



The Andhra Pradesh Mineral Development Corporation Limited

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RFP NOTIFICATION

19.03.2018

REQUEST FOR PROPOSAL FOR SELECTION OF MINE DEVELOPER AND OPERATOR FOR PLANNING, ENGINEERING, FINANCING, CONSTRUCTION, DEVELOPMENT, OPERATION AND MAINTENANCE OF MADANPUR SOUTH COAL MINE

APMDC invites proposals from experienced mine developer and operators and mining contractors for planning, engineering, financing, construction, development, operation and maintenance of the Madanpur South Coal Mine (opencast) located in Chhattisgarh, with a peak rated capacity of 5.40 Mtpa.

The executive summary of the bidding process shall be available on the website of MSTC Ltd. (www.mstcecommerce.com/eprochome/mdo) and websites of APMDC (www.apmdc.ap.gov.in), from **20th March 2018**. The bidding documents (**RPF No APMDC/COAL/MDO/MADANPUR/2017-18/001**) can be downloaded from the website of MSTC Ltd. after registration on the MSTC website and payment of the bid document cost of **Rs. 50,000/- [Rupees Fifty Thousand Only, excluding GST]** from **20th March 2018**.

The last date for submission of proposals is 15:00 hrs IST on **3rd May 2018**. Any further communications, amendments etc. shall only be uploaded on the above website of MSTC and the website of APMDC and there will be no newspaper notification/advertisement in this regard. APMDC reserves the right to cancel/ reschedule/ extend the tender or reject any or all bids without assigning any reasons whatsoever at any stage.

Nodal officer for this bidding process: **Sri. H. D. Nagaraja**, Executive Director, APMDC, Email: hdnagaraja@yahoo.co.in; ed@apmdc.ap.gov.in. Phone: +91-866-2429999; Fax: +91-866-2429977.

Sd/-

Vice Chairman and Managing Director
The A. P. Mineral Development Corporation Limited



The Andhra Pradesh Mineral Development Corporation Limited
(A Government of Andhra Pradesh Undertaking)

EXECUTIVE SUMMARY OF REQUEST FOR PROPOSAL (RFP) for

SELECTION OF MINE DEVELOPER AND OPERATOR for

**PLANNING, ENGINEERING, FINANCING, CONSTRUCTION, DEVELOPMENT,
OPERATION AND MAINTENANCE OF MADANPUR SOUTH COAL MINE, STATE OF
CHHATTISGARH, INDIA**

(Through Competitive Bidding)

1. The Andhra Pradesh Mineral Development Corporation Limited (APMDC) invites bids on a **Single Stage Two Part basis (Techno-Commercial Proposal and Financial Proposal)** from eligible bidders for the development and operation of Madanpur South Coal Mine, in the District Korba of Chhattisgarh, as per the Scope of Work mentioned hereinafter.
2. The Madanpur South Coal Mine is a 5.40 Mtpa opencast coal mine with coal reserves of about 159 Mt and an average stripping ratio of 6.06 cum/t. APMDC is looking to select a Mine Developer and Operator (MDO) for planning, engineering, financing, construction, development, operation and maintenance of the mine for the Life of Mine, which is about 33 years or till expiry or termination of the mining lease, whichever is earlier.
3. **Scope of work for Mine Developer and Operator**
 - i) Development of the Mine on the Site in accordance with the provisions of Agreement and as per the Mining Plan.
 - ii) Drilling and blasting operations with appropriate safeguards and compliance to statutory requirements
 - iii) Excavation of OB by excavators and transportation by dumpers to OB dumping locations
 - iv) Mining of ROM coal as per the specified quantity and quality and transportation of the coal to the pit top of the mine
 - v) Crushing of coal is not envisaged as coal will be extracted using Surface Miner operation.
 - vi) The Mine Operator shall be responsible for supply-cum-installation-civil works of Mine-end CHP. The cost(s) of such supply-cum-installation-civil works shall be a maximum of Rs 93.50 Crores which shall be payable by APMDC. Any cost(s), expense(s) over and above INR 93.50 Crores shall be solely attributable to the Mine Operator.
 - vii) The Mine Operator shall load the coal onto the tipper trucks of customers or transport agencies, as authorized by APMDC.

