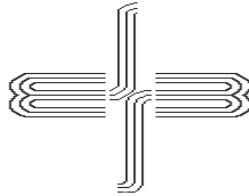


Revised Bid document version R-01

PUNJAB STATE ELECTRICITY BOARD



BID DOCUMENT

FOR

JOINT VENTURE PARTNER

FOR

**SELECTION, ALLOTMENT, DEVELOPMENT AND MINING OF COAL
FROM COAL MINES/BLOCKS TO BE ALLOTTED TO PSEB BY THE
MINISTRY OF COAL, GOVERNMENT OF INDIA, AND SUPPLY TO
POWER PLANTS IN THE STATE OF PUNJAB.**

Issued by:

**Director / Projects,
Thermal Designs,
Punjab State Electricity Board,
Patiala,
Phone: 0175 – 2301171
Fax: 0175 - 221286**

September, 2009

DISCLAIMER

1. This Bid Document is not an agreement or offer by the Punjab State Electricity Board (PSEB) to the prospective Bidders or any other party. The purpose of this Bid Document is to provide interested parties with information to assist the formulation of their Bid. This Bid Document is based on material and information available in public domain.
2. This Bid Document, along with its Formats, is not transferable. The Bid Document and the information contained therein are to be used only by the person to whom it is issued. Save and except as provided in Clause 2.19 of the Bid Document, it shall not be copied or distributed by the recipient to third parties. In the event that the recipient does not continue with its involvement in the bidding process in accordance with this Bid Document, this Bid Document must be kept confidential.
3. While this Bid Document has been prepared in good faith, neither the PSEB nor its employees or advisors/consultants make any representation or warranty express or implied as to the accuracy, reliability or completeness of the information contained in this Bid Document.
4. Neither the PSEB, its employees nor its advisors / consultants will have any liability to any Bidder or any other person under the law of contract, tort, the principles of restitution or unjust enrichment or otherwise for any loss, expense or damage which may arise from or be incurred or suffered in connection with anything contained in this Bid Document, any matter deemed to form part of this Bid Document, the award for selection, allotment, development, mining of coal mines/blocks and supply of coal to thermal power stations of PSEB, the information supplied by or on behalf of PSEB or its employees, any advisors/consultants or otherwise arising in any way from the selection process for the said selection, allotment, development, mining of coal mines/blocks and supply of coal to thermal power stations of PSEB.

INDEX

SECTION	CONTENTS	PAGE NO.
DEFINITIONS		4
1. INTRODUCTION		7
2. INFORMATION AND INSTRUCTIONS FOR BIDDERS.....		11
3. EVALUATION CRITERIA		29
4. FORMATS FOR BID SUBMISSION.....		32
5. FORMATS FOR BIDDER'S INFORMATION AND REFERENCE		59

DEFINITIONS

Any capitalized term, used but not defined in this Bid Document, shall have the meaning ascribed to such term in the Bid Documents, or the Bidding Guidelines, in that order. In absence of availability of definitions in the foregoing references, the capitalized terms shall be interpreted in accordance with the Coal Mines (Conservation and Development) Act 1974, the Mines and Minerals (Regulation & Development) Act 1948, the Coal Bearing Areas (Acquisition & Development) Act 1957, the Coal India (Regulation of Transfers and Validation) Act 2000 or any other relevant law, rule or regulation prevalent in India, as amended or re-enacted from time to time, in that order.

The following terms are defined for use in this BID DOCUMENT:

“Bid” shall mean the Bid submitted by the Bidder, in response to this BID DOCUMENT, in accordance with the terms and conditions hereof.

“Bid Documents” shall mean this Bid Document along with all formats and draft Joint Venture Agreement (JV Agreement) attached hereto and shall include any modifications, amendments alterations or clarifications thereto;

“Bidder” shall mean Bidding Company submitting the Bid. Any reference to the Bidder includes Bidding Company including its successors, executors and permitted assigns, as the context may require”;

“Bidding Company” shall refer to such single company that has submitted the Bid in accordance with the provisions of this Bid Document;

“Bidding Guidelines” shall mean guidelines mentioned in this Bid Document.

“Bid Bond” shall mean the unconditional and irrevocable bank guarantee to be submitted along with the Bid by the Bidder under Clause 2.13 of this Bid Document, as per the prescribed Format 4.7;

“Bid Deadline” shall mean the last date and time for submission of Bid in response to this Bid Document as specified in Clause 2.9;

“MoC&M” shall mean the Ministry of Coal & Mines, which is the apex body for Coal & Mining allotments.

“Conflict of Interest” A Bidder may be considered to be in a Conflict of Interest with one or more Bidders in the same bidding process under this Bid Document if they have a relationship with each other, directly or indirectly through a common company, that puts them in a position to have access to information about or influence the Bid of another Bidder;

“Consents, Clearances and Permits” shall mean all authorizations, licenses, approvals, registrations, permits, waivers, privileges, acknowledgements, agreements, or concessions required to be obtained from or provided by any concerned authority for the purpose of allotment and development of coal mines/blocks and supply of coal to PSEB’s power stations;

“Contracted Capacity” shall mean the net capacity of coal (in million tonnes) contracted between the Joint Venture Company (JVC) and PSEB as provided in the Selected Bid as per Format 4.8 of this Bid Document;

“Contract Performance Guarantee (CPG)” shall have the meaning as per Clause 2.14 of this Bid Document;

“Contract Year” shall mean the period beginning on the Scheduled Delivery Date and ending on the immediately succeeding March 31 and thereafter each period of 12 months beginning on April 1 and ending on March 31 provided that the last Contract Year shall end on the last day of the term of the JV Agreement;

“Law” shall have the same meaning as ascribed thereto in the JV Agreement;

“Lead Member of the JV Company” or “Lead Member” shall mean the PSEB, which commits at least 51% equity stake in the JV Company and so designated by other Member(s) of the JV Company in accordance with the JV Agreement;

“Letter of Intent” or “LOI” shall mean the letter to be issued by the PSEB to the Successful Bidder as JV partner for selection, allotment, development and supply of coal pursuant to Clause 3.5 of the Bid Document;

“JV Agreement” shall mean the agreement to be entered into between the PSEB and the Successful Bidder (JV Partner) pursuant to which the JV Partner shall select, get allotted, develop coal mines/block to supply coal to the PSEB as per the terms and conditions specified therein and a draft of which is attached hereto, including all its schedules, annexures, and all amendments or modifications;

“JV Company” shall mean the company, incorporated by the PSEB & Bidder as per Indian laws, in accordance with Clause 2.22.3.9;

“JV Partner” shall mean the Successful Bidder, who will form JV Company with PSEB.

“PSEB” shall mean Punjab State Electricity Board as specified in Clause 1.1.1 of this Bid Document;

“Qualification Requirements” shall mean the qualification requirements as set forth in Clause 2.1 of this Bid Document;

“Qualified Bidder(s)” shall mean the Bidder who, after evaluation of their Bid as per Clauses 3.2 and 3.3, stand qualified;

“Successful Bidder” shall mean the Bidder selected as JV Partner by the PSEB pursuant to this Bid Document for selection, allotment, development and supply of coal through the JV Company to power projects of PSEB as per the terms of the Bid Documents, and to whom a Letter of Intent has been issued;

SECTION - 1

INTRODUCTION

SECTION 1

1.1 INTRODUCTION

- 1.1.1 Punjab State Electricity Board is going to develop following coal based Thermal Power Projects on BOO (Build, Own & Operate) mode / on EPC (Engineering , Procurement and Construction) mode to meet up the deficit of power in Punjab :-

Sr. No	Name of Project	Capacity of Plant (MW)	Requirement of coal per annum (Million Metric Tonnes)	Expected Commercial Operation Date (CoD)	
				Unit - I	Unit - II
1.	1980 MW Thermal Power Project Talwandi Sabo	660	3.2	Unit - I	August, 2012
		660	3.2	Unit - II	December, 2012
		660	3.2	Unit - III	April, 2013
2.	1320 MW Thermal Power Project Rajpura	660	3.2	Unit - I	December, 2013
		660	3.2	Unit - II	April, 2014
3.	2640 MW Thermal Power Project, Gidderbaha	660	3.2	Unit - I	June, 2014
		660	3.2	Unit - II	October, 2014
		660	3.2	Unit - III	February, 2015
		660	3.2	Unit - IV	June, 2015
4.	500 MW GNDTP Bathinda (Extn.)	250	1.2	Unit - I	June, 2014
		250	1.2	Unit - II	October, 2014
Total		6440	31.2		

PSEB will require approximately 31.2 million metric tonne of coal per annum,(approximately), when all the proposed power plants are commissioned as per capacity development schedule. Presently PSEB has got coal linkage of 13.2 million metric tonne (MMT) from MoC for plants at serial number 1 & 2. The requirement of coal will increase as per capacity development schedule.

- 1.1.2 To meet the coal requirements for its upcoming thermal power stations, PSEB proposes to develop new Coal Mines / Blocks for supply of quality coal to its power stations. Coal Mines / Blocks with cumulative minimum minable proved reserve of 500 Million

Metric Tonnes shall be got allotted in the name of Punjab State Electricity Board from Ministry of Coal Govt of India through "Government Dispensation route" .

- 1.1.3 PSEB is interested to join hands with some well established, experienced and financially sound parties / companies to form a joint venture company that will look after all affairs relating to Selection / Allotment / Development / Mining / supply of coal to Power Stations run by PSEB and / or power stations got developed by PSEB through competitive bidding / MOU from the Coal Mines / Blocks to be allotted to PSEB, for the purpose, by the Ministry of Coal, Govt. of India.
- 1.1.4 The Punjab State Electricity Board acting through Director Projects / Thermal Design, hereby invites interested Bidders to purchase the Bid Document to participate in the bidding process for the selection of Successful *Bidder(s)* as *JV Partner* for selection, allotment, development and mining of coal from mines/blocks to be allotted to *PSEB* for its power plants for long term. The Successful Bidder shall become JV Partner in a JV Company, which will be responsible for selection, allotment, development and supply of coal to the PSEB as per the terms and conditions of the JV Agreement.
- 1.1.5 The PSEB proposes to select the Bidder having the prescribed qualifications and whose Quoted Price is determined to be acceptable as per the provisions of Clause 3.5 to become JV Partner. The JV Partner shall be responsible for selection, allotment, development of coal Mine(s)/Block(s), mining of coal and supply of coal to the Power plant of PSEB for life time of the plants (25 years), pursuant to and as per the terms and conditions of the JV Agreement to be signed between the PSEB and the selected Bidder.

