



**2 x 660 MW THERMAL POWER PROJECT**  
**IB THERMAL POWER STATION, BANHARPALLI, ORISSA**

**REQUEST FOR PROPOSAL**

**FOR**

**ENGINEERING, PROCUREMENT AND SUPPLY OF MAIN PLANT EQUIPMENT  
AND TECHNICAL ADVISORY SERVICES**

**THROUGH INTERNATIONAL COMPETITIVE BIDDING (ICB)**

**[18 November 2010]**

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**ORISSA POWER GENERATION CORPORATION LTD.**  
**(A joint venture of Government of Orissa and AES Corp., USA)**

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**PART I**

**INSTRUCTIONS TO BIDDERS**

## **DISCLAIMER**

The information contained in this Request for Proposal ("**RFP**") or provided subsequently to the Bidder(s), whether verbally or in documentary or any other form, by or on behalf of the Buyer or any of its employees or advisors, is provided to Bidder(s) on the terms and conditions set out in this RFP and such other terms and conditions subject to which such information is provided.

This RFP is not an agreement and is neither an offer nor invitation by the Buyer to the prospective Bidders or any other person. The purpose of this RFP is to provide interested parties with information that may be useful to them in the formulation of their Bid pursuant to this RFP. This RFP includes statements, which reflect various assumption, assessments arrived at by the Buyer in relation to the Project. Such assumptions, assessments, statements and information contained in this RFP may not be complete, accurate, adequate or correct. Each Bidder should therefore, conduct its own investigations and analysis and should check the accuracy, adequacy, correctness, reliability and completeness of the assumptions, assessments, statements and information contained in this RFP and obtain independent advice from appropriate sources.

Information provided in this RFP to the Bidder(s) is on a wide range of matters, some of which may depend upon interpretation of law. The information given is not intended to be an exhaustive account of satisfactory requirements and should not be regarded as a complete or authoritative statement of law. The Buyer accepts no responsibility for the accuracy or otherwise for any interpretation or opinion on law expressed herein.

The Buyer, its employees and advisors make no representations or warranty and shall have no liability to any person, including any Bidder, under any law, statute, rules or regulations or tort, principles of restitution or unjust enrichment or otherwise for any loss, damages, cost or expense which may arise from or be incurred or suffered on account of anything contained in this RFP or otherwise, including the accuracy, adequacy, correctness, completeness or reliability of the RFP and any assessment, assumption, statement or information contained therein or deemed to form part of this RFP.

The Buyer also accepts no liability of any nature whether resulting from negligence or otherwise howsoever caused arising from reliance of any Bidder upon the statements contained in this RFP.

The Buyer may, in its absolute discretion but without being under an obligation to do so, update, amend or supplement the information, assessment or assumptions contained in this RFP.

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## **1.0 OPGC BACKGROUND**

Orissa Power Generation Corporation Limited is a company incorporated under the Companies Act 1956, India ("OPGC" or the "Buyer"). OPGC started as a wholly owned company of the Government of Orissa (the "GoO") with the main objective of establishing, operating and maintaining large thermal power generating stations. In the pursuit of its objective, OPGC established 1b thermal power station having two units of 210 MW each in the Ib valley area of Jharsuguda District in the state of Orissa (units 1 and 2) ("ITPS"). The plant has been in operation since 1996. The entire generation from these units is contracted to GRIDCO, the state owned trading company/bulk supplier, on the basis of a long-term power purchase agreement.

As a part of the reform process in the energy sector, GoO divested 49% of the equity in favour of AES Corporation of USA (AES) in early 1999.

AES is engaged in the business of developing, financing, constructing, owning and operating power generating facilities around the world. Headquartered in Arlington, Virginia, USA, AES owns and operates a diverse and growing portfolio of generation and distribution businesses with the capacity to serve in 27 countries on 5 continents. AES power plants encompass a broad range of technologies and fuel types, from coal to gas to renewable such as wind, hydro and biomass. AES's operating plants have an electrical output of more than 40,000 MW. AES subsidiaries include operating facilities and development activities around the world.

As part of its capacity addition program OPGC intends to establish 2X660 MW (gross) coal based Unit 3 and 4 (Project) adjacent to the existing plant at the above location. The Project is being developed, owned and shall be operated by the Buyer.

## **2.0 REQUEST FOR PROPOSAL**

With this Request for Proposal (RFP), through International Competitive Bidding (ICB), Buyer seeks Techno Commercial Bid and Price Bid ("Bid(s)") from eligible Bidders, ("Bidder(s)"), who meet the Qualification Requirements stated in the Instructions to Bidders for the engineering, procurement and supply of Main Plant Equipment and Technical Advisory Services comprising engineering for integration of Main Plant, custom clearance, inland transportation, Technical Field Services for storage, erection and commissioning of Main Plant and training of O&M Personnel (the "Contract") as per the scope of work indicated in section 3.4 below. The Bidder shall be required to provide a binding fixed price Bid with guaranteed delivery, performance and completion schedule. The parties will then negotiate in good faith to enter into a definitive Contract(s) substantially in the form indicated in Part – IV of RFP.

The information available to Bidders consists of the following five (5) parts, together hereinafter referred to as the “RFP”

- PART I: Instruction to Bidders
- PART II: Stage I Bid - Techno Commercial Bid (Bid Formats)
- PART III: Stage II Bid - Price Bid (Bid Formats) Indicative Only
- PART IV: Contract  
Appendices (Appendix – A to LL)  
Annexure I: Technical Specifications comprising,  
Volume – I: Not Used  
Volume – II: Technical Specifications  
Volume – III: Technical Proposal Sheets  
Volume – IV: Technical Advisory Services
- PART V: Reference Documents  
Volume A - Geotechnical Investigation Report  
Volume B - Environmental Impact Assessment Report  
Volume C - Buyer’s Environment, Health and Safety Manual

**PART – I:** This Part is meant for Bidders’ guidance only and shall be used by the Bidders for preparation and submission of their Bids. This document shall be retained by the Bidders.

**PART – II:** The Techno Commercial Bid has two sections; (a) Annexure A featuring covering letter along with the Bid Security in the form of Bank Guarantee and (b) Annexure B featuring covering letter along with appendices from 1 to 23 to be completed by the Bidder and submitted along with the relevant information and documents. Completed and agreed Appendices 1 to 23 shall form part of the Contract(s) to be executed.

**PART – III:** The Price Bid formats provided in this Part are indicative only and the final formats shall be provided when Price Bids are called for subsequent to completion of the Techno Commercial Bid evaluation process. All the agreed Appendices shall form part of the Contract(s) to be executed.

**PART – IV:** This part has two sections: (a) The Contract and its appendices and (b) The Technical Specifications (Volume I to IV). Bidders shall submit their Bids based on the Contract and the Technical Specifications. The agreed Technical Specifications and Contract will become part of the signed Contract at the time of award of contract (s). The documents, forming Part IV, is to be retained by the Bidder.

**PART – V:** These documents are for the reference of Bidders to prepare and

submit their Bids and these shall be retained by them.

### 3.0 PROJECT DESCRIPTION

#### 3.1 General

The information in this section is provided for the general guidance of the Bidders

Buyer and its corporate office	Orissa Power Generation Corporation Limited 7th Floor, Fortune Towers, Bhubaneswar , Orissa, India – 751024
Consultant to Project	Development Consultant Private Limited, India, Black & Veatch India Private Limited, India
Project	OPGC II - 2x660 MW (gross) Coal based super-critical power plant at ITPS complex
Location	Village : Banaharpalli, Dist: Jharsaguda Orissa, India - 768234 Latitude: 21 ° 48' North, Longitude: 83 ° 52' East
Source of Coal	Manoharpur and Dip side Manoharpur coal mines allocated to OPGC by Ministry of Coal, Government of India with a reserve of approximately 530 MMT. Coal shall be sourced from the nearby mines of MCL till OPGC's own captive mine becomes operational
Access to site	Road – Belpahar on NH-200 is 18 km from ITPS Rail - Belpahar on Howrah- Mumbai railway line is around 18 km from ITPS Air Port – Bhubaneswar/Kolkata Sea Port – Paradip/Vizag

#### 3.2 Project Status

The project is in an advanced stage of development. The current status is given below.