- viii) Railway Siding is not envisaged currently. If railway siding is required at a later stage, in such case, the MDO shall build, operate and maintain the Railway Siding. The documented capital expenditure shall be paid for by APMDC, subject to pre-approval of the budget for the same.
- ix) Coal washery is not envisaged. However, if at a later stage it is required MDO shall build and operate. The documented capital expenditure shall be paid for by APMDC, subject to pre-approval of the budget for the same.
- x) Manpower shall be deployed by the MDO without any obligation to APMDC both during and post the contract period. The MDO shall also provide employment to PAPs as per the R&R policy of Govt. of Madhya Pradesh.
- xi) Facilitation and assistance role: Assisting APMDC in land acquisition, physical possession of land, administrative assistance for obtaining the pending statutory clearances & approvals, community development, welfare activities and assist APMDC for R&R of Project Affected People and Project Affected Families. All documented costs to be paid by APMDC.
- xii) Complying with all applicable laws and regulations regarding mine operations and maintenance, safety practices, protection of the environment etc.
- xiii) The MDO shall acknowledge and comply with all the terms and obligations of the Allotment Agreement, the RFP and other Bidding documents and the MDO shall also cause its sub-contractors to acknowledge and comply with the same.
- xiv) The MDO shall strictly adhere to the time limits given in the “Schedule D – Efficiency Parameter” of the Allotment Agreement.

4. Schedule of the Bidding Process:

Sl. No.	Event	Tentative Schedule
1	Publication of advertisement in newspapers	19 th March 2018
2	Availability of an Executive Summary (free of cost) on the internet on the following websites: i) MSTC (www.mstcecommerce.com/eprochome/mdo) ii) APMDC (www.apmdc.ap.gov.in)	20 th March 2018
3	Start of registration of Bidders on MSTC website	20 th March 2018
4	Start of receipt of Bid Document Cost and download of bid documents	20 th March 2018
5	Site visit	26 th March 2018 to 9 th April 2018
6	Last date for receipt of Pre-Bid queries (queries to be submitted on the MSTC website)	10 th April 2018
7	Pre-Bid Conference/ meeting	12 th April 2018

		Time: 12:00 hrs Venue: APMDC Vijayawada office
8	Presentation and demo on e-tendering submission by MSTC	12 th April 2018 Time: 15:00 hrs Venue: APMDC Vijayawada office
9	Issue of responses to Pre-Bid queries, Addendum/ Corrigendum if required	19 th April 2018
10	Demo of e-tendering submission on the MSTC website	20 th April 2018 to 30 th April 2018
11	Start date for submission of Techno- Commercial Proposal and Price Proposal on MSTC website and physical submission of the original documents related to Proposal submission	20 th April 2018
12	Last date for registration and receipt of bid document cost	1 st May 2018
13	Last date for downloading the Bidding Documents	1 st May 2018, 17:00 hrs
14	Last date for submission of Techno Commercial Proposal and Price Proposal on MSTC website	3 rd May 2018, 15:00 hrs
15	Last date for physical submission of the original documents related to Proposal submission	3 rd May 2018, 15:00 hrs at MSTC Office
16	Opening of Techno Commercial Proposals (on the MSTC website)	3 rd May 2018, 16:00 hrs on MSTC website
17	Opening of envelopes submitted by bidders - containing the original documents related to Proposal submission (in presence of bidders who choose to attend)	4 th May 2018 12:00 hrs at APMDC Vijayawada office
18	Subsequent event	To be communicated later

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

5. Qualification Requirements – Technical Criteria

A bidder shall meet the following technical criteria through any one of the following routes:

5.1 Route A

5.1.1 The Bidder should have, in the preceding 7 (seven) Financial Years ending as on 31st March 2017, developed & operated single coal/ lignite mine having coal/ lignite reserves of at least **100 million tonnes** & annual capacity of at least **5.00 MTPA** and produced at least **2.00 million tonnes** of coal/ lignite from such mine.

5.1.2 The word “operated” means that the Bidder should have performed the necessary mining activities of drilling for blasting, excavation, hauling etc. on its own or through sub-contracting.

5.1.3 The word “developed” means that the Bidder should have performed the necessary activities of land acquisition/ assisted in land acquisition, statutory clearances/ assisted in statutory clearances & approvals and carried out ‘Infrastructure development’ on its own or through sub-contracting.

OR

5.2 Route B

5.2.1 The Bidder should have, in the preceding 7 (seven) Financial Years ending as on 31st March 2017, operated and produced at least **40 million BCM** of aggregated volume of overburden and/ or coal/ lignite from a maximum of 5 (five) opencast mines of coal / lignite, in any Financial Year.