1.2 JOINT VENTURE COMPANY (JV Company)

1.2.1 Coal Mines/Blocks Details

PSEB will apply for allotment of coal blocks under 'Govt. Dispensation Route' from Ministry of Coal, Govt of India. To meet procedural compliances required for operation of coal blocks allocated under 'Govt. Dispensation Route', PSEB will form a Joint Venture with 51% equity share of PSEB and balance equity will be of the party bidding for JVC. Paid up capital of JVC will be Rs.10 crores (Rupees Ten crores) . Beyond 51% of this paid up capital, PSEB will not make any investment in future.

The selected party is supposed to handle all the pre operative and post operative functions so that regular coal supply to PSEB Thermal Plants is assured. For this although PSEB will extend all its support / procedural assistance but would like that all day to day affairs and getting various clearances / licenses etc at any stage is to be handled by the selected JV partner. The JVC partner of PSEB shall have all operative freedom. There shall be eight Directors of the JVC with equal representation by PSEB. Accordingly, four Directors (including Chairman of the Company) are to be from PSEB and four Directors (including Managing Director of the Company) are to be that of company entering Joint Venture with PSEB.

1.2.2 Scope of Services

The basic pre-operative and post-operative responsibilities of bidder entering into the Joint Venture will be as below:-

1.2.2.1 Pre-operative :-

The company entering into the joint venture with PSEB shall at its own expenses:

- i) Study and identify the most suitable blocks of with cumulative minimum mineable proved reserve of 500 MMT for allotment by the Ministry of Coal, Govt. of India and shall take follow up action with Ministry of Coal, Coal India Ltd., Railways, GSI, State Government and other agencies. It shall obtain all permission and licenses from relevant authorities / offices.
- ii) It shall assess the reserves both open cast and underground and prepare a Mining proposal and obtain Mining lease for the blocks.
- iii) It shall acquire the land and get the forest / environmental clearances.
- iv) It shall undertake any other requirement not specifically mentioned in the specifications but otherwise required for allotment / development of Blocks allocated to PSEB.

1.2.2.2 Post-operative:-

The company entering into the Joint Venture with PSEB shall at its own expenses / responsibilities:

- i) To do Engineering, Procurement & Construction (EPC) and operation & maintenance (O&M) for mining of coal from coal blocks / mines.
- ii) To deploy all machineries & equipments and infrastructures required for development of mine with all capital investments.
- iii) To install beneficiation plant or washery if required for supply of coal with ash contents below 34% to PSEB as per directions of Ministry of Environment.
- iv) To be responsible for supplying the required Man power without any liability of PSEB.
- v) To arrange coal linkage from Coal Mines / Blocks to PSEB Power houses.
- vi) To arrange railway siding upto the Mines / Blocks, if required.
- vii) To undertake any other requirement not specifically mentioned in the specifications but otherwise required for mining/supply of coal to PSEB Thermal Plants.

SECTION - 2

INFORMATION AND INSTRUCTIONS FOR BIDDERS

SECTION – 2

2. INFORMATION AND INSTRUCTIONS FOR BIDDERS

2.1 Qualification Requirements

2.1.1 The Bidder should be a corporate entity duly incorporated under the relevant laws. Bidder's past experience in the related field and their proven track- record / capability for handling the similar job and financial capability shall be the major qualifying factors. Bidders must therefore furnish a detailed profile of their organization highlighting the expert services/personnel available with them and a comprehensive list of their past experience duly supported with copies of references / certificates issued by their satisfied clients. Financial statements, Balance sheets, Income Tax clearance certificate may also be furnished for the past three years in support of their financial capability. The Bidder must meet the Qualification Requirements independently as Bidding Company. Bidder will be declared as a Qualified Bidder based on meeting the Qualification Requirements specified below and as demonstrated based on the documentary evidence submitted by the Bidder in the Bid. ***Further, a Bidding Consortium can not participate in the bidding process.***

2.1.2 The Bidder must fulfill the following Qualification Requirements:

2.1.2.1 **Turnover:** Average turnover in the last three (3) preceding financial years should be equal to or greater than 'Two Hundred Crore Indian Rupees (Rs. 200 crore)'.

2.1.2.2 **Networth:** Average Networth for last three (3) preceding financial years should be equal to or greater than 'Seventy Five Crore Indian Rupees (Rs. 75 crore)'. The computation of networth shall be based on unconsolidated audited annual accounts of the last three (3) financial years immediately preceding the Bid Deadline.

Networth shall be computed in the following manner by the Bidder:

Networth =	Paid up share capital
Add :	Reserves
Subtract:	Revaluation Reserves
Subtract:	Intangible Assets
Subtract:	Miscellaneous Expenditures to the extent not written off and carry forward losses

For the purposes of meeting financial requirements, only unconsolidated audited annual accounts shall be used.

Bidders shall furnish documentary evidence as per the Format 4.4 (A), duly certified by Managing Director / Chief Executive Officer / Director/Manager, being a full time director on the Board of the Company and the Statutory Auditor in support of their financial capability.

2.1.2.3 **Internal Resource Generation (IRG):** Average IRG for last three (3) preceding financial years should be equal to or greater than 'Twenty Five Crore Indian Rupees

(Rs. 25 crore)'. The computation of IRG shall be based on unconsolidated audited annual accounts of the last three (3) financial years immediately preceding the Bid Deadline.

IRG shall be computed in the following manner by the Bidder:

Internal Resource Generation = Profit After Tax (PAT)

Add	:	Depreciation & Amortization
Add	:	Decrease in Net Current Assets (Excluding Cash)
Add	:	Any other non-cash expenditure (including deferred tax)
Subtract:		Scheduled Debt Repayment
Subtract:		Increase in Net Current Assets (Excluding Cash)

For the purposes of meeting financial requirements, only unconsolidated audited annual accounts shall be used.

[Note: For the Qualification Requirements(Turnover, Networth, IRG), if data is provided by the Bidders in foreign currency, equivalent rupees of IRG will be calculated using bills selling exchange rates (card rate) USD / INR of State Bank of India prevailing on the date of closing of the accounts for the respective financial year as certified by the Bidders' banker.

For currency other than USD, Bidders shall convert such currency into USD as per the exchange rates certified by their banker prevailing on the relevant date and used for such conversion.

If the exchange rate for any of the above dates is not available, the rate for the immediately available previous day shall be taken into account.]

- 2.1.2.4 The Bidder should have at least three (3) million metric tones of coal/lignite & other minerals per year mining works in hand on open cast/underground mine per year during last three (3) years.
- 2.1.3 The Bidder shall have to provide “**Solvency Certificate from Banker(s)**”. The Solvency Certificate should be more than Rs. 400 crore (Rupees Four Hundred Crore).
- 2.1.4 The Bidder may seek qualification on the basis of financial capability of its Parent Company and / or it's 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.
- 2.1.5 A Bidder shall submit only one response in the same bidding process, individually as Bidding Company. It is further clarified that any of the Parent Company / Affiliate / Ultimate Parent Company of the Bidding Company shall not separately participate directly or indirectly in the same bidding process. Further, if any Bidder has a Conflict of Interest with other Bidder(s) participating in the same bidding process, the Bid of all such Bidder(s) shall be rejected.
- 2.1.6 Notwithstanding anything stated above, the PSEB reserves the right to verify the authenticity of the documents submitted for meeting the Qualification Requirements and may request for any additional information / documents. The PSEB reserves the

right at its sole discretion to contact the Bidder's bank, lenders, financing institutions and any other persons as necessary to verify the Bidder's information/documents for the purpose of qualification.

- 2.1.7 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.
- 2.1.8 The Qualified Bidder(s) will be required to continue to maintain compliance with the Qualification Requirements throughout the bidding process and till the execution of the JV Agreement.

2.2 General Terms & Conditions for the Bidder

- 2.2.1 It is to be noted that PSEB's ultimate aim of the proposal for Coal Mines / Blocks on Government Dispensation Route & JVC is to get uninterrupted supply of quality coal for its power stations at a rate cheaper than Coal India Ltd. The percentage reduction / rebate in coal rates should be given grade-wise w.r.t. the rates of Subsidiary Company of Coal India Ltd in the adjoining area of mine block to be allotted as per clause 4.8. Freight & taxes / duties shall be payable extra as per actual.
- 2.2.2 Coal of "G" grade or other inferior grade will not be accepted by PSEB and no payment shall be released for 'G' Grade or other inferior grades of coal.
- 2.2.3 Bidder should note that final payment will be made based on the actual quality of coal (Grade) and quantity of coal received at Power Plant.
- 2.2.4 Transportation cost for coal transportation from Mines to Power Plant will be paid at actuals by PSEB. Any demurrage charges due to delay at Mines will be borne by JVC and that at Power Plant end will be borne by PSEB. Any pilferage of coal during transportation of coal from Mines to Power Plant will be on account of JVC.
- 2.2.5 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 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.
- 2.2.6 All statutory clearances are to be obtained by the party entering into Joint Venture.

- 2.2.7 The coal produced from the mine shall be sized below 200 mm through a coal handling plant and shall be washed to reduce the ash contents below 34% before dispatch to power stations. In this respect it is to be noted by the bidder that, even if the JVC has to wash coal for improving the coal quality, the payment will be made by PSEB against receipt of coal at Power Plant end (both quality and quantity wise).
- 2.2.8 It may be noted that the coal produced from such mines is to be dispatched only to Power Stations run by PSEB and / or Power Stations got developed by PSEB through competitive bidding / MOU and none else.
- 2.2.9 The payments of the coal shall be made by the Power Stations directly to JVC as per weighment of coal received at power station site and at the rates and other terms & conditions to be agreed upon with JVC in the form of FSA.
- 2.2.10 **Jurisdiction:** All legal proceedings in connection with contract will be subject to the jurisdiction of the local court at Patiala.
- 2.2.11 **Time Schedule:** The bidders shall describe detailed methodology of carrying out the job in the best possible manner. He would explain deployment of his resources and strength in conducting the job. The bidder shall also indicate in the bid a time schedule of various activities relating to selection and development of Coal Mine Block for coal mining & supply of coal to PSEB.
- 2.2.12 **Penalty:** The bidder shall be responsible for allotment of mining block with in 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 PSEB and the Performance Guarantee submitted by the company towards security deposit shall be got encashed by PSEB and entire amount forfeited.
- 2.2.13 Similarly the bidder shall be able to start mining of coal with in 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.

2.3 Submission of Bid by the Bidder

- 2.3.1 Detailed Bid Documents indicating scope of work, general terms and conditions, etc. can be purchased from the office of Director/Projects, Thermal Designs, Shed No. T-2, PSEB, Near Railway Crossing No.22, Patiala-147001, Punjab against payment of **Rs.10000/- (Rs.Ten thousands only) through Demand Draft in favour of AO/Thermal Designs, PSEB, Patiala payable at Patiala.**

Bidders may also download the detailed Bid Documents from the PSEB website: www.psebindia.org and submit requisite fee of Bid Documents through Demand Draft of Rs.10,000/- (Rs.ten thousands only) in favour of A.O./Thermal Designs, PSEB, Patiala, payable at Patiala before 'Pre-Bid Meeting' to participate in 'Pre-Bid Meeting'. Only those bidders will be allowed to participate in 'Pre-Bid Meeting', who has purchased Bid Document or submitted requisite fee of Bid Document before/at the time of 'Pre-Bid Meeting'.