Land for the power plant	Land required for the construction of Units 3 and 4 is in the possession of OPGC.
Permits and Clearances	Environment, forest, aviation and other statutory permits required for construction of power plant have been received from respective government authorities.
Water	Water required for construction and operation of Units 3 and 4 has been allotted from Hirakud reservoir. A dedicated water channel exists from Hirakud reservoir to the ITPS.
Power Evacuation	Construction of transmission line for evacuation of 50% of power to GRIDCO is being completed. A dedicated transmission line of approx 40 Kms for evacuation of balance 50% of power will be constructed by Powergrid, the Central Transmission Utility.
PPA	50% of the power generated shall be sold to GRIDCO through a long term PPA based on CERC norms and balance 50% will be sold through mix of long term PPA (Case1 bids) and short / medium term sales.
Coal supply and transport	<p>The captive coal block is in an advanced stage of development. Section 4(1) notification for private land acquisition has been completed. Processing of forest clearance is completed at district level and the proposal is being moved to Ministry of Environment and Forest for stage-I clearance. Approval of interim linkage for supply of coal from necessary mines of MCL is at an advanced stage</p> <p>Dedicated railway network (Merry Go Round system,(MGR)) of approx 50 Kms will be constructed for transporting coal from coal mine to ITPS. Land acquisition and other permits required for construction is in progress</p>

### 3.3 Project Structure

The Project will be financed on a non-recourse basis. The electric capacity and

energy output from the Project will be sold under long term PPA and/or on merchant basis. It is important that the Project is properly structured in terms of risk allocation between various counterparties involved with the Project (such as the Buyer, Seller, Financing Parties, Off-taker, and the fuel supplier) to enable the Financing Parties to accept the Project risk profile. To this end, any Bid submitted by a Bidder shall not expose the Project to any risks, including commercial and technical risks, which would not be acceptable to the Financing Parties. Buyer has applied to Ministry of Power, Government of India to obtain "Mega Power Project (MPP)" status for the Project.

### **3.4 Scope of Work**

The Scope of work ("Scope") shall comprise of two (2) packages as mentioned below, to be completed on fixed price basis with guaranteed delivery, performance and completion schedule.

#### **Package 1: Supply of:**

- (a) Equipment - (i) Design, (ii) engineering, (iii) manufacturing, (iv) procurement of equipment and materials, (v) inspection and testing of equipment at supplier's/subcontractor's works, (vi) packing, despatch, shipping to Indian port, of the Main Plant comprising Steam Turbine and Generator and its auxiliaries along with condensate and feed cycle equipment, Steam Generator and its auxiliaries, HP/LP piping, electrostatic precipitator, auxiliary cooling water system, condensate polishing unit, station compressors, emergency diesel generator set, station crane, control and switchgear, transformers, cabling, lighting, DCS and C&I system, HVAC, fire detection and protection, design and supply of materials for Steam Turbine building and Control buildings, and rectifying or remedying defects during defect liability period
- (b) Special Tools;
- (c) Spares;

#### **Package 2: Technical Advisory Services comprising of:**

- (a) (1) Engineering related to the integration of Equipment of Main Plant, (2) Technical Field Services for (i) material identification at site, (ii) erection, testing, commissioning and Reliability Tests (iii) monitoring and review of performance guarantee testing (iv) facilitating handing over to Buyer in coordination with erection contractor of Main Plant and (3) Training of O&M Personnel
- (b) All services and procurement of all clearances necessary for custom clearance of the Equipment at Port, and
- (c) All services related to transportation and procurement of all clearances

necessary for inland transportation and delivery of the Equipment to Site;

The Main Plant shall be designed to provide a minimum capacity of 2x660 MW (gross) at the guaranteed conditions specified in the Contract. The design of the proposed Main Plant must be proven, reliable, meet the requirements of the Contract and the purpose of the Project. Bidders shall exercise their own discretion in optimizing the reliability, maintainability, operational flexibility, environmental impacts, and cost impacts, while proposing a configuration of Equipment that shall meet the Performance Guarantees, and meeting the requirement and intent of the Technical Specifications. Bidder's willingness to accept the risks associated with plant design will form an important part of the commercial evaluation.

The detail scope including Technical specifications are included in of Part – IV.

#### **4.0 BIDDING PROCESS**

The Buyer intends to conduct a bidding process based on an ICB process.

##### **4.1 Two Stage Bidding Process**

The bidding process will follow a two stage bidding process as enumerated below.

###### **(i) Stage I: Techno-Commercial Bid (including Qualification)**

In this first stage Buyer intends to qualify Bidders, who meet the Qualification Requirements and declare them as Qualified Bidders. Techno-Commercial Bid submitted in the specified formats of Qualified Bidders will be evaluated as per the criteria specified in section 7.7 of Instructions to Bidders. Bidders meeting the requirements of Techno Commercial Bid documents will be declared as Shortlisted Bidder.

###### **(ii) Stage II: Price Bid**

In the second stage, Shortlisted Bidders will be asked to submit Price Bids. Price Bids will be evaluated as per the evaluation criteria specified in section 8.8 of the Instructions to Bidders. The preferred Bidder will be selected through this process who shall be the successful bidder (Successful Bidder) to whom the Contract for performing the work in relation to Main Plant shall be awarded.

## 4.2 Bidding Schedule

### 4.2.1 Stage I: Techno-Commercial Bid (including Qualifications)

Date of issue of RFP	18 – November - 2010
Last date of collecting RFP from OPGC	24 - December-2010
Pre-Bid Meeting	20-December-2010
Last date for submission of written questions from Bidders, if any	20 – January- 2011
Distribution of Buyer’s written response to Bidders’ questions, if any	28 – January - 2011
Bid Submission Date of Techno Commercial Bids	28 - February - 2011
Bid Opening Date of Techno Commercial Bid	28 – February - 2011
Completion of Techno Commercial Bid evaluations (indicative)	16 – May - 2011

### 4.2.2 Stage II: Price Bid

Invitation to submit the Price Bid to the Shortlisted Bidders (indicative)	2 – May - 2011
Bid Submission Date of Price bid	17 – June – 2011
Bid Opening Date of Price Bid	17 – June – 2011
Contract Signing (Indicative)	18 – August – 2011

## 5.0 QUALIFICATION REQUIREMENTS

Bidders shall meet both the technical and financial Qualification Requirements stated in 5.2 and 5.3 to become a Qualified Bidder.

### 5.1 Definitions

**‘Parent Company’** shall mean a company that owns at least 51% of the voting rights, either directly or indirectly, in the Bidder.

**‘Qualified Steam Turbine and Generator Manufacturer’ (Qualified Steam Turbine Supplier)** shall mean manufacturer who shall have designed, engineered, manufactured/had manufactured by others, supplied, erected / supervised erection and commissioned / supervised commissioning of at least one (1) reheat type supercritical Steam Turbine and Generator of minimum 500 MW capacity with main steam pressure of 225 Kg/cm<sup>2</sup>(g) or higher and main steam / reheat steam temperature of 535<sup>0</sup>C/ 535<sup>0</sup>C or higher, which has been in successful operation for a period of not less than one (1) year, as on the Bid Opening Date of Techno Commercial Bid and shall be capable of design and manufacture of Steam Turbine meeting the criteria of the maximum gross turbine cycle heat rate of 1850 kcal/kwh with turbine driven Boiler Feed Pumps or 1810 kcal/kwh with motor driven Boiler Feed Pumps at 100% TMCR. The Steam Turbine manufacturers who meet the requirements stipulated above but do not manufacture Generator (Electrical) meeting above requirements or intend to offer Generator (Electrical) of other manufacturer would also qualify provided they source Generators (Electrical) of other manufacturers that are in operation with the Steam Turbines meeting the qualification requirements.

