

Punjab State Electricity Board
Office of Chief Engineer/Thermal Designs,
Shed No.:-T-2, Shakti Vihar, Patiala-147001.

Corrigendum No.: VIII

Subject:- Invitation for Expression of Interest (EOI) for forming Joint Venture Company (JVC) for selection/allotment/development and mining of coal blocks :- Amendments in PSEB Specifications No. 182/Revised/Ver-R01/DPT-114

Following amendments are hereby made in the PSEB specifications No. 182/Revised/Ver-R01/DPT-114:-

Amendments

Clause No.	Existing Clause	Proposed Amendment
2.1.1 (the last sentence only)	Further, a bidding consortium can not participate in the bidding process.	A bidding consortium can participate in the bidding process. However, in case of consortium bidding, one of the consortium members will be clearly defined as consortium leader. The consortium leader should fulfill all the requirements of a Bidder. Pursuant to clause No. 2.1.4, the technical capability of only the consortium leader or its parent or its subsidiary company will be considered for Technical Qualification Requirements. For Financial Qualification Requirements, the financial capability of only the consortium leader will be considered. Therefore, for technical and financial qualification requirements, no other consortium member's technical and financial capability will be considered. The terms and conditions for consortium formation will be as follows: (a) The lead member of the consortium members will be legally responsible to PSEB for any other subsequent activities. (b) One party can participate only in one consortium. If it is found that a single party has participated in more than one consortium, then all such bids will be cancelled. (c) The consortium members can invest in the Coal mining projects of the JV company. However, under any circumstances total stake in the JV company of all the consortium members shall not exceed 49% in JV company. (d) The board representation in JV company by the

9/5/14
16/1/14

		<p>consortium members or distribution of day to day management of JV company amongst the consortium members will be decided by themselves, PSEB has nothing to do in this. However, the total representation in the board of the JV company will be restricted to Four (4) only.</p> <p>(e) Any subsequent change in membership of the consortium requires PSEB's approval.</p> <p>(f) The consortium leader should give undertaking to PSEB that if any member of the consortium decides to leave consortium subsequently, then the lead member will bring the investment made by the members who is leaving, so that the operation of JV company will remain uninterrupted.</p> <p>(g) Any investment especially in the form of unsecured loan by the consortium members should be pre-approved by PSEB.</p>
2.1.2.4	<p>The bidder should have at least three (3) million metric tons of coal/lignite & other minerals per year mining works in hand on open cast/underground mine per year during last three (3) years.</p>	<p>The Bidder should be operating of its own at least three (3) million metric tons of coal/lignite per year mining works by open cast mining process during last three (3) financial years.</p> <p>or</p> <p>The Bidder should be operating of its own at least one and half (1.5) million metric tons of coal/lignite per year mining works by underground mining process during last three (3) financial years.</p> <p>or</p> <p>The bidder should be operating of its own at least three (3) million tons of coal/lignite per year mining works by combination of both opencast and underground mining process during last three (3) financial years.</p>
2.1.4	<p>The Bidder may seek qualification on the basis of financial capability of its parent Company and/or its affiliate(s) for the purpose of meeting the qualification requirements. The financial capability of a particular parent Company (ies) and/or Affiliates shall not be considered.</p>	<p>The Bidders may seek qualification on the basis of technical capability of its Parent Company and/or its subsidiary company over and above of its own technical capability for the purpose of meeting the Technical Qualification Requirements. The bidders should have a proven track record in mining apart from its parent or subsidiary company. The financial capability of bidder only on standalone basis will be considered for the purpose of Financial Qualification Requirements. The financial capability of the parent company or subsidiary company will not be considered in this regard. Bidder should also note that neither the technical nor financial capability of its other consortium member will be</p>