2.3.2 The information and/or documents shall be submitted by the Bidder as per the formats specified in Section 4 (Formats for Bid Document) of this document.

2.3.3 Strict adherence to the formats wherever specified, is required. Wherever, information has been sought in specified formats, the Bidder shall refrain from referring to brochures / pamphlets. Non-adherence to formats and / or submission of incomplete information may be a ground for declaring the Bid as non-responsive. Each format has to be duly signed and stamped by the authorized signatory of the Bidder.

2.3.4 The Bidder shall furnish documentary evidence in support of meeting Qualification Requirements to the satisfaction of the PSEB and shall furnish unconsolidated / consolidated audited annual accounts in support of meeting financial requirement, which shall consist of unabridged balance sheet, profit and loss account, profit appropriation account, auditors report, etc., as the case may be, of Bidding Company for the last three (3) financial years immediately preceding the Bid Deadline for the purpose of calculation of Networth.

2.3.5 **Bid submitted by a Bidding Consortium will not be accepted.**

2.3.6 **Bid submitted by a Bidding Company**

2.3.6.1 The Bidding Company should designate one person to represent the Bidding Company in its dealings with the PSEB. The person should be authorized to perform all tasks including, but not limited to providing information, responding to enquiries, signing of Bid etc. The Bidding Company should submit, along with Bid, a Power of Attorney in original (as per Format 4.2 (a)), authorizing the signatory of the Bid.

2.3.6.2 **Processing fee:** The offer shall be accompanied with a non-refundable processing fee in the shape of crossed bank draft of Rs.1,00,000/- (One Lac only) in favour of **Accounts Officer, Thermal Designs, PSEB, Patiala payable at Patiala.** The offer received without processing fee shall be rejected.

2.3.6.3 **Bid Bond/ Earnest Money Deposit:** The bidders shall furnish Bid Bond/ Earnest Money Deposit (EMD) of Rs. 10,00,000/- (Rs.Ten Lac only) in the shape of Bank guarantee in the format enclosed at as per Format 4.7. The EMD of unsuccessful bidders shall be returned immediately after the selection of party whereas EMD of finally selected party shall be returned on execution of JV agreement.

2.3.6.4 **Corporate Performance Guarantee :-** The successful bidder shall be required to furnish irrevocable un-conditional revolving performance guarantee of Rs.10 crores as per Format 5.2 to PSEB before signing of JV agreement , as security for the

performance of his obligation which shall remain valid and enforce at all times till the termination of the contract.

2.3.7 Clarifications and Pre-bid Meeting

- 2.3.7.1 The PSEB will not enter into any correspondence with the Bidders, except to furnish clarifications on the Bid Document, if necessary. The Bidders may seek clarifications or suggest amendments to Bid Document, through a letter or by fax (and also soft copy by e-mail) to reach the PSEB at the address, date and time mentioned in Clause 2.9. For the avoidance of any doubt, it is hereby clarified that there shall be no extension in the Bid Deadline on account of clarifications sought in accordance with this Clause 2.3.7.
- 2.3.7.2 The Bidder(s) or their authorized representative(s) is / are invited to attend pre-bid meeting(s), which will take place on date(s) as specified in Clause 2.9 , or any such other date as notified by the PSEB.
- 2.3.7.3 The purpose of the pre-bid meeting will be to clarify any issues regarding the Bid Document, including in particular, issues raised in writing by the Bidders as per the provisions of Clause 2.3.7.1.
- 2.3.7.4 Non-attendance at the pre-bid meeting will not be a cause for disqualification of a Bidder.
- 2.3.7.5 The PSEB is not under any obligation to entertain / respond to suggestions made or to incorporate modifications sought for.
- 2.3.8 The drafts of the JV Agreement has been attached to this Bid Document;

2.3.9 Incorporation of a JV Company

- 2.3.9.1 The Successful Bidder shall, within thirty (30) days of the issue of the Letter of Intent, incorporate a JV Company. The investment in the Project Company shall be as per provisions of Clause 1.2.
- 2.3.9.2 The JV Company shall be responsible for supply of Coal to the PSEB as per the provisions of the JV Agreement.
- 2.3.10 All stamp duties payable for executing the JV Agreement shall be borne by the Successful Bidder.
- 2.3.11 If the Successful Bidder fails or refuses to comply with any of its obligations under Clauses 2.3.9, and provided that the PSEB is willing to execute the said JV Agreement, such failure or refusal on the part of the Successful Bidder shall constitute sufficient grounds for cancellation of the Letter of Intent. In such cases, the PSEB shall be entitled to invoke the Bid Bond of the Successful Bidder.

2.4 Amendment of Bid Document

2.4.1 The PSEB for any reason, whether at its own initiative or in response to clarifications requested by any Bidder, may modify the Bid Document including the timelines specified in Clause 2.9.2, by issuance of addendum / modification / errata and / or a revised document before last date of Bid submission.

2.5 Bidding Process

2.5.1 Bid Formats

2.5.1.1 The Bid in response to this Bid Document shall be submitted by the Bidders in the manner provided in Clause 2.11. The Bid must be submitted by the Bidder in three envelopes:

(A) Envelope I – Processing Fees and Bid Bond/EMD:

- i. Demand draft of Rupees One Lac (Rs. 1,00,000) in the favor of “**Accounts Officer, Thermal Design, PSEB, Patiala**” payable at **Patiala** for ‘**Non-refundable Processing Fees**’.
- ii. **Bid Bond / Earnest Money Deposit (EMD)** in the form of ‘**Bank Guarantee**’ of **Rupees Ten Lac (Rs. 10,00,000)** in the format enclosed as per Format 4.7

Demand Draft for processing fee and Bank Guarantee for Earnest Money Deposit as per Bid Documents should be enclosed in a envelope duly sealed & superscribed as "**Envelope-I – EMD & Processing Fee**"

(B) Envelope II – Non- Financial Bid comprising of:

- i. Covering Letter as per prescribed Format 4.1
- ii. Original power of attorney issued by the Bidding Company in favor of the authorized person signing the Bid, in the form attached hereto as Format 4.2.(a).
- iii. Bidder’s composition and ownership structure as per prescribed Format 4.3;
- iv. Details for meeting Qualification Requirement as per the prescribed Format 4.4 along with documentary evidence for the same as specified in Clause 2.1;
- v. Bidders’ Undertaking as per the prescribed **Format 4.5 (A)**;
- vi. Checklist for Bid submission requirements as prescribed in Format 4.9;
- vii. Disclosure as per Format 4.10 regarding participation of any related companies in this bidding process;

Qualifying financial and technical requirements and other technical and commercial terms & conditions in quadruplicate should be enclosed in an envelope duly sealed & superscribed as "**Envelope II – Qualifying Financial and Technical Requirements**".

(C) Envelope III – Financial Bid as per Format 4.8.

The Bidder shall inter-alia take into account the following while preparing and submitting the Financial Bid as per the prescribed Format 4.8, duly signed by an authorized signatory.

- i. The Bidder shall submit their Quoted Price for supply of coal at the Power Plant location and shall specify the same in its Financial Bid as prescribed in Format 4.8 of this Bid Document;

The price bid in quadruplicate should be enclosed in a envelope duly sealed & superscribed as "**Envelope III – Price Bid**"

All the three envelopes are to be placed in a single envelope duly sealed & superscribed "**BID FOR JV Partner for Selection, Allotment, Development, Coal Mining from Coal Mines / Blocks and Supply of Coal to Power Stations of PSEB**".

2.5.1.2 The envelope containing the "Earnest money and processing fee" shall be opened first and in case the deposit for earnest money and processing fee are in accordance with the terms of Bid Document, only then the second envelope containing the qualifying financial and technical requirements shall be opened. However, the price bid shall be opened later on after satisfying that the Bidder is qualifying the pre-qualification conditions prescribed in the tender specification and is technically suitable.

2.5.1.3 Commencement of Supply of Coal to PSEB.

The Selected Bidder as a JV Partner shall at all times be responsible, at its own cost and risk for the commencement of supply of Coal to the PSEB as per the terms of the JV Agreement.

2.5.1.4 Wherever information has been sought in specified formats, the Bidders shall furnish the details as per the prescribed formats and shall refrain from referring to any other document for providing any information required in the prescribed format.

2.6 The Bidder should note that:

(a) If any Bidder conceals any material information or makes a wrong statement or misrepresents facts or makes a misleading statement in its Bid, in any manner whatsoever in order to create circumstances for the acceptance of its Bid, the PSEB reserves the right to reject such Bid or cancel the Letter of Intent, if issued. If such event is discovered after the Effective Date, consequences specified in the JV Agreement shall apply.

(b) If for any reason the Bid of any Successful Bidder is rejected or Letter of Intent issued to such Successful Bidder is cancelled, the PSEB may:

- i. Consider the next lowest Financial Bid from other than the Successful Bidder whose Bids are responsive and valid; or

- ii. Annul the bid process; or
 - iii. Take any such measure as may be deemed fit in the sole discretion of the PSEB.
- (c) Bid submitted by the Bidders, within the Bid Deadline, shall become the property of the PSEB and shall not be returned to the Bidders;
- (d) Language of the Bid shall be English only;
- (e) Bidders shall mention the name of the contact person and complete address of the Bidder in the covering letter as per Format 4.1;
- (f) The PSEB may, at its sole discretion, ask for additional information/ document and/ or seek clarifications from a Bidder after the Bid Deadline, inter alia, for the purposes of removal of inconsistencies or infirmities in its Bid. However, no change in the substance of the Quoted Price shall be sought or permitted by the PSEB.
- (g) Non submission and / or submission of incomplete data / information required under the provisions of the Bid Document shall not be construed as waiver on the part of the PSEB of the obligation of the Bidders to furnish the said data / information unless the waiver is in writing.
- (h) The PSEB may verify the Bidder's financial data by checking with the Bidder's lenders / bankers / financing institutions / any other person as necessary.
- (i) The Bidders, who have purchased the Bid Document from PSEB, shall satisfy themselves, on receipt of the Bid Document, that the Bid Document is complete in all respects. Intimation of any discrepancy shall be given to the PSEB. If no intimation is received from any Bidder within seven (7) days from the date of issue of this Bid Document, it shall be considered that the issued document, complete in all respects, has been received by the Bidder.
- (j) This Bid document includes statements, which reflect the various assumptions arrived at by the PSEB in order to give a reflection of the current status in the Bid Document. These assumptions may not be entirely relied upon by the Bidders in making their own assessments. This Bid Document does not purport to contain all the information each Bidder may require and may not be appropriate for all people. Each Bidder should conduct its own investigations and analysis and should check the accuracy, reliability and completeness of the information in this Bid Document and obtain independent advice from appropriate sources.