AND

5.2.2 The Bidder should have, in the preceding 7 (seven) Financial Years ending as on 31st March 2017, operated and produced at least **20 million BCM** of composite volume of overburden and coal/ lignite from a single opencast mine in any Financial Year, out of which at least **2.70 million tonne** shall be coal / lignite.

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

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

6. Qualification Requirements – Financial Criteria

6.1 In any 3 (three) consecutive Financial Years, as proposed by the Bidder out of preceding 4 (four) Financial Years i.e 2013-14, 2014-15, 2015-16 and 2016-17, the average annual turnover of the Bidder should not be less than **INR 800 Crores (Indian Rupees Eight Hundred Crores only)** or in equivalent foreign currency;

AND

6.2 In any 3 (three) consecutive Financial Years, as proposed by the Bidder out of preceding 4 (four) Financial Years i.e 2013-14, 2014-15, 2015-16 and 2016-17, the average annual cash accrual of the Bidder should not be less than **INR 60 Crores (Indian Rupees Sixty Crores only)**, or in equivalent foreign currency. The Bidder must have a positive cash accrual in the last Financial Year out of the three consecutive Financial Years considered by the Bidder;

AND

6.3 Net Worth of the Bidder as on the last date of the last Financial Year out of the 3 (three) consecutive Financial Years i.e. 2014-15, 2015-16 and 2016-17, as proposed by the Bidder at Clause 7.2 (a) of the RFP should not be less than **INR 300 Crores (Indian Rupees Three Hundred Crores Only)**, or in equivalent foreign currency, which should be equal to or more than 100% of its paid up share capital

AND

- 6.4** 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 on a date not earlier than 15 days prior to the Proposal submission date, duly certified by its Bankers should not be less than **INR 45 Crores (Indian Rupees Forty Five Crores only)** or in equivalent foreign currency. In case certificates from more than one bank are submitted, the certified unutilized limits should be of the same date from all such banks. Certificates from a Non-Banking Financial Company (NBFC), as defined in Companies Act, 1956, or the Companies Act, 2013, are not acceptable.

7. Single bidder

A bidder may fulfill the Technical Criteria and the Financial Criteria either on its own or on the basis of its own experience and credentials as well as the experience and credentials of its Subsidiary (ies) and /or Holding Company and/ or Subsidiaries of its Holding Company.

8. Consortium

- 8.1** Bidder may be a Consortium of up to three corporate entities and should collectively meet the requirement of the Technical Criteria at clause 7.1, or Financial Criteria at Clause 7.2. For the Bidders who are qualified as per Clause 7.1.2, requirement of Clause 7.1.2 (b) should be met by at least one of the Consortium Members.

- 8.2** All the Consortium Members shall select one of the members as the Consortium Leader who should meet on its own, at least, 51% requirement of the Financial Criteria.

- 8.3** Net worth of all the Consortium Members in combined manner, as on the last date of the last Financial Year out of the three consecutive Financial Years, proposed by Bidder for meeting the Financial Criteria, should be positive and equal to or more than 100% of their total paid up share capital. However, net worth of each of the Consortium Member excluding the Consortium Leader, as on the last date of the last Financial Year out of the three consecutive Financial Years, considered by Bidder for meeting Financial Criteria, should not be less than 75% of their respective paid up share capital individually.

- 8.4** Each member of the Consortium should meet either

a) Technical Criteria at clause 7.1.1;

or

b) At least 20% of the Technical Criteria i.e 8 Million BCM of aggregated volume of overburden and/ or coal/ lignite from a maximum of five open cast mines of coal / lignite, in any Financial Year. However, the total number of mines to be considered for meeting the Technical Criteria collectively by all Consortium Members shall not exceed five.

or

c) At least 20% of the absolute value(s) of the Financial Criteria.

8.5 In this route, none of the Consortium Members will be allowed to draw any technical or financial strength from its Subsidiary (ies) and/or Holding Company.

8.6 Each of the Consortium Members will be required to furnish a legally enforceable Consortium Operating Agreement (COA) along with Techno-Commercial Proposal holding themselves jointly and/or severally responsible and liable to APMDC to perform all contractual obligations, valid for the entire period of Agreement, as per the format enclosed in the Bidding Documents. The number of executants of the COA should not exceed three.

9 Contents of the Price Proposal

9.1 Bidders shall quote their Initial Price Offer in accordance with Clause 10.2 of RFP in the MSTC website. The total value of the Price Proposal would be automatically calculated in the MSTC website and would be converted the same into Thousand Indian Rupees (TINR).