**‘Qualified Steam Generator Manufacturer’ (Qualified Steam Generator Supplier)** shall mean manufacturer who shall have designed, engineered, manufactured/had manufactured by others, supplied, erected / supervised erection and commissioned / supervised commissioning of at least one (1) pulverized coal fired supercritical steam generator single pass (tower type) or two pass type using either spiral wound (inclined) or vertical plain or vertical rifled type water wall tubing, having rated capacity of 1500 T/hr of steam or higher, with evaporator suitable for variable pressure operation (sub-critical and super-critical pressure ranges) and which has been in successful operation for a period of not less than one (1) year as on the Bid Opening Date of Techno Commercial Bid. If a supercritical steam generator manufacturer meets all above requirements except that the evaporator in the reference steam generator is not designed for variable pressure operation but is designed for constant pressure (Universal Pressure) operation only, in such case, the supercritical steam generator manufacturer shall be considered to be qualified, provided that, such supercritical steam generator manufacturer has an ongoing license agreement (covering technology transfer), as on the Bid Opening Date of Techno Commercial Bid with the original technology owner (Licensor) for design, manufacture, sell, use, service of once through variable pressure supercritical steam generator technology (with evaporator suitable for variable pressure operation in sub-critical and supercritical pressure ranges) AND The licensor should have experience of providing such variable pressure design steam generator technology for at least one (1) coal fired supercritical steam generator for a 1500 T/hr or higher capacity using either spiral wound (inclined) or vertical plain or vertical rifled type water wall tubing with the evaporator suitable for variable pressure operation in sub-

critical and super-critical pressure ranges and which should be in successful operation for a period of not less than one (1) year as on the Bid Opening Date of Techno Commercial Bid.

**‘Qualified Original Equipment Manufacturer’ (Qualified OEM)** shall mean manufacturer who qualifies for both Qualified Steam Generator Supplier and Qualified Steam Turbine Supplier.

**‘Subsidiary Company’** shall mean a company

- i. registered in India under the Companies Act 1956 of India for manufacturing supercritical steam turbine and generator sets or supercritical steam turbines or supercritical steam generator as the case may be covering the type, size and rating mentioned above, as on the Bid Submission Date of Techno Commercial Bid in which the Qualified OEM / Qualified Steam Turbine Supplier/ Qualified Steam Generator Supplier holds an equity participation of minimum 51%,
- ii. shall have obtained certificate for Commencement of business in India as on the Bid Submission Date of Techno Commercial Bid if it is registered as a public limited Company, and
- iii. Qualified OEM / Qualified Steam Turbine Supplier/ Qualified Steam Generator Supplier, as the case may be, shall have undertaken to maintain equity participation of minimum 51% for a lock in period of 7 years from the date of incorporation of such company/date of 51 % investment in the company, or up to the end of the defect liability period of the contract whichever is later.

**‘Joint Venture Company’** shall mean a company

- i. incorporated in India under the Companies Act 1956 of India, as of the Bid Submission Date of Techno Commercial Bid.
- ii. promoted by (a) an Indian Company registered in India under the Companies Act 1956 of India and (b) a Qualified OEM / Qualified Steam Turbine Supplier/ Qualified Steam Generator Supplier, for the purpose of manufacturing supercritical steam turbines or supercritical steam generator as the case may be covering the type, size and rating specified above as on the Bid Submission Date of Techno Commercial Bid.
- iii. has obtained certificate for commencement of business in India as on the date of submission of Techno Commercial Bid if the company is incorporated as a public limited Company,
- iv. in which Qualified OEM / Qualified Steam Turbine Supplier/ Qualified Steam Generator Supplier shall maintain a minimum equity participation of 26% in the JV Company for a lock-in period of 7 years from the date of incorporation of JV Company or up to the end of the defect liability period of the contract whichever is later.

- v. In which one of the promoters other than Qualified OEM / Qualified Steam Turbine Supplier/ Qualified Steam Generator Supplier shall be a majority stakeholder who shall maintain a minimum equity participation of 51% in the JV Company for a lock in period of 7 years from the date of incorporation of JV Company or up to the end of the defect liability period of the contract whichever is later.

## **5.2 Technical Qualification Requirement of Bidders**

The Bidder should meet any one of the qualifying routes stipulated in 5.2.

### **5.2.1 Qualification Route – A (OEM Route):**

The Bidder

- i. shall be a Qualified Original Equipment Manufacturer (Qualified OEM), and
- ii. shall have designed, engineered, supplied, erected and commissioned one Main Plant of coal fired reheat type power plant with minimum unit capacity of 500 MW which is in successful operation for a period of minimum one year as on Bid Opening Date of Techno commercial Bid.

The Bidder may also be a holding company who along with its subsidiary(ies) meeting the qualification requirements of Qualified Steam Turbine Supplier and Qualified Steam Generator Supplier and shall also be considered as Qualified OEM provided that Bidder holds a minimum equity of 99% in its subsidiary(ies).

### **5.2.2 Qualification Route – B (Licensee Route):**

The Bidder

- i. shall be a manufacturer of steam generator and steam turbine and generator, and if the Bidder does not manufacture generator but offers generator of other manufacturer, would also qualify provided Bidder sources generators of other manufacturers that are in operation with the steam turbines supplied.
- ii. shall have designed, engineered, manufactured/had manufactured by others, supplied, erected / supervised erection and commissioned / supervised commissioning of at least one (1) pulverized coal fired reheat type units of minimum capacity 500 MW with steam generator, steam turbine and generator which is in successful operation for at least one (1) year as on the Bid Opening Date of Techno commercial Bid,
- iii. shall have valid ongoing collaboration, technology transfer agreement including license to manufacture and supply, with Qualified Steam Generator Supplier / Qualified Steam Turbine Supplier, valid up to the

end of defect liability period of the contract,

- iv. shall commit to furnishing a deed of joint undertaking [DJU] executed between the Bidder and the collaborator for steam turbine and generator and a deed of joint undertaking [DJU] between the Bidder and collaborator of steam generator in which the executants of DJUs shall be jointly and severally liable to the Buyer for the successful performance of contract for entire steam generator and steam turbine and generator as the case may be, and
- v. shall commit that in case of contract award, each of the collaborators shall be furnishing separate on demand bank guarantees each for an amount equal to 1.0 % of the price of steam turbine and generator and 1.0 % of the price of steam generator respectively in addition to the contract performance securities to be furnished by the Bidder.

### **5.2.3 Qualification Route – C (JV/Subsidiary Company Route):**

The Bidder

- i. shall be a Qualified Steam Generator Supplier or Qualified Steam Turbine Supplier or a Joint Venture Company(JV) or Subsidiary Company(SC) thereof,
- ii. shall source the supercritical steam generator or supercritical steam turbine and generator as the case may be from Qualified Steam Generator Supplier/ Qualified Steam Turbine Supplier / Joint Venture Company or Subsidiary Company of such Qualified Steam Generator Supplier or Qualified Steam Turbine Supplier / Licensor of Qualified Steam Generator Supplier or Qualified Steam Turbine Supplier,
- iii. shall either by itself or it is a JV/SC, then the Qualified Steam Generator Supplier or Qualified Steam Turbine Supplier shareholder therein have designed, engineered, supplied, erected/supervised erection and commissioned/supervised commissioning of one Main Plant of coal fired reheat type power plant with minimum unit capacity of 250 MW which is in successful operation for a period of one year,
- iv. undertakes that if the Bidder qualifies in this route and is a Joint Venture Company/Subsidiary Company then the Bidder shall furnish a deed of joint undertaking (DJU) between the Bidder and its collaborator of Qualified Steam Turbine Supplier or collaborator of Qualified Steam Generator Supplier as the case may be in which the executants of DJU shall be jointly and severally liable to the Buyer for successful performance of the Contract,
- v. undertakes that the Bidder shall furnish a deed of joint undertaking between the Bidder and the Qualified Steam Turbine Supplier/Qualified

Steam Generator Supplier /JV/SC/Licenser as the case may be from whom steam turbine generator or steam generator is sourced in which executants of DJU including the collaborator of JV/SC shall be jointly and severally liable to Buyer for the successful performance of contract for entire steam generator and steam turbine and generator as the case may be,

- vi. undertakes that in case of contract award, each of the collaborators or Qualified Steam Turbine Supplier/Qualified Steam Generator Supplier as the case may be, shall furnish separate on demand bank guarantees each for an amount equal to 1.0 % of their respective price of steam generator or steam turbine and generator as the case may be in addition to the required contract performance securities to be furnished by the Bidder.