2.7 Bidder to inform itself fully

- 2.7.1 The Bidder shall make independent enquiry and satisfy itself with respect to all the required information, inputs, conditions and circumstances and factors that may have any effect on its Bid. Once the Bidder has submitted the Bid, the Bidder shall be deemed to have examined the laws and regulations in force in India, the grid

conditions, and fixed its price taking into account all such relevant conditions and also the risks, contingencies and other circumstances which may influence or affect the selection, allotment, development, mining of coal mines/blocks and supply of coal to thermal power stations of PSEB. Accordingly, the Bidder acknowledges that, on being selected as Successful Bidder, it shall not be relieved from any of its obligations under the Bid Documents nor shall be entitled to any extension of time for commencement of supply or financial compensation for any reason whatsoever.

- 2.7.2 The Bidder shall familiarize itself with the procedures and time frames required to obtain all Consents, Clearances and Permits required for the selection, allotment, development and mining of coal mines/blocks and supply of coal to PSEB. The PSEB shall have no liability to obtain any of the Consents, Clearances and Permits required for selection, allotment, development and mining of coal mines/blocks.
- 2.7.3 Handwritten Bid shall not be accepted.
- 2.7.4 Authorized Signatory has to signed at appropriate places and ‘Scanned Signature’/’Digital Signature’ will not be accepted.

2.8 Minimum Equity holding/Equity Lock-In [Procurer(s)’s option to insert this Clause in case of medium term procurement]

- 2.8.1 The aggregate equity share holding of the PSEB in the issued and paid up equity share capital of Rs.Ten crore (Rs. 10 crore) of the JV Company will be 51%. The PSEB will not provide any additional funding for selection, allotment, development and mining of coal mines/blocks.

2.9 Due Dates

- 2.9.1 The bids as above shall be received in this office up to 1.00 PM (IST) on the scheduled date i.e. 30.09.2009 and the same shall be opened at 3.30 PM (IST) on the same date in the presence of any bidders or their representatives who may like to be present. In case the above scheduled date happens to be a holiday, the bids shall be received & opened on the next working day. All Saturdays & Sundays are regular holidays.
- 2.9.2 The following shall be the time schedule for completion of the bidding process

Event	Schedule
Pre-Bid Meeting	15 September, 2009
Bid submission and opening of Non Financial Bid	30 September, 2009
Opening of Financial Bid of Qualified Bidders	PSEB will intimate ‘Technically Qualified Bidders’.

2.10 Validity of the Bid

- 2.10.1 The Bidder shall submit the Bid which shall remain valid up to one hundred and twenty (120) days after the Bid Deadline (“**Bid Validity**”). The PSEB reserve the right to reject any Bid which does not meet the aforementioned validity requirement.

2.10.2 The PSEB may solicit the Bidders' consent for an extension of the period of validity of the Bid. The request and the response in this regard shall be in writing. In the event any Bidder refuses to extend its Bid validity as requested by the PSEB, the PSEB shall not be entitled to invoke the Bid Bond. A Bidder accepting the PSEB request for validity extension shall not be permitted to modify its Bid and such Bidder shall, accordingly, extend the validity of the Bid Bond as requested by the PSEB.

2.11 Method of Submission

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.

Name of the Bidder -
.....

Due for opening on: 30 September, 2009

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 I: 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 II: Financial Bid ”

2.11.2 Envelope I (Processing Fees and Bid Bond/EMD), Envelope II (Non-Financial Bid) and Envelope III (Financial Bid) (mentioned in Clause 2.11.1) for the Bid to be submitted by Bidders should be packed in a single closed cover envelope, with the following superscript:

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

Due for opening on 30 September, 2009.

**Director/Projects,
Thermal Designs,
Punjab State Electricity Board,
Patiala,
Phone: 0175 – 2301171
Fax: 0175 - 221286**

“Name of the Bidder

2.11.3 The Bidders have the option of sending their Bid either by registered post; or speed post; or courier; or by hand delivery, so as to reach the PSEB by the Bid Deadline. Bids submitted by telex / telegram / fax / e-mail shall not be considered under any circumstances. The PSEB shall not be responsible for any delay in receipt of the Bid. Any Bid received after the Bid Deadline shall be returned unopened.

2.11.4 It may be noted that Non-Financial Bid (Envelope I & II) shall not contain any information/document relating to Financial Bid. If Non-Financial Bid contains any such information / documents, the PSEB shall not be responsible for premature opening of the Financial Bid.

2.11.5 All pages of the Bid, except for the Bid Bond (format 4.7), and any other document executed on non-judicial stamp paper, forming part of the Bid and corrections in the Bid, if any, must be signed by the authorized signatory on behalf of the Bidder. It is clarified that the same authorized signatory shall sign all pages of the Bid.

However, any published document submitted with the Bid shall be signed by the authorized signatory at least on the first and last page of such document.

2.11.6 Bidders shall submit the Bid one (1) original plus two (2) copies, duly signed by the authorized signatory of the Bidder. The original Bid shall be clearly marked "ORIGINAL", and all other copies are to be clearly marked "COPY OF BID". In the event of any discrepancy between the original and the accompanying copies, only the original shall prevail.

2.11.7 No change or supplemental information to a Bid will be accepted after the Bid Deadline, unless the same is requested for by the PSEB as per Clause 2.6 (f).

Provided that a Bidder shall always have the right to withdraw or modify its Bid before the Bid Deadline. In cases where the Bid is withdrawn by the Bidder before the Bid Deadline, then such Bid shall be returned unopened.

2.11.8 If the outer cover envelope or Envelope I (Processing Fees and Bid Bond/EMD), Envelope II (Non-Financial Bid) or Envelope III (Financial Bid) is not closed and not transcribed as per the specified requirement, the PSEB will assume no responsibility for the Bid's misplacement or premature opening.

2.12 Preparation Cost

2.12.1 The Bidder shall be responsible for all the costs associated with the preparation of the Bid and participation in discussions and attending Pre-bid meetings, and finalization and execution of the Bid Documents, etc., the PSEB shall not be responsible in any way for such costs, regardless of the conduct or outcome of this Bid process.

2.13 Bid Bond

2.13.1 Each Bidder shall submit the Bid accompanied by Bid Bond (in the form of Bank Guarantee), as per Format 4.7 issued by any of the Banks listed in Format 5.3. The Bid Bond shall be valid for a period of thirty (30) days beyond the validity of the Bid.

2.13.2 The Bid Bond, may be invoked by the PSEB or its authorized representative, without any notice, demure, or any other legal process upon occurrence of any of the following:

- Failure to furnish the Contract Performance Guarantee as per Clause 2.14; or
- Failure to execute the JV Agreement subject to the provisions of Clause 2.3.11; or
- Bidder submitting any wrong information or making any misrepresentation in Bid as mentioned in Clause 2.6.

- 2.13.3 The Bid Bonds of all Bidders, whose Bids are declared non-responsive, shall be returned and released by the PSEB within sixty (60) days after the date on which the Financial Bids are opened.
- 2.13.4 The Bid Bonds of all unsuccessful Bidders shall be returned and released by the PSEB within a period of thirty (30) days of the occurrence of the earlier of the following:
- a) submission of the Contract Performance Guarantee as per Clause 2.14 of the Bid Document and the execution of the JV Agreement (as applicable) by the Successful Bidder(s); or
 - b) Expiry of the Bid Validity/extended validity of Bid of unsuccessful Bidders; or
- 2.13.5 The Bid Bonds of all Bidders shall be returned and released by the PSEB within a period of thirty (30) days of the occurrence of the termination/cancellation of Bid process by the PSEB.
- 2.13.6 The Bid Bond of the Successful Bidder(s) shall be returned on the submission of Contract Performance Guarantee as per Clause 2.14 of the Bid Document.

2.14 Contract Performance Guarantee (CPG)

- 2.14.1 Within thirty (30) days of issue of Letter of Intent and before signing of JV Agreement, the Successful Bidder(s) on his/their own behalf shall provide to PSEB, the Contract Performance Guarantee of Rs. 10 crore.
- 2.14.2 In case the Successful Bidder is unable to obtain the Contract Performance Guarantee for the total amount from any one bank specified in Format 5.3, the Successful Bidder may obtain the same from not more than three (3) banks specified in Format 5.3.
- 2.14.3 Non submission of the CPG by the Successful Bidder(s) as per the provisions of Clause 2.14 may lead to the invocation of the Bid Bond, cancellation of the Letter of Intent of such Successful Bidder(s) by the PSEB, and thereafter, the provisions of Clause 2.6 (b) shall be applicable.

2.15 Opening of Bids

- 2.15.1 Envelope I (Processing Fees, Bid Bond/EMD), Envelope II (Non-Financial Bid) and Envelope III (Financial Bid) shall be opened as per the following time schedule and at the venue where the Bids are required to be submitted, as specified in Clause 2.9, in the presence of one representative from each of such Bidders who wish to be present:

Opening of Envelope I & II (Processing Fees and Bid Bond/EMD and Non financial bid): 3:30 hours (IST) on 30 September, 2009

Opening of Envelope III (Financial Bid): Time and Date of the opening of Financial Bid shall be intimated to 'Technically Qualified Bidders' at a later stage

In the event of any of above dates falling on a day which is not a working day or which is a public holiday, the Bid shall be opened on the next working day at the same venue and time.

2.15.2 The following information from each Bid shall be read out to all the Bidders at the time of opening of Envelope I (Non-Financial Bid) and Envelope II(Financial Bid):

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

2.16 Right to withdraw the Bid Document and to reject any Bid

2.16.1 This Bid Document may be withdrawn or cancelled by the PSEB at any time without assigning any reasons thereof. The PSEB further reserves the right, at its complete discretion, to reject any or all of the Bids without assigning any reasons whatsoever and without incurring any liability on any account.

2.17 Enquiries

2.17.1 Written clarifications on the Bid Document and Draft JV Agreement as per Clause 2.3.7 may be sought from:

Director/Projects,
Thermal Designs,
Punjab State Electricity Board,
Patiala,
Phone: 0175 – 2301171
Fax: 0175 – 221286

2.18 The PSEB reserve the right to interpret the Bid submitted by the Bidder in accordance with the provisions of this Bid Document and make its own judgment regarding the interpretation of the same. In this regard the PSEB shall have no liability towards any Bidder and no Bidder shall have any recourse to the PSEB with respect to the selection process. The PSEB shall evaluate the Bids using the evaluation process specified in Section 3, at its sole discretion. The Procurer's/ Authorized Representative's decision in this regard shall be final and binding on the Bidders.