Done
18/2/10

		considered for Technical and Financial Qualification Requirements.
2.1.7	<p>If at any stage of the bidding process, any order / ruling is found to have been passed in the last five (5) years preceding the Bid Deadline by an Appropriate Commission or a competent court against any Bidder or its Affiliates for its material breach of any contract for supply of coal having duration of contract in excess of one (1) year to any beneficiary in India, Bids from such Bidders shall be liable to be rejected. All Bidders shall confirm in accordance with Format 4.1 that no such order / ruling has been passed by an Appropriate Commission or a competent court against it or its Affiliates. Each Bidder shall also confirm that the bid security submitted by the Bidder or its Affiliates has not been forfeited either partly or wholly in any bid process in the last five (5) years preceding the Bid Deadline.</p>	<p>If at any stage of the bidding process, any order /ruling is found to have been passed in the last five (5) years preceding the bid deadline by an appropriate Commission or a competent court against any bidder or its affiliates for its material breach of any contract for supply of Coal having duration of contract in excess of one (1) year to any beneficiary in India, Bids from such bidders shall be liable to be rejected. All bidders shall confirm in accordance with format 4.1 that no such order/ruling has been passed by an appropriate Commission or a competent court against it or its affiliates. Each bidder shall also confirm that the bid security submitted by the bidder or its affiliates has not been forfeited either partly or wholly in any bid process relating to coal supplies only in the last five (5) years preceding the bid deadline.</p>
2.2.5	<p>Although all procedural assistance will be provided by PSEB and PSEB will help and use its offices in getting allotment of the block by the Ministry of Coal, it will be the entire responsibility of the party entering into JVC to</p>	<p>Although all procedural assistance will be provided by PSEB and PSEB will help and use its offices in getting allotment of the block by the Ministry of Coal, it will be the entire responsibility of the party entering into JVC to follow up the proposals with concerned authorities for selection & allocation of a viable block. The bidder shall be responsible for allotment of mining block within six (6) months from the date of formation of JV Company.</p>

	<p>follow up the proposals with concerned authorities for selection & allocation of a viable block. The bidder shall be responsible for allotment of mining block within 6 months from the date of formation of JV Company; this period can be extended further upto six months, and shall be able to start production of coal within 3 years from the date of allotment of mining block.</p>	<p>Subsequent to that, if coal block will not be allotted within the stipulated period of Six (6) months, the time period will be extended or penalty will be levied, will depend on the review of performance of the JV company by a high level empowered committee of PSEB once in 6 months. If it has been experienced by the high level empowered committee of PSEB that the delay is not due to fault of JV company, the time period will be extended for six months, otherwise, penalty charges will be levied pursuant to clause No. 2.2.12. The review will be done at an interval of every 6 months.</p> <p>The JV partner should be able to start production of coal within Three (3) years from the date of allotment of mining block. In this case also, if JV partner will not be able to start coal production within the stipulated time period of Three (3) years, the high level committee of PSEB will review the whole situation. If they are convinced that this delay is not due to the fault of JV partner, the period will be extended for six months, otherwise penalty will be levied pursuant to clause No. 2.2.13. The review will be done at an interval of every 6 months.</p>
<p>2.2.12</p>	<p>Penalty: The bidder shall be responsible for allotment of mining block within six months from the date of formation of JVC. This period can be extended further upto six months. If the allotment of mining block is delayed from six months from the date of formation of JVC plus extension in period allowed by PSEB if any, the successful bidder shall have to pay penalty at the rate of Rs 10 Lacs (Ten Lacs) per month or part thereof for the delay period. If the allotment is further delayed, PSEB shall have the right to terminate the contract agreement without any liability to</p>	<p>Penalty: The bidder shall be responsible for allotment of mining block within six (6) months from the date of formation of JVC. Subsequent to that, if coal block is not got allotted within the stipulated period of 6 months, whether the time period will be extended or penalty will be levied, will depend on the review of performance of the JV company by a high level empowered committee of PSEB once at an interval of every 6 months. If it has been experienced by the high level empowered committee of PSEB that the delay is not due to fault of JV company, the time period will be extended for six months, otherwise, penalty charges will be levied at the rate of Rs 10 Lacs (Ten Lacs) per month or part thereof for the delay period.</p> <p>If the high level committee of PSEB feel that the JV partner is not capable enough to get the coal block allotted, PSEB shall have the right to terminate the contract agreement without any liability to PSEB and the Performance Guarantee submitted by the JV partner towards security deposit shall be encashed by PSEB and</p>