#### **5.2.4 Qualification Route – D (EPC JV/Subsidiary Company Route):**

The Bidder

- i. shall be an engineering, procurement and construction (EPC) organization,
- ii. shall have executed, in the last 10 years, large industrial projects on an EPC basis (with or without civil works) in the area of power, steel, oil and gas, petro-chemical, fertilizer and / or any other process industry with total value of such projects not less than Rs.10,000 million and at least one of such projects shall have a contract value of not less than Rs.3000 million, further such projects shall have been in successful operation for a period of not less than one year as on the Bid Opening Date of Techno Commercial Bid,
- iii. shall source the supercritical steam generator and supercritical steam turbine and generator from its Joint Venture Company/Subsidiary Company,
- iv. undertakes that in case the Bidder qualifies in this route, the Bidder shall furnish a deed of joint undertaking (DJU) between the Bidder, collaborator of steam turbine and generator manufacturer and a deed of joint undertaking between the Bidder and the collaborator of steam generator manufacturer in which the executants of DJUs shall be jointly and severally liable to the Buyer for successful performance of contract in respect of entire steam generator or steam turbine and generator as the case may be, and
- v. undertakes that in case of Contract award, each of the collaborators shall furnish separate on demand bank guarantees each for an amount equal to 1.0% of the price of steam turbine and generator and 1.0 % of the price of steam generator respectively in addition to the required contract

performance securities to be furnished by the Bidder.

### **5.3 Financial Qualification Requirements of Bidder**

The Bidder shall meet all financial requirements mentioned in section 5.3 of Instructions to Bidders.

#### **5.3.1 Annual Turnover**

The average annual turnover of the Bidder in the preceding three(3) financial years prior to the Bid Submission Date of Techno Commercial Bid shall be not less than Rs. 10,000 million (Rupees Ten thousand millions) or the equivalent foreign currency.

#### **5.3.2 Net Worth**

'Net worth' shall mean 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 paid up share capital plus reserves and surplus.

The net worth of Bidder as of the preceding day of the Bid Submission Date of Techno Commercial Bid shall be not less than Rs. 2,000 millions (Rupees Two thousand millions).

If any "Bidder" does not satisfy the financial criteria, stipulated above on its own, the Parent Company, shall be required to meet the stipulated Annual Turnover and Net Worth requirements. In such an event, the Bidder would be required to furnish along with its Techno Commercial Bid, a letter of undertaking from the Parent Company, supported by board resolution, as per the format provided in RFP, pledging unconditional and irrevocable financial support for meeting the obligations of the Bidder as a result of the execution of the contract by the Bidder in case of award.

#### **5.3.3 Credit Line/Cash Flow**

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 of a date not earlier than 15 days prior to the Bid Submission Date of Techno Commercial Bid, duly certified by the bankers shall be not less than Rs. 10,000 Million (Rupees Ten thousand Million only) or the equivalent foreign currency. If certificates from more than one bank are submitted, the certified unutilized limits shall be of the same date from all such banks.

Where another company of the group acting as the treasury center 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 center. 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 not less than the specified amount above. In proof of this, the Bidder shall furnish along with its Techno Commercial Bid, a letter of undertaking from the treasury center, supported by a resolution passed by the board of directors of the holding company, pledging unconditional and irrevocable financial support for the execution of the Contract by the Bidder in case of award.

## **6.0 GENERAL BIDDING GUIDELINES AND INSTRUCTION TO BIDDERS (APPLICABLE FOR BOTH STAGE – I AND STAGE – II BIDDING)**

### **6.1 Interpretation**

Capitalized terms used but not defined in the RFP shall have the meanings ascribed to such terms in the Instructions to Bidders.

### **6.2 Inspection Prior to Bid**

Bidders shall –

- i. Become familiar with the Site and the surrounding areas, the Technical Specifications, Contract and other information set forth in the RFP, and
- ii. Make a complete and careful examination to determine the nature and extent of the difficulties and hazards associated with the performance of the Work and other work hereunder, including without limitation:
  - Location of the Site and Facility;
  - Condition of the Site and the surrounding areas;
  - Proximity of the Facility to adjacent facilities and structures;
  - Nature of the soil, sub-soil, terrain, groundwater and other subsurface condition of the Site, including pre-existing Underground and In-Ground Facilities;
  - Nature and quality of the Fuel, and such Fuel transportation and delivery systems;
  - Condition of the roads and waterways in the vicinity of the Site, including the conditions affecting shipping and transportation, access, disposal, handling and storage of materials;
  - Nature and location of local communities;

- Applicable Laws, Permits, import and clearance procedures, Taxes and real estate rights;
- Ambient conditions;
- Local weather conditions; and
- Any other matters that might affect the schedule, performance or the engineering, design and supply of the Main Plant.

### **6.3 Bidders' Due Diligence Complete**

The submission of a Bid shall be conclusive evidence that the Bidder has familiarized itself with all conditions. Further, it shall be deemed that by submitting the Bid, the Bidder has:

- i. made a complete and careful examination of the RFP;
- ii. received all relevant information requested from the Buyer;
- iii. accepted the risk of inadequacy, error or mistake in the information provided in the RFP or furnished by or on behalf of the Buyer relating to any of the matters referred to in this Section 6.3; and
- iv. agreed to be bound by the undertakings provided by it under and in terms hereof.

The Buyer shall not be liable for any omission, mistake or error with respect to any of the above or on account of any matter or thing arising out of or concerning or relating to the RFP or the bidding process, including any error or mistake therein or in any information or data given by the Buyer. Further, the Buyer shall not be responsible, in any manner whatsoever, for any losses suffered by the Successful Bidder on account of decrease in guaranteed capacity of each of the Unit of the Main Plant resulting due to site conditions.

### **6.4 Requests for Clarifications**

If the Bidder has any doubt as to the meaning or intent of any sections hereof or requires additional information, the Bidder may request such additional information or clarification from Buyer. Buyer shall be obliged to consider only written requests, either by facsimile or by email.

Buyer shall endeavour to respond to such requests but shall not be obliged to do so. In instances, where the Buyer, at its discretion may make responses, which it believes to be of significance to all Bidders, available to all Bidders.

If the Bidder's question is proprietary in nature, Buyer may make an exception and provide an answer only to the Bidder who raised the question; all attempts shall be made to provide the response in a generic format suitable to be sent to all Bidders. All questions and clarifications shall be submitted to Buyer not later

than the date shown in the schedule above. Should the accumulation of changes to the RFP necessitate an extension to the Bid Submission Date, Buyer may extend such date. All changes to the RFP including any extension to the Bid Submission Date will be made formally by issuance of an amendment to the request for proposals (collectively the "Amendments"). Bidders shall acknowledge receipt of all Amendments issued to RFP when the Amendment is received, and additionally, Bidders shall confirm that all Amendments have been incorporated in the preparation of their Bid.

#### **6.5 Additional set of RFP**

Prospective Bidders may obtain additional copies of the RFP from the Buyer subject to the payment of cost of RFP. All requests for such additional copies shall be submitted not less than 15 days before the Bid Submission Date of Techno Commercial Bid.

#### **6.6 Amendments Issued to this RFP**

The Buyer reserves the right to issue any Amendments to the RFP without assigning any reason thereto. The Amendment(s) will be notified to all prospective Bidders through e-mail, followed by post-confirmative copy of the email, and such Amendment(s) will be binding on them. Bidders shall acknowledge receipt of each Amendment(s) by e-mail, in writing, by registered mail, air courier or facsimile, with specific reference to the title and date of issuance of the relevant Amendment.

In response to such Amendments, if the Bidder has already submitted its Bid prior to issue of such Amendments/corrigenda, either they shall submit their addendum Bid, only responding to this Amendment(s) marked on the envelope as "Addendum Bid" or they shall be free to re-submit a fresh Bid marked on the envelope as "Amended Bid" and the original Bid submitted by such Bidder shall be returned un-opened on the Bid Opening Date.

At any time prior to the deadline of submission of Bids, the Buyer may, for any reason, whether at its own initiatives or in response to a clarification by a prospective Bidder, modify the RFP through Amendment(s).

The Buyer may, at its sole discretion, extend the Bid Submission Date of the Bids, in order to allow the prospective bidders a reasonable time in which to take the Amendment(s) into account in preparing their Bids.