2.19 Confidentiality

2.19.1 The parties undertake to hold in confidence this Bid Document and Draft JV Agreement and not to disclose the terms and conditions of the transaction contemplated hereby to third parties, except:

- a) to their professional advisors;
- b) to their officers, contractors, employees, agents or representatives, financiers, who need to have access to such information for the proper performance of their activities;
- c) disclosures required under applicable Law,
without the prior written consent of the other parties of the concerned agreements.

Provided that the Successful Bidder(s) agrees and acknowledges that any of the Procurers may at any time, disclose the terms and conditions of the Bid Document and Draft JV Agreement to any person, to the extent stipulated under the applicable Law or the Bidding Guidelines.

2.20 **Fraudulent and Corrupt Practices**

2.20.1 The Bidders and their respective officers, employees, agents and advisers shall observe the highest standard of ethics during the Bid process and subsequent to the issue of the LOI. Notwithstanding anything to the contrary contained herein, or in the LOI, the PSEB shall reject a Bid, withdraw the LOI, as the case may be, without being liable in any manner whatsoever to the Bidder, if it determines that the Bidder has, directly or indirectly or through an agent, engaged in corrupt practice, fraudulent practice, coercive practice, undesirable practice or restrictive practice in the Bid process. In such an event, the PSEB shall forfeit the Bid Bond, without prejudice to any other right or remedy that may be available to the PSEB hereunder or otherwise.

2.20.2 Without prejudice to the rights of the PSEB under Clause 2.20 hereinabove and the rights and remedies which the PSEB may have under the LOI, if a Bidder is found by the PSEB to have directly or indirectly or through an agent, engaged or indulged in any corrupt practice, fraudulent practice, coercive practice, undesirable practice or restrictive practice during the Bid process, or after the issue of the LOI, such Bidder shall not be eligible to participate in any tender or Bid Document issued by the PSEB, during a period of two (2) years from the date such Bidder is found by the PSEB to have directly or indirectly or through an agent, engaged or indulged in any corrupt practice, fraudulent practice, coercive practice, undesirable practice or restrictive practices, as the case may be.

2.20.3 For the purposes of this Clause 2.20, the following terms shall have the meaning hereinafter respectively assigned to them:

(a) “**corrupt practice**” means (i) the offering, giving, receiving, or soliciting, directly or indirectly, of anything of value to influence the actions of any person connected with the Bid process (for avoidance of doubt, offering of employment to or employing or engaging in any manner whatsoever, directly or indirectly, any official of the PSEB who is or has been associated or dealt in any manner, directly or indirectly with the Bid process or the LOI or has dealt with matters concerning the PPA or arising there from, before or after the execution thereof, at any time prior to the expiry of one year from the date such official resigns or retires from or otherwise ceases to be in the service of the Procurer/Authorized Representative, shall be deemed to constitute influencing the actions of a person connected with the Bid Process); or (ii) engaging in any manner whatsoever, whether during the Bid Process or after the issue of the LOI or after the execution of the JV Agreement, as the case may be, any person in respect of any matter relating to the project or the LOI or the JV Agreement, who at any time has been or is a legal, financial or technical adviser of the PSEB in relation to any matter concerning the Project;

(b) “**fraudulent practice**” means a misrepresentation or omission of facts or

suppression of facts or disclosure of incomplete facts, in order to influence the Bid process;

(c) “**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 Bid process;

(d) “**undesirable practice**” means (i) establishing contact with any person connected with or employed or engaged by the PSEB with the objective of canvassing, lobbying or in any manner influencing or attempting to influence the Bid process; or (ii) having a Conflict of Interest; and

(e) “**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 Bid process;

SECTION - 3

EVALUATION CRITERIA

SECTION 3

3. EVALUATION CRITERIA

3.1 Bid Evaluation

The evaluation process comprises the following four steps:

- | | |
|------------|--|
| Step I – | Responsiveness check of Non Financial Bid |
| Step II – | Evaluation of Bidder’s fulfillment of Qualification Requirements as per Clause 2.1 |
| Step III - | Evaluation of Financial Bid |
| Step IV – | Successful Bidder(s) selection |

3.2 STEP I – Responsiveness check of Non Financial Bid

The Non Financial Bid submitted by Bidders shall be scrutinized to establish responsiveness to the requirements laid down in the Bid Document. Subject to Clause 2.6 (f), any of the following may cause the Bid to be considered “Non-responsive”, at the sole discretion of PSEB:

- Bids that are incomplete, i.e. not accompanied by any of the applicable formats inter alia covering letter, power of attorney supported by a board resolution as per Clause 2.5.1.1, applicable board resolutions, applicable undertakings, format for disclosure, valid Bid Bond;
- Bid not signed by authorized signatory and / or stamped in the manner indicated in this Bid Document;
- Material inconsistencies in the information / documents submitted by the Bidder, affecting the Qualification Requirements;
- Information not submitted in the formats specified in this Bid Document;
- Bid validity being less than that required as per Clause 02.10 of this Bid Document;
- Bid being conditional in nature;
- Bid not received by the Bid Deadline;
- Bid having Conflict of Interest;
- Bid submitted by a Consortium;
- Bidder delaying in submission of additional information or clarifications sought by PSEB as applicable;
- Bidder makes any misrepresentation as specified in Clause 2.6.

Each Bid shall be checked for compliance with the submission requirements set forth in this Bid Document before the evaluation of Bidder’s fulfillment of Qualification Requirement is taken up. Format 4.9 shall be used to check whether each Bidder meets the stipulated requirements.

3.3 STEP II– Evaluation of Bidder’s fulfillment of Qualification Requirements

- 3.3.1 Evaluation of Bidder’s Qualification will be carried out based on the information furnished by the Bidder as per the prescribed Format 4.4 and related documentary

evidence in support of meeting the Qualification Requirements as specified in Clause 2.1. Non-availability of information and related documentary evidence for the satisfaction of Qualification Requirements may cause the Bid to be non-responsive.

3.4 Step III - Evaluation of Financial Bid

3.4.1 Financial Bids (Envelope II) of the Qualified Bidders shall be opened in presence of the representatives of such Qualified Bidders, who wish to be present, as per the timelines indicated in Clause 2.15, or such other date as may be intimated by PSEB to the Bidders. The evaluation of Financial Bid shall be carried out based on the information furnished in Envelope II (Financial Bid).

3.4.2 The Financial Bids submitted by the Bidders shall be scrutinized to ensure conformity with the provisions of Clause 2.5.1.1 (B) of this Bid Document. Any Bid not meeting any of the requirements as per Clause 2.5.1.1 (B) of this Bid Document may cause the Bid to be considered “Non-responsive” at the sole decision of the PSEB. Financial Bid not in conformity with the requirement of Clause 2.5.1.1 (B) of this Bid Document shall be rejected.

3.5 STEP IV – Successful Bidder(s) Selection

3.5.1 Bids qualifying in Step III shall only be evaluated in this stage.

3.5.2 The Bid Price Quote for all Financial Bids of Qualified Bidders shall be ranked from the lowest to the highest.

3.5.3 The Bidder with the lowest Bid Price shall be declared as the Successful Bidder as JV Partner for selection, allotment, development, mining of coal mines/blocks and supply of coal to thermal power stations of PSEB.

3.5.4 The Letter of Intent shall be issued to such Successful Bidder selected as per the provisions of this Clause 3.5.

3.5.5 There shall be no negotiation on the Quoted Price between the PSEB and the Bidder(s) during the process of evaluation.

3.5.6 Each Successful Bidder shall unconditionally accept the LOI, and record on one (1) copy of the LOI, “Accepted Unconditionally”, under the signature of the authorized signatory of the Successful Bidder and return such copy to the PSEB within seven (7) days of issue of LOI.

3.5.7 If the Successful Bidder, to whom the Letter of Intent has been issued does not fulfill any of the conditions specified in Clauses 2.3.9, the PSEB reserves the right to annul the award of the Letter of Intent of such Successful Bidder. Further, in such a case, the provisions of Clause 2.6 (b) shall apply.

3.5.8 The PSEB, in its own discretion, has the right to reject all Bids if the Quoted Price is not aligned to the prevailing market prices.

SECTION - 4

FORMATS FOR

BID SUBMISSION

SECTION – 4

4. FORMATS FOR BID SUBMISSION

The following formats are required to be submitted as part of the Bid. These formats are designed to demonstrate the Bidder's compliance with the Qualification Requirements set forth in Clause 2.1 of Section 2 and other Bid submission requirements specified in the Bid Document.

- i. Format of Covering Letter (Envelope I)
- ii. Formats for Power of Attorney (Envelope I)
- iii. Format for Bidder's composition and ownership structure (Envelope I)
- iv. Format for Qualification Requirement (Envelope I)
- v. Format of Undertakings (Envelope I)
- vi. Format for Board Resolutions (Envelope I)
- vii. Format for Bid Bond (Envelope I)
- viii. Format for Financial Bid (Envelope II)
- ix. Format of checklist for Bid submission requirements (Envelope I)
- x. Format for Disclosure (Envelope I)

A Bidder may use additional sheets to submit the information for its detailed response.

[The PSEB is authorized to modify any of these formats before the issue of Bid Document to facilitate seeking relevant project specific details for assessing Qualification Requirements specified in the Bid Document or for any other reasons. Such modification shall not be construed as a change in Standard Bid Documents]

4.1 Format of Covering Letter

(The covering letter should be on the Letter Head of the Bidding Company)

Date: _____
From : _____ **(Insert name and address of Bidding Company)**

Tel.#: _____
Fax#: _____
E-mail address# _____

To

.....
.....
[Insert name and address of the PSEB]

Sub: Bid for JV Partner for Selection, Allotment, Development, Mining of Coal Mines/Blocks and Supply of Coal to Thermal Power Stations of PSEB on Long Term basis through bidding procedure in response to Bid Document dated [Insert date in dd/mm/yyyy].

Dear Sir,

We, the undersigned *[insert name of the 'Bidder']* having read, examined and understood in detail the Bid Document and draft JV Agreement for selection, allotment, development, mining of coal mines/blocks and supply of coal to thermal power stations of PSEB on long term basis through competitive bidding process for meeting the requirements of the PSEB hereby submit our Bid comprising of Financial Bid and Non-Financial Bid. We confirm that neither we nor any of our Parent Company/ Affiliate/ Ultimate Parent Company has submitted Bid other than this Bid directly or indirectly in response to the aforesaid Bid Document.

1. We give our unconditional acceptance to the Bid Document, dated *[Insert date in dd/mm/yyyy]* and JV Agreement attached thereto, issued by the PSEB, as amended. In token of our acceptance to the JV Agreement, the same have been initialed by us and enclosed to the Bid.