	PSEB and the Performance Guarantee submitted by the company towards security deposit shall be got encashed by PSEB and entire amount forfeited.	entire amount will be forfeited.”
2.2.13	Similarly, the bidder shall be able to start mining of coal within three years from the date of allotment of mining block. If the mining of the coal is delayed from three years, from the date of allotment of mining block the successful bidder shall have to pay penalty at the rate of Rs 10 Lacs (Ten Lacs) per month or part thereof for the delayed period.	Similarly, the bidder shall be able to start mining of coal within three (3) years from the date of allotment of mining block. In this case also, if JV partner is not able to start coal production within the stipulated time period of 3 years, the high level committee of PSEB will review the whole situation. If they are convinced that this delay is not due to the fault of JV partner, the period will be extended for six months, otherwise penalty will be levied at the rate of Rs 10 Lacs (Ten Lacs) per month or part thereof for the delayed period. The review will be done at an interval of every 6 months. If the high level committee of PSEB feel that the JV partner is not capable enough to start coal mining, PSEB shall have the right to terminate the contract agreement without any liability to PSEB and the Performance Guarantee submitted by the company towards security deposit shall be encashed by PSEB and entire amount will be forfeited.
2.3.5	Bid submitted by a bidding consortium will not be accepted	Bid submitted by a Bidding Consortium will be accepted, pursuant to clause No. 2.1.1

In addition, to rectify typing error in envelope numbers, clause 2.11.1 and clause 2.15.2 may be read as below:-

2.11.1 Bids are to be submitted in a single closed cover envelope (as mentioned in Clause 2.11.2) containing Envelope I (Processing Fee and Bid Document/EMD), Envelope II (Non-Financial Bid) and Envelope III (Financial Bid) each one duly closed separately. Envelope I (Processing Fees and Bid Bond/EMD), Envelope II (Non-Financial Bid) and Envelope III (Financial Bid) should be transcript in the following way;

Envelope I (Processing Fee and Bid Bond/EMD)
superscript -

“Bid for selection of JV Partner for selection, allotment, development and mining of coal mines/blocks and supply of coal to Power Stations of PSEB on long term basis.

Handwritten signature
16/2/16

Name of the Bidder -

.....

Due for opening on:

Envelope I: Processing Fees and Bid Bond/EMD”

Envelope II (Non-Financial Bid)
superscript -

“Bid for selection of JV Partner for selection, allotment, development and mining of coal mines/blocks and supply of coal to Power Stations of PSEB on long term basis.

Name of the Bidder -

.....

Due for opening on

Envelope II: Non Financial Bid”

Envelope III (Financial Bid)
superscript -

“Bid for selection of JV Partner for selection, allotment, development and mining of coal mines/blocks and supply of coal to Power Stations of PSEB on long term basis.

Name of the Bidder

.....

Due for opening on:

Envelope III: Financial Bid ”

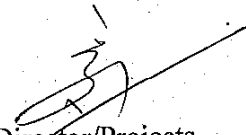
2.15.2 The following information from each Bid shall be read out to all the Bidders at the time of opening of Envelop I (Processing Fee and Bid Bond/EMD), Envelope II (Non-Financial Bid) and Envelope III (Financial Bid):

- Name of the Bidder
- Details of the Bid Bond (applicable only for Envelope I)
- Quoted Price (applicable only for Envelope III)

However all other terms and conditions and date of submission/opening of bids (16.03.2010) shall remain unchanged.

Detailed NIT can be down-loaded from PSEB's website: www.psebindia.org.

This issues with the approval of competent authority.


Director/Projects,
Thermal Designs,
PSEB, Patiala.