#### **6.7 Bid Preparation – Exceptions/Deviations**

- a) Each Bidder shall list in the space provided on the Bid data form in Appendix No. 11 and 12 all exceptions or conflicts between its Bid and the

Technical Specifications and Contract. If more space is required for this listing, additional pages may be added. If the Bidder takes no exceptions, it shall write "None" in the space provided.

- b) If the Bidder takes exception, all such exceptions shall be specific in nature and carefully referenced to the applicable page number, clause number, and section title of the Technical Specifications and Contract. If the Bidder proposes deletion of specification language and substitution of revised language, such deletion and substitution shall be carefully presented by typing complete paragraphs or clauses of the original Technical specification / Contract language and incorporating the substitute language. Proposed deletions shall be set off by brackets, thus: (delete this language), and proposed substitute language shall be indicated by underlining, thus: [substitute this language]. Exceptions which are general, which make reference to the Bidder's standard terms and conditions, or which make reference to the Bidder's descriptive information as a whole will not be acceptable. Bids which do not comply with these requirements for the presentation of exceptions may be rejected.
- c) If a Bid includes express or implied exceptions that are not listed as required, the requirements of the Technical Specifications and Contract shall govern. The Bidder shall not alter any part of the Technical Specifications and Contract in any way, except by stating his exceptions. Bidder shall mention with such deviations/exceptions the cost of withdrawal of such deviations/exceptions as per Bid forms. Irrespective of the amount of such cost of withdrawal so stated by the Bidders, the Buyer reserves the right to evaluate each and every exception/deviation and load to the total price quoted by the Bidder, the costs so decided by the Buyer.

## **6.8 Bid Submission**

The Bidder has to submit the Bid for the entire Scope of Work as per section 3.4 of the Instructions to Bidders.

Bidder shall submit its Bid clearly mentioning under which route he is qualified to Bid specified in section 5.2 of the Instructions to Bidders and in no case, Bidder shall submit multiple Bids qualifying through different qualifying routes.

The Bid shall be submitted in the form of printed document(s) along with an electronic copy(s) as specifically mentioned in Section 7.3 of the Instructions to Bidders. The Bidders shall take all responsibility for submitting the Bids within the prescribed Bid Submission Date. The Buyer will not accept as valid reason or be responsible for any postal delay or non-receipt/non-delivery of the Bids.

The Bid and its copy or copies shall be typed or written in indelible ink and signed by the authorised signatory of the Bidder who shall also initial each page in blue ink. For printed and published documents, only the cover shall be initialed. The

Bid shall contain page numbers and shall be bound together in hard cover.

#### **6.9 Language**

The Bid prepared by the Bidder, and all correspondence and documents relating thereto, shall be in the English language. English shall be the binding and controlling language for all matters relating to the meaning or interpretation of the RFP and Bid.

#### **6.10 Corrections and Erases**

No erasures or over writings are permissible. Bidders shall clearly indicate changes using strike through and rewrite any required minor changes with clear approval signified by initials of the person(s) signing the Bid.

All alterations, omissions, additions, changes or any other amendments made in the Bid shall be initialed by the person(s) signing the Bid.

#### **6.11 Extension of Bid Submission / Bid Opening Date**

Buyer may, at its sole discretion, decide to extend the Bid Submission Date and / or Bid Opening Date. In such a case, all rights and obligations of Buyer and that of Bidders previously subject to the Bid Opening Date will thereafter be subject to the new Bid Opening Date.

#### **6.12 Modification and Withdrawal of Bids**

The Bidder may modify, substitute or withdraw its Bid after submission, provided that written notice of the modification, substitution or withdrawal is received by the Buyer prior to the Bid Submission Date.

The modification, substitution or withdrawal notice shall be prepared, sealed, marked and declared in accordance with this Section 6.11, with the envelopes being additionally marked "MODIFICATION", "SUBSTITUTION" or "WITHDRAWAL", as appropriate.

No Bid shall be modified, substituted or withdrawn by the Bidder on or after the Bid Submission Date. No Bid shall be withdrawn during the period between the Bid Submission Date and the expiration of the Bid validity period. Withdrawal of a Bid during this period may result in the forfeiture of the Bid Security.

#### **6.13 Rejection of Bids**

Any Bid received by the Buyer after the expiry of the Bid Submission Date will be rejected outright and returned to the Bidder.

Bids submitted by fax or email will not be treated as valid and rejected outright.

Bids not containing all the information sought in the complete bidding documents may be rejected.

The Bidder has to submit the Bid for the entire Scope of Work as per section 3.4 of the Instructions to Bidders and, the Buyer may reject the Bid not containing the full Scope.

Once the deviations as submitted along with the Techno Commercial Bid documents are resolved at mutually agreed terms and conditions with all the participating Bidders, no further deviations will be accepted in Price Bid and Price Bids submitted with any deviations shall be liable for rejection.

#### **6.14 False or Misleading Claims**

The Buyer may in its absolute discretion exclude or reject any Bid that in the reasonable opinion only of the Buyer contains any false or misleading claims or statements. The Buyer has no liability to any person for excluding or rejecting any such Bid.

#### **6.15 Buyer's right to accept any Bid and to reject any or all Bids**

Buyer reserves the right to accept or reject any Bid or to annul the bidding process and reject all Bids at any time prior to contract award, without assigning any reasons thereof and Buyer shall not entertain any claim whatsoever on this account. The Bidder shall have no claim on Buyer in case his Bid is rejected or the bidding process is annulled.

#### **6.16 Bidding cost**

The Bidder shall bear all costs and expenses associated with the preparation and submission of its Bid and Buyer shall under no circumstances be responsible or liable for any such costs, regardless of, without limitation, the conduct or outcome of the bidding, evaluation and selection process.

#### **6.17 Bid clarifications**

During the Bid evaluation, the Buyer may, at its discretion, ask the Bidder for clarifications on its Bid. Based on Buyer's evaluation, and at Buyer's sole discretion, Bidders may be given an opportunity to clarify their Bids in all respects to achieve compliance with the Contract and Technical Specifications. Bid clarifications shall be made in writing and addressed to Buyer as specified in Section 3.1 of Instructions to Bidders.

## **6.18 Bid Validity Period**

### **6.18.1 Initial Bid Validity**

All Bids, not rejected for any other reason, shall remain valid for a period of 270 (Two Hundred Seventy) days in case of Techno Commercial Bid (Stage I) and 180 (One Hundred Eighty) days in the case of Price Bid (Stage II) from the respective Bid Submission Dates or any extension thereof (“Initial Bid Validity Period”). Each Bid shall indicate that it is a firm and irrevocable offer. Non-adherence to this requirement will be a ground for declaring the Bid as non-responsive. In case of the Bidder revoking or withdrawing/canceling his Bid, varying any term in regard thereof during the validity period of the RFP without the written consent of the Buyer, the Bid submitted shall be liable for rejection and will entail forfeiture of the Bid Security paid along with the Bid. On completion of the validity period as above, unless the Bidder withdraws its Bid in writing, it will be deemed to be valid until such time that the Bidder formally (in writing) withdraws its Bid.

### **6.18.2 Extension of Initial Bid Validity Period**

In exceptional circumstances, the Buyer may request all the Bidders to consent to an extension of the period of validity of their respective Bid. The request and the response thereto will be made in writing. Extension of validity period by the Bidder must be unconditional. The Bid Security will also have to be accordingly extended.

## **6.19 Ownership of Bids and Responses**

Without affecting any intellectual property rights, which may exist in a response to this RFP, all responses submitted will become the property of the Buyer. Without limiting this section, the Buyer reserves the right to copy and reproduce, for Buyer’s own internal use, responses for the purposes of evaluation, clarification, negotiation and/or contract execution and anything else related to these purposes. In addition, the Buyer will retain (soft and hard) copies of all responses, evaluation, negotiation or such other materials as are required for the discharge of its legal obligations and in order to efficiently and effectively manage any contract entered into with a Bidder.

## **6.20 Details and Signature of Bidder**

The Bid shall contain the name, residence and place of business of person (s) making the Bid and shall be signed by the Bidder with his usual signature. Bids by a company shall be signed by an authorized representative and a power of attorney/authorization on its behalf shall accompany the Bid.