2. Bid Bond

We have enclosed a Bid Bond of Rs. (Insert Amount), in the form of bank guarantee no.....(Insert number of the bank guarantee) dated *[Insert date of bank guarantee]* as per Format 4.7 from (Insert name of bank providing Bid Bond) and valid up to.....in terms of Clause 2.13 of this Bid Document.

3. We have submitted our Financial Bid strictly as per Format 4.8 of this Bid Document, without any deviations, conditions and without mentioning any assumptions or notes for the Financial Bid in the said format.

4. Acceptance

We hereby unconditionally and irrevocably agree and accept that the decision made by the PSEB in respect of any matter regarding or arising out of the Bid Document shall be binding on us. We hereby expressly waive any and all claims in respect of Bid process.

We confirm that there are no litigations or disputes against us, which materially affect our ability to fulfill our obligations with regard to selection, allotment, development, mining of mines/blocks and supply of coal to thermal power plants of PSEB.

5. Familiarity with Relevant Indian Laws & Regulations

We confirm that we have studied the provisions of the relevant Indian laws and regulations as required to enable us to submit this Bid and execute the JV Agreement, in the event of our selection as Successful Bidder. We further undertake and agree that all such factors as mentioned in Clause 2.7 of Bid Document have been fully examined and considered while submitting the Bid.

6. Contact Person

Details of the contact person are furnished as under:

Name :
Designation :
Company :
Address :
Phone Nos. :
Fax Nos. :
E-mail address:

- 7. We are enclosing herewith the Processing Fees and Bid Bond/EMD (Envelope I), Non Financial Bid (Envelope II) and Financial Bid (Envelope III) containing duly signed formats, each one duly closed separately, in one (1) original + tow (2) copies (duly attested) as desired by you in the Bid Document for your consideration.
- 8. It is confirmed that our Bid is consistent with all the requirements of submission as stated in the B Bid Document and subsequent communications from the PSEB.
- 9. The information submitted in our Bid is complete, strictly as per the requirements stipulated in the Bid Document and is correct to the best of our knowledge and understanding. We would be solely responsible for any errors or omissions in our Bid.
- 10. We confirm that all the terms and conditions of our Bid are valid for acceptance for a period of one hundred and twenty (120) days from the Bid Deadline.
- 11. We confirm that we have not taken any deviation so as to be deemed non-responsive with respect to the provisions stipulated in Clause 2.5.1, of this Bid Document.
- 12. We confirm that no order / ruling has been passed by an Appropriate Commission or a competent court against us or any of our Affiliates in the preceding five (5) years from the Bid Deadline for breach of any contract for supply of coal having duration of contract in excess of one (1) year and that the bid security submitted by the us or any of our Affiliates

has not been forfeited, either partly or wholly, in any bid process as JV Partner for supply of coal, in the preceding five (5) years from the Bid Deadline to any licensee in India as per the provisions of Clause 2.1.7.

Dated the _____ day of _____, 20...

Thanking you,
We remain,

Yours faithfully,

Name, Designation and Signature of Authorized Person in whose name Power of Attorney / Board Resolution as per Clause 2.5.1.1 is issued

4.2 Formats for Power of Attorney
POWER OF ATTORNEY

(To be on non-judicial stamp paper of appropriate value as per Stamp Act relevant to place of execution)

a) Power of Attorney to be provided by the Bidding Company in favor of its representative as evidence of authorized signatory's authority.

Know all men by these presents, We(name and address of the registered office of the Bidding Company) do hereby constitute, appoint and authorize Mr./Ms.....(name and residential address) who is presently employed with us and holding the position of as our true and lawful attorney, to do in our name and on our behalf, all such acts, deeds and things necessary in connection with or incidental to submission of our Bid for selection, allotment, development and mining of coal mines/blocks and supply of coal to thermal power stations of PSEB on **long** term basis through tariff based competitive bidding process for meeting the requirements of PSEB in the country of India in response to the Bid Document dated..... issued by PSEB, including signing and submission of the Bid and all other documents related to the Bid, including but not limited to undertakings, letters, certificates, acceptances, clarifications, guarantees or any other document which the Procurer/Authorized Representative may require us to submit. The aforesaid Attorney is further authorized for making representations to the PSEB *as applicable*, and providing information / responses to PSEB, representing us in all matters before PSEB, and generally dealing with PSEB in all matters in connection with our Bid till the completion of the bidding process as per the terms of the Bid Document.

We hereby agree to ratify all acts, deeds and things done by our said attorney pursuant to this Power of Attorney and that all acts, deeds and things done by our aforesaid attorney shall be binding on us and shall always be deemed to have been done by us.

All the terms used herein but not defined shall have the meaning ascribed to such terms under the Bid Document.

Signed by the within named
.....[Insert the name of the executant company]
through the hand of
Mr.
duly authorized by the Board to issue such Power of Attorney

Dated this day of

Accepted

.....
Signature of Attorney
(Name, designation and address of the Attorney)

Attested

.....
(Signature of the executant)
(Name, designation and address of the executant)

.....
Signature and stamp of Notary of the place of execution

Common seal of has been affixed in my/our presence pursuant to Board of Director's Resolution dated.....

WITNESS

1.
(Signature)

Name

Designation.....

2.
(Signature)

Name

Designation.....

Notes:

- (1) The mode of execution of the power of attorney should be in accordance with the procedure, if any, laid down by the applicable law and the charter documents of the executant(s) and the same should be under common seal of the executant affixed in accordance with the applicable procedure. Further, the person whose signatures are to be provided on the power of attorney shall be duly authorized by the executant(s) in this regard.
- (2) The person authorized under this Power of Attorney, in the case of the Bidding Company/Lead Member being a public company, or a private company which is a subsidiary of a public company, in terms of the Companies Act, 1956, with a paid up share capital of more than Rupees five crores, should be the Managing Director/ whole time director/manager appointed under section 269 of the Companies Act, 1956. In all other cases the person authorized should be a director duly authorized by a board resolution duly passed by the company.

In case of the Bidding Company/Lead Member being a foreign company, the same shall be signed by a person of equivalent position

- (3) In the event, power of attorney has been executed outside India, the same needs to be duly notarized by a notary public of the jurisdiction where it is executed.
- (4) Also, wherever required, the executant(s) should submit for verification the extract of the chartered documents and documents such as a Board resolution / power of attorney, in favour of the person executing this power of attorney for delegation of power hereunder on behalf of the executant(s).

4.3 Format for Bidder's composition and ownership structure

- **Corporate Details:**

Please provide the following information for the Bidder.

- a. Company's Name, Address, Nationality and Director's details:

Name: _____

Registered/Principal Address: _____

Website Address: _____

Corporate Identification Number, if any: _____

Country of Origin: _____

Address for Correspondence:
.....
.....

- b. Year of Incorporation: _____

- c. Company's Business Activities:

- d. Name of the authorized representative:

- e. Telephone Number: _____

- f. Email Address: _____

- g. Telefax Number: _____

- h. Company's Local Address in India (if incorporated outside India):

- i. Please provide the following documents:

- (i) Copy of the Memorandum and Articles of Association and certificate of incorporation or other equivalent organizational document (as applicable in the case of a foreign company), including their amendments, certified by the company secretary of the Bidding Company

- (ii) Authority letter in favor of [Insert “Procurer” / “Authorized Representative” as applicable] from the Bidding Company (as per format specified below) authorizing [Insert “Procurer” / “Authorized Representative” as applicable] to seek reference from their respective bankers, lenders, financing institutions and any other person as given below in the Format for Authorization, as per Clause 2.1.6 of the Bid Document.

• Details of Ownership Structure:

Details of persons owning 10% or more of the total paid up equity of the Bidding Company.

Name of the Bidding Company:
 Status of equity holding as on

Name of Equity Holder	Type and Number of Shares owned	% of Equity Holding	Extent of Voting Control (%)
1.			
2.			
3.			
4.			
5.			
6.			
.....			

Notes:

1. Status of equity holding should be provided not earlier than 30 (thirty) days prior to Bid Deadline.

• Documents submitted in support of establishing the relationship with the Parent Company / Affiliate with the Bidding Company in terms of the provisions of Clause 2.1.2.4 of this Bid Document:

1.
2.
3.
4.

For and on behalf of Bidding Company

M/s.....

.....
 (Signature of authorized representative
 Name:.....
 Designation:.....

Stamp:.....
Date:.....
Place:

FORMAT FOR AUTHORISATION

(On Non – judicial stamp paper duly attested by Notary Public)

The undersigned hereby authorize(s) and request(s) all our Bankers, a list of which is attached herewith as Annexure A hereto, including its subsidiaries and branches, any person, firm, corporation or authority to furnish pertinent information deemed necessary and requested by PSEB to verify the authenticity of the documents / information submitted by us for meeting the Qualification Requirements in respect of our Bid for selection, allotment, development, and mining of coal mines/blocks and supply of coal to thermal power stations of PSEB on long term basis through price based competitive bidding process for meeting the requirements of PSEB and / or regarding our financial standing and general reputation.

For and on behalf of M/s..... (Insert Name of Bidding Company)

.....
Signature and Name of the authorized representative of the Company

Company rubber stamp/seal

.....
(Signature of Notary Public)

(Name and Address of the Attorney)

Place:.....

Date:.....

Annexure A

List of Bankers

4.4 A : FORMAT FOR QUALIFICATION REQUIREMENT (AS PER CLAUSE 2.1.2.1)

To,

.....[Insert name and address of Procurer/Authorized Representative]

Dear Sir,

Sub: Bid for selection, allotment, development, mining of coal mines/blocks and supply of coal to thermal power stations of PSEB on long term basis through tariff based competitive bidding process in response to the Bid Document dated [Procurer/ Authorized Representative to insert date].

We submit our Bid / Bids for which we submit details of our Qualification Requirements.

We certify that the Bidding Company had a Turnover of Rs. Crore, Internal Resource Generation of Rs. crore and Networth of Rs. Crore or equivalent USD* computed as per instructions provided in Clause 2.1.2 of this Bid Document based on unconsolidated audited annual accounts (refer Note-2 below) of the last three (3) financial years immediately preceding the Bid Deadline.

Financial Year	Turnover (Rs. Crore)	Internal Resource Generation (Rs. Crore)	Networth (Rs. Crore)	Contract for mining of coal (MMT/Annum)
2008-09				
2007-08				
2006-07				
Total			
Average				

Yours faithfully

(Signature and stamp (on each page) of Managing Director /Chief Executive Officer /Manager [refer Notes 3 and 4 below] of Bidding Company)

Name:

Date:

Place:

(Signature and Stamp (on each page) of Statutory Auditors of Bidding Company)

Name:

Date:

Place:

Please also affix common seal of Bidding Company

Common Seal of
has been affixed in my/our
presence pursuant to the
Board of Director's
resolution dated

.....
(Signature)
Name:
Designation:

WITNESS:

1.
(Signature)

Name

Designation.....

Date:

2.
(Signature)

Name

Designation.....

