeting requirements stipulated at clause 8.1.1 in a reference plant.

Further the bidder shall along with the bid furnish an undertaking jointly executed by him and each of his associates for the successful performance of the equipment covered under clause 8.1.1(a) & 8.1.1(b) above in which the associate and the bidder are jointly and severally liable to the Owner to perform all the contractual obligations including the technical guarantees for the relevant equipment (steam turbine generator set or steam generator as the case may be), failing which the bidder shall be disqualified and his bid shall be rejected. In case of award, the associates will be required to furnish an on demand bank guarantee for 2% (two percent) of the total contract price in addition to the contract performance security by the bidder (the associate/collaborator for steam generator will be required to furnish an on demand bank guarantee for 1% (one percent) and the associate/collaborator for steam turbine generator for an on demand bank guarantee of 1% (0.5% for steam turbine and 0.5% for generator).

Bidder who by himself has not carried out the engineering of the reference plants as per the requirements stipulated above, shall additionally associate with an engineering firm currently in the field of engineering power plants and who has carried out engineering of one (1)no thermal power plant consisting of Steam Generator and Steam Turbine Generator along with their associated auxiliaries, at least 250 MW capacity on a turnkey basis (with civil works) which are in successful operation for a period of not less than two (2) years as on the date of bid opening. In addition to the experience of engineering sub critical power plant, the engineering firm shall have at least two super critical power plant units (one each at two separate / same station) of capacity 600 MW and above in hand as on date of bid opening.

Further, the Bidder shall along with the bid furnish an undertaking jointly executed by him with the engineering firm for the successful performance of the services included in the scope of work failing which the Bidder shall be disqualified and his bid shall be rejected. In case of award, the engineering firm/design institute will be required to furnish an on demand bank guarantee for 0.05% of the total contract price in addition to the contract performance security to be furnished by the Bidder.

Notes for clause 8.1:

- (ii) Wherever the term 'coal fired' is appearing in clause no. 8.1.1, 8.1.2 and 8.1.3 above, "coal" shall be deemed to also include bituminous coal/sub-bituminous coal/brown coal/lignite.
- (iii) Where erection / supervision of erection and commissioning / supervision of Testing and commissioning has not been in the scope of the Bidder as mentioned in clause 8.1.1(a) & 8.1.1(b) above, he should have acted as an advisor for erection and commissioning of the Steam Generator, Steam Turbine Generator and associated auxiliary equipment. Necessary documents / certificates from the client, in support of above shall be furnished with the bid.

8.2 **Financial**

The Bidding Company or Consortium Leader of Bidding Consortium should satisfy the financial eligibility criteria relating to Turnover, Net worth, Profitability and Net Working Capital.

Turnover & Net Worth

Minimum Turnover : Rs.1200 Crores or US \$ 200 million.
Minimum Net worth : Rs.1200 Crores or US \$ 200 million.
Net Profitability : Continuous profitability for latest 3 consecutive years.

“For the purpose of evaluation of turnover, average of last three years and net worth as on 31st March 2014 would be considered.” The Bidders shall submit balance sheets for last three (3) years

- 8.3 On submission of Expression of Interest (EOI) and qualification documents along with written application, tender documents can be purchased from the office of the Simhapuri Energy Ltd, Madhucon Greenlands, 6-3-866/2, 3rd Floor, Begumpet, Hyderabad – 500 016, India, on working days as per the price and other payment details indicated.

Qualification Documents:

- a. Bidder shall furnish their latest audited profit and loss account and balance sheet for the last Three(3) years & Latest Net worth certificate from an Chartered Accountant/Certified Public Accountant.
- b. Bidder shall furnish documentation to establish that he has adequate financial stability and status to meet obligations pursuant to scope of the contract.
- c. Credit rating by reputed agencies, if any.
- d. Contracts in hand/ pending jobs and their status in Domicil Country, International and India.
- e. Recent coal fired plant orders and their status in Domicil Country,

International and India.

- f. Documentary evidence to satisfy the qualifying requirements mentioned clause 8.0.

9.0 GENERAL CONDITIONS

- 9.1 The information requested refers to the bidder and not to their representative in India.
- 9.2 Financial Statements reported in foreign currencies must indicate the exchange rate in force with respect to the Indian Rupees (INR), on the date of preparation of the same.
- 9.3 It is recommended that any additional information related to the bidder deemed convenient, be submitted.
- 9.4 All the information requested must be submitted in English.
- 9.5 The Bidder exempts SEL from any responsibility for the decision adopted with respect to his/her eligibility and qualification.
- 10.0 Tender papers are not transferable.
- 11.0 The offer must accompany the Earnest Money as indicated above failing which it will not be considered.
- 12.0 Any offer received after the expiry of the time prescribed for receiving completed tenders, will not be considered.
- 13.0 SEL reserves the right to reject any tender or all tenders received at its discretion without assigning any reason whatsoever.
- 14.0 SEL is not necessarily bound to accept the lowest offer.
- 15.0 Issuance of bidding document will not be construed to mean that such bidders are automatically considered qualified.
- 16.0 Address, Fax and Phone No. of SEL are:

MANAGING DIRECTOR

Simhapuri Energy Limited,

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