## 6.21 Fraud and Corruption

Bidders are expected to observe the highest standard of ethics from RFP stage till execution of Contract and not to indulge in any corrupt practice, fraudulent practice, coercive practice, undesirable practice or restrictive practice. In pursuit of this policy, the Buyer defines, for the purposes of this provision, the terms set forth below as follows:

**"corrupt practice"** means the offering, giving, receiving, or soliciting of anything of value to influence the action in the procurement process or in Contract execution;

**"fraudulent practice"** means a misrepresentation of facts in order to influence a procurement process or the execution of a Contract to the detriment of the Buyer and includes collusive practices among Bidders (prior to or after Bid submission) designed to establish Bid prices at artificial, non-competitive levels and to deprive the Buyer of the benefits of competition;

**"coercive practice"** means impairing or harming or threatening to impair or harm directly or indirectly, any person or property to influence any person's participation or action in the Bidding Process;

**"undesirable practice"** means (i) establishing contact with any person connected with or employed or engaged by the Buyer with the objective of canvassing, lobbying or in any manner influencing or attempting to influence the Bidding Process; or (i) having a conflict of interest as stated in Section 6.21; and

**"restrictive practice"** means forming a cartel or arriving at any understanding or arrangement among Bidders with the objective of restricting or manipulating a full and fair competition in the Bidding Process.

## 6.22 Conflict of Interest

Bidders must state in their submission any circumstances, arrangements, understandings or relationships that constitute, or may reasonably be considered to constitute, an actual or potential conflict of interest with the Bidders (or their consortium partners) obligations under this RFP or under any contract which may be negotiated or executed between the Bidder and the Buyer. Bidders and their employees, agents, advisers and any other person associated with the Bidder must not place themselves in a position which may, or does, give rise to a conflict of interest (or a potential conflict of interest) between the interests of the Buyer or any other interests during the Bidding Process.

## 6.23 Disqualification of Bidders

Any entity which has been barred by the Central, State or other Government in India, or any entity controlled by it, or in the jurisdiction of the Bidder barred from

participating in any project of the nature of the Power Facility, and the bar subsists as of date of the issue of RFP, shall not be eligible to submit a Bid, either individually or as a member of a consortium.

A Bidder, including any consortium member, shall in the last 3 (Three) years, not have defaulted on any contract, as evidenced by imposition of a award by an arbitral or judicial authority or a judicial pronouncement or arbitration award against the Bidder, consortium member, as the case may be, or have been expelled from any project or contract, or have had any contract terminated for breach of such Bidder or consortium member, and such bidder shall not be eligible to submit a Bid.

A Bidder submitting more than one Bid, even though such Bidder meets more than more than one qualifying routes as indicated in section 5.2, will be disqualified. A single proprietary firm/entity shall not submit multiple Bids even though the individual Bids are submitted under different names/entities. The Buyer reserves the right to reject any or all Bids so submitted.

#### **6.24 Bid Ownership**

Bid submitted by the Bidder within the Bid submission date shall become the property of the Buyer and the Buyer shall have no obligation to return the same to the Bidder.

#### **6.25 Ethics and transparency**

Buyer will adhere to highest ethical standards and transparency in the bidding process and is in the process of adopting the Integrity Pact Program of Transparency International. The Successful Bidder shall enter into an Integrity Pact with the Buyer. Bidder shall provide an undertaking that if Bidder is declared as Successful Bidder it shall enter into the Integrity Pact with Buyer. The Buyer may reject the Bid which does not include this undertaking as provided in covering letter (Annexure B).

### **7.0 STAGE – I BIDDING PROCEDURE APPLICABLE (QUALIFYING AND TECHNO-COMMERCIAL BID)**

#### **7.1 Collection of RFP Document**

The Bidders shall collect the RFP document in person from OPGC office at 7th Floor, Fortune Tower, Bhubaneswar, Orissa, India by paying 50,000 (Rupees Fifty Thousand Only) or US\$ 1,250 (US Dollar One Thousand Two Hundred Fifty Only) in form of Demand Draft or Pay Order issued from any scheduled bank in favor of “Orissa Power Generation Corporation Limited”, payable at Bhubaneswar, Orissa, India. The last date for collecting RFP is as per the Bidding Schedule mentioned in section 4.2.

## **7.2 Techno Commercial Bid Preparation and Submission**

Bidder shall submit the Techno Commercial Bid in the formats provided as per Part - II of the RFP. Guidelines mentioned below shall be used for submitting the Techno Commercial Bid.

## **7.3 Techno Commercial Bid Submission**

Bidder shall include with its Techno Commercial Bid a signed copy of each Amendment issued (if any) during the Bidding period. The following electronic file types are acceptable: Microsoft Word, Microsoft Excel, Microsoft PowerPoint, Adobe Acrobat, Microsoft Project and Primavera.

The Bidder shall submit one original set of the Techno Commercial Bid pursuant to this RFP clearly marking "ORIGINAL". In addition, the Bidder shall submit three (3) copies of the Techno Commercial Bid clearly marked as "COPY". The Bidder shall also provide 2 soft copies on a compact disc (CD). In the event of any discrepancy between the original and the soft copy, the original shall prevail.

The Techno Commercial Bid shall be typed or written in indelible ink and signed by the authorized signatory of the Bidder who shall also initial each page in blue ink. In case of printed and published documents, only the cover shall be initialed. All the alterations, omissions, additions or any other amendments made to the Techno Commercial Bid shall be initialed by the person(s) signing the Techno Commercial Bid. The Techno Commercial Bid shall contain page numbers and shall be bound together in hard cover.

The Bid security and the Techno Commercial Bid (electronic and hard copies) shall be submitted in two separate sealed envelopes with the Bidder's name and address clearly indicated. The envelope containing Bid Security shall be superscribed as "Bid Security" and the envelope containing "Techno Commercial Bid" shall be superscribed as "Techno Commercial Bid"

### **First Envelope**

- Bid Security as per the Bid Security form (Annexure-A)

### **Second Envelope**

- Covering letter from the Bidder as per form (Annexure – B)
- Declaration and authorisations as per section – A of the Covering Letter of the Bidder.
- Organizational Details and qualifications as per section – B of the Covering Letter of the Bidder
- Techno-Commercial Bid details as per section – C of the covering letter of the

## Bidder

If the envelopes are not sealed and marked as instructed above, the Buyer assumes no responsibility for the misplacement or premature opening of the contents of the Techno Commercial Bid and consequent losses, if any, suffered by the Bidder.

It is essential that the Bidder submits the Techno Commercial Bid as per above covering letter and the requested information is provided by the Bidder as per Appendix 1 to 22 of the covering letter.

Techno Commercial Bids that are not prepared and submitted in accordance with these submission requirements may be considered non-compliant and rejected.

Techno Commercial Bids received up to 14.00 hrs (Indian Standard Time (IST)) on the date mentioned in Section 4.2 and "Bid Security" and "Techno Commercial Bid" shall be opened on the same day at 15.00hrs (IST) in the office of the Buyer.

The Bidder shall provide all information sought under this RFP. The Buyer will evaluate only those Techno Commercial Bids that are received in the required formats [Appendix 1 to 23] and complete in all respects. Incomplete and/or conditional Techno Commercial Bids may be liable to rejection.

Techno Commercial Bids received by the Buyer after the specified time on the Techno Commercial Bid Submission Date shall not be eligible for consideration and shall be summarily rejected.

## **7.4 Bid Security**

### **7.4.1 Bid Security to be submitted by Bidders**

Bidders must furnish a Bid Security in favour of OPGC in the aggregate amount of Indian Rupees Forty crores (Rs 40,00,00,000/-) (the "Bid Security"). The Bid Security must be in form as indicated below and must be issued by either a nationalised bank or a recognized scheduled bank domiciled or licensed to conduct business in India. It is advisable for Bidders to check with OPGC in advance of the Techno Commercial Bid Submission Date as to the acceptability of the proposed issuing bank.

### **7.4.2 Forms of Bid Security**

The Bid Security offered shall be in one of the following alternative forms as indicated (i) and (ii) below and subject to approval of the Buyer. The other conditions applicable are also mentioned below.