Date:

Notes:

1. Along with the above format, in a separate sheet, please provide details of computation of Networth duly certified by Statutory Auditor.

2. Managing Director/ Chief Executive Officer, being a full time director on the Board of the Bidding Company.
3. In case of Manager, the Company should confirm through a copy of Board Resolution attested by Company Secretary that the concerned person is appointed as Manager as appointed under Section 269 of the Companies Act, for the purpose in question. The Company Secretary shall also certify that the Company does not have a Managing Director or Chief Executive Officer. In case of the Bidding Company/Member being a foreign company, the same shall be signed by a person of equivalent position.

4.5 Format of Undertaking

(A) Bidder's Undertaking

[On the Letter Head of the Bidding Company]

To,

.....
.....
.....

[Insert Name and address of the Procurer /Authorized Representative]

Dear Sir,

Sub: **Bidders' Undertakings for Bid for selection, allotment, development, mining of coal mines/blocks and supply of coal to thermal power stations of PSEB in response to the Bid Document dated**
[Insert date]

1. We give our unconditional acceptance to the Bid Document and JV Agreement issued by PSEB as a part of the Bid Document dated *[Insert date]*, and as amended. We shall ensure that we shall execute such JV Agreement as per the provisions of the Bid Document.
2. We have submitted our Financial Bid(s) strictly as per Format 4.8 of the Bid Document, without any deviations, conditions and without mentioning any assumptions or notes for the Financial Bid in the said format.
3. We have submitted the Bid on the terms and conditions contained in the Bid Document.
4. Our Bid (including Financial Bid) is valid up to the period required under Clause 02.10 of the Bid Document.
5. Our Bid (including Financial Bid) has been duly signed by authorised signatory and closed in the manner and to the extent indicated in the Bid Document and the Power of Attorney/ Board Resolution as per Clause 2.5.1.1 in requisite format as per Bid Document has been enclosed in original with this undertaking.
6. We have assumed that if we are selected as the Successful Bidder, the provisions of the JV Agreement submitted along with the Bid, to the extent and only in relation to equity lock in and our liability thereof shall get modified to give effect to the provisions of clause 2.8 of the Bid Document.
7. We confirm that our Bid meets the following conditions:
 - a) The Scheduled Delivery Date is not later than the date specified in the Bid Document, subject to the provisions of the JV Agreement.

8. We confirm that the Financial Bid(s) conform(s) to all the conditions in the Bid Document including:
- a) Financial Bid(s) is/are in the prescribed Format 4.8, and is submitted duly signed by the authorised signatory
 - b) Financial Bid(s) is/are unconditional
9. We have neither made any statement nor provided any information in this Bid, which to the best of our knowledge is materially inaccurate or misleading. Further, all the confirmations, declarations and representations made in our Bid are true and accurate. In case this is found to be incorrect after our selection as Successful Bidder, we agree that the same would be treated as a Bidder's event of default Bid Document shall apply.

.....
Signature and name of authorised signatory in whose name Power of Attorney/ Board Resolution as per Clause 2.5.1.1 is issued.

Original Power of Attorney/ Board Resolution as per Clause 2.5.1.1 is enclosed.

Rubber stamp of the Bidder to be affixed.

4.6 Format for Board Resolution

Format for the Board resolution to be passed by Bidding Company.

The Board, after discussion, at the duly convened Meeting on (Insert date), with the consent of all the Directors present and in compliance of the provisions of the Companies Act, 1956, passed the following Resolution:

1. RESOLVED THAT pursuant to the provisions of the Companies Act, 1956 and compliance thereof and as permitted under the Memorandum and Articles of Association of the company, approval of the Board be and is hereby accorded for issuing an Undertaking to the PSEB, in the format specified in the Bid Document, draft of which is attached hereto and initialled by the Chairman whereby the company undertakes to provide thepercent (... %) [Insert 100% in case of Bidding Company] of the Contract Performance Guarantee, as per the terms and conditions of the Bid Document, representing the total amount of Contract Performance Guarantee required to be provided by the (Insert the name of the Bidding Company), in case of failure of the (Insert the name of the Bidding Company) to provide such Contract Performance Guarantee.

2. FURTHER RESOLVED THAT Mr/Ms....., be and is hereby authorized to take all the steps required to be taken by the Company for submission of Bid, including in particular, signing the Bid, making changes thereto and submitting amended Bid, all the documents related to the Bid, certified copy of this Board resolution or letter or undertakings etc, required to be submitted to the PSEB as part of the Bid or such other documents as may be necessary in this regard.

Certified True Copy

Signature and stamp of Company Secretary / Managing Director of Bidding Company

Notes:

- 1) This certified true copy should be submitted on the letterhead of the Company, signed by the Company Secretary / Managing Director of the Bidding Company.
- 2) The contents of the format may be suitably re-worded indicating the identity of the entity passing the resolution.
- 3) In case of the Board resolution being provided by a company incorporated in India, the Board resolution needs to be notarized by a notified notary. In the event the Board

resolution is from a company incorporated outside India, the same needs to be duly notarized in its jurisdiction.

- 4) This format may be modified only to the limited extent required to comply with the local regulations and laws applicable to a foreign entity submitting this resolution. For example, reference to Companies Act 1956 may be suitably modified to refer to the law applicable to the entity submitting the resolution. However, in such case, the foreign entity shall submit an unqualified opinion issued by the legal counsel of such foreign entity, stating that the Board resolutions are in compliance with the applicable laws of the respective jurisdictions of the issuing company and the authorizations granted therein are true and valid.

4.7 Format for Bid Bond/ Ernest Money Deposit (EMD)

FORMAT OF THE UNCONDITIONAL AND IRREVOCABLE BANK GUARANTEE FOR BID BOND

(To be on non-judicial stamp paper of appropriate value as per Stamp Act relevant to place of execution.)

In consideration of the (Insert name of the Bidder) submitting the Bid *inter alia* for **selection, allotment, development, mining of coal mines/blocks and supply of coal to thermal power stations of PSEB on [Procurer/Authorized Representative to insert 'medium' or 'long', as applicable] term basis through competitive bidding process for meeting the requirements of PSEB** in response to the Bid Document dated[*Insert date of BID DOCUMENT*] issued by [*Insert name of the PSEB as applicable*], (hereinafter referred to as PSEB) and such PSEB agreeing to consider the Bid of [*Insert the name of the Bidder*] as per the terms of the Bid Document, the (Insert name and address of the bank issuing the Bid Bond, and address of the head office) (here in after referred to as "Guarantor Bank") hereby agrees unequivocally, irrevocably and unconditionally to pay to the PSEB or its authorized representative at Patiala forthwith on demand in writing from the PSEB or any representative authorized by it in this behalf an amount not exceeding Rupees Ten Lac (Rs 10,00,000) only, on behalf of M/s.[*Insert name of the Bidder*].

This guarantee shall be valid and binding on the Guarantor Bank up to and including (Insert date of validity of Bid Bond in accordance with Clause 2.13 of this Bid Document) and shall not be terminable by notice or any change in the constitution of the Guarantor Bank or by any other reasons whatsoever and our liability hereunder shall not be impaired or discharged by any extension of time or variations or alternations made, given, or agreed with or without our knowledge or consent, by or between concerned parties.

Our liability under this Guarantee is restricted to Rupees Ten Lac (Rs 10,00,000) only. Our Guarantee shall remain in force until [Date to be inserted by Procurer/Authorized Representative] or its authorized representative shall be entitled to invoke this Guarantee until [Insert Date, which is 30 days after the date in the preceding sentence].

The Guarantor Bank hereby expressly agrees that it shall not require any proof in addition to the written demand from the PSEB or its authorized representative, made in any format, raised at the above mentioned address of the Guarantor Bank, in order to make the said payment to the PSEB or its authorized representative.

The Guarantor Bank shall make payment hereunder on first demand without restriction or conditions and notwithstanding any objection, disputes, or disparities raised by the Bidder or any other person. The Guarantor Bank shall not require [Insert name of Procurer(s)] or its authorized representative to justify the invocation of this BANK GUARANTEE, nor shall the Guarantor Bank have any recourse against the PSEB or its authorized representative in respect of any payment made hereunder.

This BANK GUARANTEE shall be interpreted in accordance with the laws of India and the courts at [Location to be inserted by Procurer/Authorized Representative] shall have exclusive jurisdiction.

The Guarantor Bank represents that this BANK GUARANTEE has been established in such form and with such content that it is fully enforceable in accordance with its terms as against the Guarantor Bank in the manner provided herein.

This BANK GUARANTEE shall not be affected in any manner by reason of merger, amalgamation, restructuring, liquidation, winding up, dissolution or any other change in the constitution of the Guarantor Bank.

This BANK GUARANTEE shall be a primary obligation of the Guarantor Bank and accordingly, the PSEB or its authorized representative shall not be obliged before enforcing this BANK GUARANTEE to take any action in any court or arbitral proceedings against the Bidder, to make any claim against or any demand on the Bidder or to give any notice to the Bidder to enforce any security held by [Insert "Procurer" / "Authorized Representative" as applicable] or its authorized representative or to exercise, levy or enforce any distress, diligence or other process against the Bidder.

The Guarantor Bank acknowledges that this BANK GUARANTEE is not personal to the Procurer(s) and may be assigned, in whole or in part, (whether absolutely or by way of security) by the Procurer(s) to any entity to whom it is entitled to assign its rights and obligations under the JV Agreement.

The Guarantor Bank hereby agrees and acknowledges that [Insert name of Procurer(s)] shall have a right to invoke this Bank Guarantee either in part or in full, as it may deem fit.

Notwithstanding anything contained hereinabove, our liability under this Guarantee is restricted to Rs (Rs..... only) and it shall remain in force until [Date to be inserted on the basis of Clause 2.13 of BID DOCUMENT], with an additional claim period of thirty (30) days thereafter. We are liable to pay the guaranteed amount or any part thereof under this BANK GUARANTEE only if [Insert "Procurer" / "Authorized Representative" as applicable] or its authorized representative serves upon us a written claim or demand.

In witness whereof the Bank, through its authorized officer, has set its hand and stamp on this day of at

Witness:

1.

Signature
Name and address.

Signature

Name:
Designation with Bank Stamp

2.

Signature
Name and address

Attorney as per power of attorney No.

For:

..... [Insert Name of the Bank]

Banker's Stamp and Full Address:

Dated this day of 20.....

Note: The Stamp Paper should be in the name of the Executing Bank.

4.8 Format for Financial Bid

PROFORMA FOR QUOTING RATE :-

Grade-wise percent discount on the notified rates of CIL with respect to subsidiary company of CIL in the adjoining area of mine block to be allotted may be given.