9.2 The Initial Price Offer shall consist of the following components:

a) Expenditure towards supply-cum-installation-cum-civil works of Mine-end CHP:

i) Expenditure towards supply of plant and equipment

a) Supply of plant and equipment

b) Supply of mandatory spares

c) Transportation

d) Type test charges

ii) Expenditure towards installation services

iii) Expenditure towards civil works

iv) Expenditure towards structural works (site fabricated)

v) Expenditure towards commissioning

The total expenditure towards supply-cum-installation-cum-civil works of mine-end CHP in INR is subject to the maximum limit of **Rs 93.50 Crores (Indian Rupees Ninety Three Crores and Fifty Lakhs Only)** in line with Clause 10.2.1 below.

b) **Mining Fee:** Mining Fee per tonne of coal produced for average Strip Ratio of **6.06 cum/t** including delivery onto the tipper trucks of customers or transport agencies, as authorized by APMDC.

Note 1: Escalation on Base Mining Fee shall be as per Schedule-10 of the Agreement.

Note 2: Bidders shall quote their prices for the Price Components mentioned at 10.2 (a) and 10.2 (b) in the MSTC website not exceeding the limits in the respective clauses.

10 Bidding Process

10.1 A one stage two part process is being followed. The process shall be entirely conducted through the e-tendering mode on the MSTC website (www.mstcecommerce.com/eprochome/mdo). Bidders shall submit a Techno-Commercial Proposal and a Financial Proposal containing their Initial Price Offer.

- 10.2** The Techno-Commercial Proposal would be evaluated as per the Qualification Requirements (QR) and the Financial Proposals of only technically qualified bidders would be opened.
- 10.3** The Qualified Bidders shall be ranked based on the ascending order of their evaluated Mining Fee i.e total price for the entire package. Based on such ranking, the Qualified Bidders holding the first 50% (fifty percent) of the ranks (with any fraction rounded off to the higher integer) or 5 (five) Bidders (whichever is higher) shall be only eligible for participating in the Reverse Auction.

However,

- i) In the event that the total number of Bidders who are eligible to participate in the Reverse Auction is less than five (5), then none of the Qualified Bidders shall be considered for participating in the Reverse Auction and APMDC may decide to go for a fresh tender.
 - ii) In the event of identical Evaluated Mining Fee i.e total price for the entire package having been submitted by more than one Qualified Bidder, all such Bidders shall be assigned the same rank for the purposes of determination of Qualified Bidder. In such cases, the aforementioned fifty per cent (50%) shall stand enhanced to fifty per cent (50%) plus the number of such Qualified Bidders, whose evaluated Mining Fee i.e total price for the entire package are identical minus the number of such identical evaluated Mining Fee i.e total price for the entire package.
- 10.4** The ‘Opening Price’ i.e. start price for Reverse Auction will be as decided by APMDC in Thousands Indian Rupees (TINR).
- 10.5** During the Reverse Auction, the Technically Qualified Bidders who are eligible for participating in the Reverse Auction shall be permitted to place their Final Price Offer on the MSTC website, provided that it is lower than the applicable ceiling price by at least the minimum decrement amount. The Technically Qualified Bidder that submits the lowest Final Price Offer at the conclusion of Reverse Auction process shall be the “L1 bidder”. The L1 bidder shall be selected by APMDC as the MDO, subject to certain due diligence to be done by APMDC. During the Reverse Auction, bid decrement value shall be in multiples of 250,000 TINR or INR 25 Crores and if a new lower bid is received in the last 8 minutes of the auction, the auction shall be automatically extended by 8 minutes.
- 10.6** After completion of the Reverse Auction event, based on the final Price Proposal quoted by the Bidders in TINR, the L1 Bidder shall submit, by e-mail, item wise price break up to APMDC within 2 hours of conclusion of the Reverse Auction.

While preparing item wise price break up, item rate for expenditure towards supply-cum-installation-cum-civil works of Mine-end Coal CHP shall be taken as per the originally quoted Price Proposal, i.e. Price Proposal quoted by the L1 Bidder prior to Reverse Auction, in order to arrive at the final total price of the Proposal after completion of Reverse Auction.

Bidders to note that expenditure towards supply-cum-installation-cum-civil works of Mine-end CHP as quoted prior to Reverse Auction shall only be considered during submission of final Price Proposal.

Bidder shall not be allowed or permitted to increase the item rate of any item earlier quoted in the Price Proposal.

Bidder to note that the final Total Price Proposal as per item wise detailed break- up shall not exceed the final Total Price Proposal received after completion of Reverse Auction, which means any difference due to approximation shall be adjusted to Price Proposal received.