- i. An account payee pay order or demand draft drawn in any nationalised bank or any recognized scheduled bank domiciled or licensed to conduct business in India in favour of Orissa Power Generation Corporation Ltd, payable at Bhubaneswar.

- ii. An irrevocable valid and fully enforceable bank guarantee, from an Indian Nationalized Bank or from a recognized scheduled bank domiciled or licensed to conduct business in India and acceptable to the Buyer, in favour of Orissa Power Generation Corporation Ltd, Bhubaneswar, as per the format indicated in Annexure – A.

No interest shall be payable by the Buyer on the above Bid Security. The Bid Security shall be made payable without any condition to the Buyer and shall be valid for a period of 365 days from the Bid Opening Date of Techno Commercial Bid.

#### **7.4.3 Consequence of Non Submittal of Bid Security**

Techno Commercial Bid not accompanied by the requisite Bid Security or Techno Commercial Bid accompanied by Bid Security of inadequate value or not valid for a period of 365 days from the Bid Opening Date of Techno Commercial Bid shall not be entertained and shall be returned to the Bidders without being opened.

#### **7.4.4 Bid Security Forfeiture**

The Bid Security furnished by the Bidder shall be forfeited

- a) If a Bidder withdraws or modifies unilaterally its Techno Commercial Bid during the period of Techno Commercial Bid validity period; or
- b) If, during evaluation of Price Bids, the Buyer ascertains that there is discrepancy in the Bid price due to arithmetical error, and on communicating such error to the Bidder, the Bidder does not accept the proposed correction of errors; or
- c) If the Bidder does not withdraw any deviations listed in deviation statement at the cost of withdrawal indicated by it; or.
- d) if, in the event that the Techno Commercial Bid validity period is extended by Buyer as provided for in section 6.18 above, and the Bidder fails to comply with any condition of re-validation or confirmation or fails to deliver a replacement Bid Security within the timeframe notified by Buyer;
- e) In the case of Successful Bidder, if such Bidder fails within the specified time limit to:
  - i. furnish the acceptance of letter of award; or
  - ii. fails to submit Contract Performance Guarantee/Security and/or Additional Guarantee of requisite amount as mentioned in the Deed of Joint Undertaking (DJU);
  - iii. to furnish the duly executed DJU in accordance with Appendix- 22 of Annexure – B

#### **7.4.5 Return of Bid Security**

- a) The Bid Security of the Successful Bidder to whom a Contract is awarded, will be returned after the said Bidder has submitted the Contract Performance Security specified in the Contract and the Deed of Joint Undertaking (DJU) Security and the Contract Performance Security and DJU Security is accepted by the Buyer after due verification in accordance with the OPGC's procedure in force from time to time.
- b) Upon the successful Bidder's furnishing of Contract Performance Security and DJU Security, the Bid Security of all unsuccessful Bidders will be returned as early as possible, but not later than 60 days after expiration of the period of Techno Commercial Bid validity prescribed by the Buyer including extension thereof, if any.

#### **7.5 Joint Deed of Undertaking**

The Bidder shall furnish a DJU executed by him as required in section 5.2.2, 5.2.3, 5.2.4 as the case may be of the Instruction to Bidders, in which all the executants of DJU shall be jointly and severally liable to the Buyer for successful performance of contract as per the format enclosed in Appendix – 8 of Techno Commercial Bid Format. The DJU shall be submitted along with Techno-Commercial Bid, failing which the Bidder shall be disqualified and his bid shall be rejected.

The Successful Bidder shall submit DJU Security as required in section 5.2.2, 5.2.3, 5.2.4, as the case may be, in the specified format at the time of execution of the Contract(s).

#### **7.6 Contract Performance Security**

In the event of contract award, the Successful Bidder shall be required to submit Contract Performance Security, of an amount specified in the Contract in the form prescribed in the Contract.

#### **7.7 Evaluation Criteria**

The Bids submitted by the Bidders would be opened in presence of the Buyer's Engineer/Consultant. The evaluation of the Bids will be carried out by the Buyer's Engineer/Consultant

##### **7.7.1 Techno Commercial Bid Evaluation Process**

The Techno Commercial Bids will be evaluated on two aspects:

- (a) Qualifying Requirement Evaluation, and (b) Technical and Commercial Evaluation

Buyer will simultaneously evaluate the qualification documents and Techno Commercial Bids submitted by the bidders. During this process if any Bidder is found not meeting the qualifying requirement, then its Techno Commercial Bids will not be reviewed further.

### **7.7.2 Qualifying Requirement Evaluation**

The Bidder shall comply with all the conditions of qualifying requirements mentioned in the Section 5.0. Non compliance with any of these criteria will result in outright rejection of the Bidder's proposal.

### **7.7.3 Technical and Commercial Bid Evaluation**

#### **7.7.3.1 Technical Bid Evaluation**

The technical bid will be evaluated primarily from the deviations proposed by the Bidders. In the event of any contradiction, Buyer reserves the right to price load based on the worst parameters that can be interpreted for non-compliance to the Technical Specification. If the Bidder has not explicitly indicated any of the technical data, scope, scheme or details required for unambiguous assessment, the Buyer may price load based on the worst possibility or parameters considered by any other Bidder. The Bidder shall provide price implication for withdrawal of the technical deviations as per format Appendix – 11 of Part – I.

If a Bid includes express or implied exceptions that are not listed as required, the requirements of the Technical Specifications and Contract shall govern. The Bidder shall not alter, in any way, any part of the Technical Specifications and Contract except by stating his exceptions. Bidder shall state such deviations/exceptions the cost of withdrawal of such deviations and exceptions as per Bid forms. Irrespective of the amount of such cost of withdrawal so stated by the Bidders, the Buyer reserves the right to evaluate each and every exception and deviation and load to the total price quoted by the Bidder, the costs so decided by the Buyer.

#### **7.7.3.2 Commercial Bid Evaluation**

The deviations to commercial issues of Part – IV (Contract) proposed by Bidders and price implication for withdrawal of these deviations shall be furnished as per Appendix – 12 of Part – II. In the event of any conflict, Buyer reserves the right to price load based on the worst commercial conditions that can be interpreted for non-compliance to the Technical Specification and Contract. If the Bidder has not explicitly indicated any information required for unambiguous assessment, the Buyer may price load based on the worst possibility or commercial conditions considered by any other Bidder.

## **8.0 STAGE II BIDDING PROCEDURE (PRICE BID)**

### **8.1 Price Bid Submission**

The Price Bid format provided in Part – III of the RFP document is indicative only. However, Shortlisted Bidders shall be asked to submit the Price Bid in a sealed envelop as per the updated format that will be provided at that point of time.

The Shortlisted Bidder shall submit one (1) original set and one (1) copy of the Price Bid (together with original/copy required to be submitted along therewith pursuant to this RFP), clearly marked "ORIGINAL" and "COPY" respectively.

The Buyer will evaluate only those Price Bids that are received in the required formats and complete in all respects. Incomplete and/or conditional Price Bids may be subject to rejection. Price Bids that are not prepared and submitted in accordance with section 8.1 may be considered non-compliant and rejected.

The Price Bid shall be submitted in a sealed envelop super scribed "Price Bid for 2X660 MW Project for OPGC". If the envelopes are not sealed and not marked as instructed above, the Buyer assumes no responsibility for the misplacement or premature opening of the contents of the Price Bid and consequent losses, if any, suffered by the Shortlisted Bidder.

The Shortlisted Bidder shall submit its complete Price Bid in hard copies by 14:00 (IST) on the respective submittal dates specified in Section 4.2 of Instructions to Bidders and will be opened on the same day at 15.00hrs (IST) in the office of the Buyer.

Price Bids received by the Buyer after the specified time on the Price Bid Submission Date shall not be eligible for consideration and shall be summarily rejected.

### **8.2 Additional Scope of Work (Type Tests)**

Shortlisted Bidder shall quote its additional price for carrying out certain additional scope of work requested by Buyer as per Appendix – 4D of Annexure – C of Part – III of RFP. Bidder shall be obliged to Buyer's request to carry out this additional scope of work.