<u>S.No.</u>	<u>Grade</u>	<u>Discount (%)</u>
1	A	
2	B	
3	C	
4	D	
5	E	
6	F	

- 1. Coal of “G” grade or other inferior grade will not be accepted by PSEB and no payment shall be released for 'G' Grade or other inferior grades of coal**
2. % Discount should be in positive and no negative discount will be allowed.
3. The percentage weightage of discount for evaluation of tender will be
Grade “A” = 0% , Grade “B” = 0% , Grade “C” = 5% , Grade “D” = 10% ,
Grade “E” = 45% , Grade “F” = 40% ,

Signature of authorized signatory in whose name Power of Attorney as per Clause 2.5.1.1 is issued.:

Name and designation of authorized signatory :

Place:

Date:

4.9 Format of checklist for submission of Bid

Submission of Bid requirements	Response (Yes/No)
<p>Covering Letter as per Format 4.1</p> <p>Original Power of Attorney as per Format 4.2</p> <p>Bidder's composition and ownership structure as per Format 4.3</p> <p>Details of meeting Qualification Requirement. as per Format 4.4 (A) and (B)</p> <p>Documentary evidence for meeting the Qualification Requirement as per Format 4.4 (A) and (B)</p> <p>Bidder's Undertaking as per Format 4.5 (A)</p> <p>Undertaking from the Financially Evaluated Entity or its Parent Company/ Ultimate Parent Company as per Format 4.5 (B)</p> <p>Applicable Board Resolutions as per Format 4.6</p> <p>Bid Bond as per Format 4.7</p> <p>Financial Bid as per Format 4.8</p> <p>Checklist of submission of Bid as per this Format 4.9</p> <p>Disclosure as per Format 4.10</p> <p>Calculation sheets detailing computation of Networth considered for meeting Qualifying Requirements.</p> <p>Last 3 financial years' unconsolidated/consolidated audited annual accounts of the Bidder) duly certified by the Statutory Auditor.</p>	

Submission of Bid requirements	Response (Yes/No)
Authority letter in favour of [Insert “Procurer” / “Authorized Representative” as applicable] from the Bidder authorising [Insert “Procurer” / “Authorized Representative” as applicable] to seek reference from their respective bankers & others. Initialing of all pages of Bid by authorized signatory.	

Signature of authorized signatory in whose name Power of Attorney as per Clause 2.5.1.1 is issued.:

Name and designation of authorized signatory :

Place:

Date:

4.10 Format for Disclosure

(On the Letter Head of Bidding Company)

Disclosure

To:

(Insert name and address of the Procurer/Authorized Representative)

Sub: Bidders' Disclosure for Bid for selection, allotment, development, mining of coal mines/blocks and supply of coal to thermal power stations of PSEB in response to the Bid Document dated ... [Insert date]

We hereby declare that the following companies with which we have direct or indirect relationship are also separately participating in this bidding process as per following details

Sl. No.	Name of the Company	Relationship
1.		
2.		
3.		

Further we confirm that we don't have any Conflict of Interest with any other Bidder participating in this bid process.

.....
Signature of Chief Executive Officer / Managing Director / Manager

Notes:

1. Managing Director/ Chief Executive Officer, being a full time director in the Board of the Bidding Company.
2. In case of Manager, the Company should confirm through a copy of Board Resolution attested by Company Secretary that the concerned person is appointed as Manager as defined under the Companies Act, 1956 for the purpose in question. The Company Secretary shall also certify that the Company does not have a Managing Director or Chief Executive Officer.
3. In case there is no such company please fill in the column "Name of the Company" as Nil and under column of Relationship as "Not Applicable".

SECTION - 5

**FORMATS FOR
BIDDER'S INFORMATION
AND REFERENCE**

SECTION 5

5. FORMATS FOR BIDDER'S INFORMATION AND REFERENCE

The following formats and enclosures are provided for Bidder's information and reference and also to provide assistance in preparation of its Bid.

- i. Format of the Joint Venture Agreement to be executed between the PSEB and Successful Bidder [Insert if applicable]
- ii. Format for clarifications/ amendments on the Bid Document /Draft JV Agreement.
- iii. Format for Contract Performance Guarantee
- iv. List of Banks
- v. Format for illustration of Affiliates

5.1 Format of the Draft Joint Venture Agreement between the PSEB and Successful Bidder

(To be provided separately)

5.2 Format for Contract Performance Guarantee

(To be on non-judicial stamp paper of appropriate value as per Stamp Act relevant to place of execution. Foreign entities submitting Bids are required to follow the applicable law in their country. To be provided separately in the name of each of the Procurer(s), in proportion to their Contracted Capacity)

In consideration of the[Insert name of the Successful Bidder with address] agreeing to undertake the obligations under the Coal Purchase Agreement and the JV Agreement and [Insert name of Procurer(s)](herein after referred to as Procurer(s)), agreeing to execute the JV Agreement with the Successful Bidder for **Selection, Allotment, Development and Mining of coal from mines/blocks to be allotted to PSEB and supply of coal on long term basis through price based competitive bidding process for meeting the requirements of the PSEB**, the [Insert name and address of the bank issuing the guarantee and address of the head office] (hereinafter referred to as “Guarantor Bank”) hereby agrees unequivocally, irrevocably and unconditionally to pay to the PSEB at[Insert address of Procurer(s)] forthwith on demand in writing from the PSEB *or* any Officer authorized by it in this behalf, any amount up to and not exceeding Rupees Ten Crore as per the terms of Bid Document on behalf of M/s. [Insert name of the Successful Bidder].

This guarantee shall be valid and binding on the Guarantor Bank up to and including[Insert date of validity of CPG] and shall in no event not be terminable by notice or any change in the constitution of the Bank or the term of the PPA or by any other reasons whatsoever and our liability hereunder shall not be impaired or discharged by any extension of time or variations or alternations made, given, or agreed with or without our knowledge or consent, by or between parties to the respective agreement.

Our liability under this Guarantee is restricted to Rs. 100,000,000.00 (Rs. Ten Crore only). Our Guarantee shall remain in force until [Insert the date of validity of the Guarantee as per Clause 2.14 of the Bid Document]. The Procurer(s) shall be entitled to invoke this Guarantee up to thirty (30) days of the last date of the validity of this Guarantee by issuance of a written demand to invoke this guarantee.

The Guarantor Bank hereby expressly agrees that it shall not require any proof in addition to the written demand from the PSEB, made in any format, raised at the above mentioned address of the Guarantor Bank, in order to make the said payment to the PSEB.

The Guarantor Bank shall make payment hereunder on first demand without restriction or conditions and notwithstanding any objection by, [Insert name of the Successful Bidder] and/or any other person. The Guarantor Bank shall not require the PSEB to justify the invocation of this BANK GUARANTEE, nor shall the Guarantor Bank have any recourse against the Procurer(s) in respect of any payment made hereunder.

This BANK GUARANTEE shall be interpreted in accordance with the laws of India and the courts at [Location to be inserted by Procurer/Authorized Representative] shall have exclusive jurisdiction.

The Guarantor Bank represents that this BANK GUARANTEE has been established in such form and with such content that it is fully enforceable in accordance with its terms as against the Guarantor Bank in the manner provided herein.

This BANK GUARANTEE shall not be affected in any manner by reason of merger, amalgamation, restructuring, liquidation, winding up, dissolution or any other change in the constitution of the Guarantor Bank.

This BANK GUARANTEE shall be a primary obligation of the Guarantor Bank and accordingly the Procurer(s) shall not be obliged before enforcing this BANK GUARANTEE to take any action in any court or arbitral proceedings against the Successful Bidder, to make any claim against or any demand on the Successful Bidder or to give any notice to the Successful Bidder or to enforce any security held by the PSEB or to exercise, levy or enforce any distress, diligence or other process against the Successful Bidder.

The Guarantor Bank acknowledges that this BANK GUARANTEE is not personal to the Procurer(s) and may be assigned, in whole or in part, (whether absolutely or by way of security) by the PSEB to any entity to whom it is entitled to assign its rights and obligations under the Coal Supply Agreement.

The Guarantor Bank hereby agrees and acknowledges that the PSEB shall have a right to invoke this Bank Guarantee either in part or in full, as it may deem fit.

Notwithstanding anything contained hereinabove, our liability under this Guarantee is restricted to Rs. crores (Rs. crores only) and it shall remain in force until[Date to be inserted on the basis of Articleof Coal Supply Agreement], with an additional claim period of thirty (30) days thereafter. This BANK GUARANTEE shall be extended from time to time for such period, as may be desired by [Insert name of the Successful Bidder]. We are liable to pay the guaranteed amount or any part thereof under this Bank Guarantee only if the Procurer(s) serves upon us a written claim or demand.

In witness whereof the Bank, through its authorized officer, has set its hand and stamp on this day of at

Witness:

1.
Name and Address.
2.
Name and Address

Signature
Name:
Designation with Bank Stamp

Attorney as per power of attorney No.

For:
..... [Insert Name of the Bank]

Banker's Stamp and Full Address:

Dated this day of 20.....

Notes:

- i. The Stamp Paper should be in the name of the Executing Bank. This date shall be one (1) month after the Bid Validity.

5.3 List of Banks

Scheduled Commercial Banks

SBI and Associates

1. State Bank of India
2. State Bank of Bikaner and Jaipur
3. State Bank of Hyderabad
4. State Bank of Indore
5. State Bank of Mysore
6. State Bank of Patiala
7. State Bank of Saurashtra
8. State Bank of Travancore

Nationalised Banks

9. Allahabad Bank
10. Andhra Bank
11. Bank of India
12. Bank of Maharashtra
13. Bank of Baroda
14. Canara Bank
15. Central Bank of India
16. Corporation Bank
17. Dena Bank
18. Indian Bank
19. Indian Overseas Bank
20. Oriental Bank of Commerce
21. Punjab National Bank
22. Punjab and Sind Bank
23. Syndicate Bank
24. Union Bank of India
25. United Bank of India
26. UCO Bank
27. Vijaya Bank

2. Foreign Banks

- 1 BNP Paribas
- 2 Citi Bank N.A.
- 3 Deutsche Bank A.G.
- 4 The Hongkong and Shanghai Banking Corporation Ltd.
- 5 Standard Chartered Bank
- 6 ABN Amro Bank N.V.
- 7 UFJ Bank Ltd.
- 8 Sumitomo Mitsui Banking Corporation
- 9 Societe Generale
- 10 Barclays Bank
- 11 Bank of Novascotia

3. Scheduled Private Banks

- 12 ING Vysya Bank Ltd.
- 13 ICICI Bank Ltd.
- 14 HDFC Bank Ltd.
- 15 IDBI Bank Ltd
- 16 Axis Bank
- 17 Kotak Mahindra Bank
- 18 IndusInd Bank

[The above list is indicative and the Procurer/Authorized Representative is authorized to modify the aforesaid list of Banks as deemed fit. Such modification shall not be construed as a change in standard bidding documents.]