- 10.7** APMDC reserves the right to cancel/ reschedule/ extend the Reverse Auction process/ tender at any time, before ordering, without assigning any reason.

11 Registration on MSTC website

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

- 11.2** Upon successful submission of the online registration form, the Bidder shall receive an e-mail in its registered e-mail address confirming the registration. The Bidders shall have to pay a onetime registration fee of Rs 10,000/- (Rupees Ten Thousand only) along with GST at the rate of 18% {Total Rs 11,800/- (Rupees Eleven Thousand Eight Hundred only)} in favor of MSTC Limited. The payment can be made through NEFT or e-payment to MSTC's following bank account.

Bank Details	:	IndusInd Bank Ltd., Ground Floor, D. No 47-10-24/25, Sai Trade Centre, Dwarka Nagar, 2nd Lane, Visakhapatnam- 530 016
Account Details	:	IndusInd Bank Ltd., A/c. No.
IFSC Code No.	:	201001325851
	:	INDB0000771

- 11.3** After remittance of the payment, the Bidder should send the details of payment like remitting bank, date of payment, UTR number, amount, name of the remitter and name of the Bidder as registered in MSTC's website through e-mail to gnjayakumar@mstcindia.co.in and krama@mstcindia.co.in.

- 11.4** The Bidder can then login in the same website as mentioned above through the 'Vendor Login' section. The Bidder shall need a valid Digital Signature Certificate (DSC) along with user id and password to login. The DSC which shall be used during the first login shall get mapped with the user id and the same DSC shall have to be used for all subsequent logins and bidding. Hence the DSC should be in the name of the Authorized Signatory of the Bidder.

- 11.5** A bidder needs to register only once with the above website. The same registration can be used for bidding in various RFPs being processed in the above website.

12 Payment of bid document cost

- 12.1** The bid document cost is Rs. 50,000/- (Rupees Fifty Thousand only) along with GST at the rate of 18% {Total Rs 59,000/- (Rupees Fifty Nine Thousand only)} ("Bid Document Cost") as the cost of the Bidding Document.

- 12.2** The payment towards the Bid Document Cost is to be remitted in favor of MSTC Limited by NEFT or e-payment to MSTC's bank account as per following detail.

Bank Details	:	IndusInd Bank Ltd., Ground Floor, D. No 47-10-24/25, Sai Trade Centre, Dwarka Nagar, 2nd Lane, Visakhapatnam- 530 016
Account Details	:	IndusInd Bank Ltd., A/c. No. 201001325851

IFSC Code No. : INDB0000771

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

13 Contact Persons from MSTC

Contact persons - MSTC Vijayawada

Sl. No.	Name of Contact Person	Email	Land Line No	Mobile No
1	Sri J Ganesh Niranjan, CM	gnjayakumar@mstcindia.co.in	+91-866- 2581331	+91 9748949481
2	Ms K Rama, JM	krama@mstcindia.co.in		+91 9989719979

Contact persons - MSTC Kolkata

Sl. No.	Name of Contact Person	Email	Land Line No	Mobile No
1	Sri S Mukherjee, DM (e-Commerce)	smukherjee@mstcindia.co.in	+91-33- 22901004	+91 7278030407
2	Ms S Maity, AM (e- Commerce)	smaity@mstcindia.co.in		+91 9831155225

Google hangout ID- (for text chat) - mstceproc@gmail.com

14 Other important points

- 14.1** Amount of Bid Security to be submitted along with the bid by bidders (in the form of Bank Guarantee from a Scheduled Bank): **Rs. 20,00,00,000/- (Indian Rupees Twenty Crores only)**.
- 14.2** The Contract Performance Guarantee shall be for an amount equivalent to 10% (ten per cent) of the estimated annual contract value under the terms of the Agreement.
- 14.3** Nodal officer from APMD: **Sri. H. D. Nagaraja**, Executive Director, Door No. 294/1D, 100 feet Road (Tadigadapa to Enikepadu Road), Kanuru, Vijayawada – 521137, Andhra Pradesh, India, Tel: +91-866-2429999 / Fax: +91-866-2429977, Email id: hdnagaraja@yahoo.co.in; ed@apmdc.ap.gov.in
- 14.4** Dedicated email address for this RFP: ed@apmdc.ap.gov.in
- 14.5** RFP No.: APMD/COAL/MDO/MADANPUR/2017-18/001
- 14.6** E-Tender No: MDO/17-18/ET/2
- 14.7** E-Reverse auction No: MDO/17-18/RA/4