All other conditions of Price Bid shall be applicable for this additional scope of work.

### **8.3 Optional Scope of Work (Erection and Commissioning)**

Shortlisted Bidder shall have the option to submit its price for carrying out optional work of Unloading, Storage of equipments and Erection, Testing and Commissioning of Main Plant as requested by Buyer as per Appendix – 4E of Annexure – C of Part – III of RFP.

## **8.4 Price Bid**

Shortlisted Bidder shall furnish its price as per the Price Bid formats..

Bidders shall familiarise themselves with the laws, rules and regulations prevailing in India and consider the same while developing and submitting their Price Bid.

The price quoted shall remain firm till the end of Price Bid validity period and in the event of Contract award shall remain firm till the completion of Contract obligations

The price once offered shall remain firm as above and no adjustment shall be allowed for variation of costs of labour and materials, fluctuation in foreign currency or any other cost component affecting the total cost in fulfilling the obligations under the Contract.

### **8.4.1 Price in Figures and words**

The Shortlisted Bidder shall quote both in figures and in words in the Price schedule forming part of the Price Bid. In Price Bid, the price of each item shall be entered and total indicated for all items. In the event of any discrepancy between original and any copy, the original shall govern. If any ambiguities are observed in the subtotal and total given in words and figures, the following procedure shall be followed to resolve such ambiguity:

- When the total price quoted by the Shortlisted Bidder in figures and words differ and the price indicated in words is lower than that indicated in figures, the Bid price in words shall be taken as correct Bid price.
- When the total price quoted by the Shortlisted Bidder in figures and words tally but found incorrect based on the total amount worked out from subtotal, then subtotal quoted by the Bidder shall be taken as correct to arrive at the total.
- When it is not possible to ascertain the correct Bid price by either of above methods, the price quoted in words shall be taken as correct.
- If there is a discrepancy between the unit price and the total price that is obtained by multiplying the unit price and quantity, the unit price shall prevail and the total price shall be corrected.

If the Shortlisted Bidder does not accept the correction of errors, its bid will be rejected.

## **8.5 Price Bid Validity**

All Price Bids shall be binding and valid for a period of One Hundred and Eighty

days (180) from the Bid Submission Date of Price Bid or any extension thereof.

### **8.6 Price Bid Currency**

Shortlisted Bidder shall quote a fixed price comprising Indian Rupee and US Dollar. No other currencies will be accepted by Buyer. For the purpose of evaluation, Bid price will be converted to equivalent Indian Rupees based on the TT selling exchange rate specified by State Bank of India (SBI) on the Bid Opening Date.

The Bid Price shall not be indexed to any other currency or basket of currencies and accordingly no escalation on account of foreign exchange rate shall be permitted.

### **8.7 Price Bid - Taxes and Duties**

The Price Bid shall include all taxes and duties inclusive of custom duty, central and local taxes and duties, service tax, cess as applicable seven (7) days prior to Bid Submission Date of Price Bids and the break-up of these taxes and duties, in amount and absolute rate terms, shall be clearly indicated in Price Bid as per Price Bid formats.

Non inclusion or omission of the requested break-up of taxes and duties on the part of the Bidder shall be construed as inclusive of such duties or taxes in his quoted price.

The taxes, duties, levies etc prevailing during the contract period shall be paid as applicable. However, any benefit arising on account of any decrease in taxes and duties, change in tax regime etc would be passed on to the Buyer.

For the sake of clarity on taxes and duties leviable on supply and services, the Price Bid should indicate the price for goods and services for the packages specified at Clause 3.4 and the tax incidence for such packages separately in the specified schedules.

For the purpose of factoring the incidence of taxes and duties etc:

- The Bidder shall assume that the Project qualifies as “Mega Power Project” and factor the applicable exemptions/concessions including the Deemed Export Benefits. While the Buyer shall provide the necessary documents to facilitate the above exemptions/concessions/benefits, the Bidder shall be solely responsible for obtaining the exemptions/concessions/benefits including compliance with any conditions;
- If the project does not qualify as “Mega Power Status” for any reason, the Buyer shall reimburse the applicable taxes and duties based on documentary evidence;
- With respect to offshore supply of goods, the title of goods shall be transferred to Buyer on High Sea sale;

- With respect to onshore supply of goods manufactured by the Bidder and supplied ex-factory the title of goods shall be transferred to Buyer on ex-factory basis;
- With respect to onshore inter-state bought out goods and dispatched to site, the title of goods shall be transferred to Buyer by way of in-transit sale;
- The Buyer will issue Form "C" with respect to inter-state supply of goods;

## 8.8 Price Bid Evaluation (Indicative)

Price bid evaluation will consider the following criteria:

i. Milestone Payment Schedule:

Present Value for Milestone Payment Schedule for each Shortlisted Bidder shall be computed based on the discounting factor of 10.50%. Lowest Present Value for Milestone Payment Schedule quoted by the bidder will be taken as base and the Present Value for Milestone Payment Schedule of other bidders will be compared with the base to arrive at differential.

ii. Price adjustment for Guaranteed Performance parameters

*Capacity (MW):* Each of the Steam Turbine and Generator shall have gross capacity out put of not less than 660 MW. The Shortlisted Bidder shall guarantee the gross and net capacity output [MW] of the each Unit also taking into account the auxiliary power consumption of the balance of plant [not included in scope] provided by the Buyer. While this gross and net capacity are not considered for evaluation of Price Bids, the same shall be included in the Contract and shall be guaranteed with corresponding liquidated damages for shortfall in performance. If the actual auxiliary power consumption of balance of plant during performance tests exceeds the value previously indicated by the Buyer, due credit will be given to Bidder.

*Net heat rate (Kcal/Kwh):* The lowest net heat rate corresponding to 100% net capacity output quoted by any bidder, will be taken as base and the net heat rate proposed by other bidders will be compared with the base to arrive at differential net heat rate. Price will be loaded for the differential net heat rate by multiplying with Bid Evaluation Factor (BEF) (Rs 16,850,000/- for each one (1) Kcal/Kwh increase in heat rate).

iii. Price Adjustment for Technical and Commercial Deviations

The price adjustment sought by the Shortlisted Bidders while seeking Technical and Commercial Deviations, as per the Techno Commercial Bid, shall be considered for this purpose.

iv. Price adjustment under Mega Power Project Policy of Government of India, if applicable

v. Price adjustment for life cycle Operation and Maintenance (O and M) schedules

The summation of above price adjustment is "Total Price Adjustment for Deviations" (TPAD)

**8.9 Successful Bidder**

TPAD shall be added to Bid price to arrive at Total Evaluated Bid Price. The Bidder with the lowest Rs Crores will be declared the successful Bidder ("Successful Bidder"), unless the Buyer in its discretion determines otherwise.

Save and except as provided in this RFP, the Buyer shall not entertain any correspondence with any Bidder in relation to the acceptance or rejection of any Price Bid.

**8.10 Contract Award**

Buyer reserves the right to accept or reject any or all Price Bids submitted by Shortlisted Bidders and further reserves the right not to award the Contract to the lowest evaluated Shortlisted Bidder or not at all.

At this time, Buyer intends to complete the Work. However, due to uncertainties in the industry, this RFP does not obligate Buyer to award a Contract or to proceed with the Project.

**9.0 EXECUTION OF THE CONTRACT DOCUMENT**

Successful Bidder agrees to enter into the Contract with the Buyer substantially in the form and substance enclosed in Part IV, containing the terms and conditions. The parties may agree to enter into separate Contracts for the supply of goods and services at a later date e.g., offshore supply of goods, offshore supply of services, onshore supply of goods, onshore supply of services etc as specified in clause 3.4 of the Instructions to Bidders.

**9.1 Contract Performance Security**

In the event of contract award, the successful Bidder shall be required to submit contract performance security of an amount specified and in the form prescribed in Part – IV- Contract.

**9.2 Governing Law**

The governing law for the Contract is Indian Law. The Buyer reserves the right to amend the governing law to any other applicable law on the basis of the submissions made by the Bidders while submitting Techno-Commercial Bids.

### **9.3 Dispute Resolution**

Any dispute resolution related to RFP will take place through courts in Bhubaneswar under the writ jurisdiction of Orissa High Court.