

Notice inviting Expression of Interest (EOI)
for
Sourcing of Coal for Trombay Thermal Power Station

The Tata Power Company Limited (Tata Power) has a generating station named **Trombay Thermal Power Station** at Trombay, Mumbai with installed capacity of 930 MW. Out of this 930 MW, capacity of 750 MW is from two coal-based units.

The Tata Power Company Limited (Buyer), hereby invites Expression of Interest (EOI) from Global reputed Coal suppliers for supply of Ultra Low Sulphur, Low Ash Coal on FOB basis.

The details of the requirement are as under:

1. Quantity:

- a. The annual quantity requirement shall be 2.2 Million Metric Tons (+/- 20%).
- b. The shipment size for supply shall be as follows:
 - (b.1) During Non – Monsoon period - 60,000 to 75,000 MT (+/- 10%) at vessel owner's option.
 - (b.2) During Monsoon period - 45,000 to 55000 MT +/- 10% at vessel owner's option, as the discharge port draft availability is restricted during monsoon period.

The monsoon period shall be as per Mumbai Port declaration. In normal circumstances, the monsoon period in Mumbai as declared by MbPT (Mumbai Port Trust) is from 1st May to 30th September of every year.

2. Period of Supplies:

The tentative period for Coal supplies shall be two years starting from 1st August 2020, and extendable up to another two years at Buyer's option.

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3. Quality Parameters:

Sr. no	Parameters	Unit of Measurement	Typical	Range	Rejection
1	Calorific Value (As Received - AR)	Kcal / Kg	5000	4900 - 5200	Less than 4700
2	Sulphur	%	0.1% (AR)	0 - 0.25% (AR)	Higher than 0.35% (ADB)
3	Ash	%	3.0% (AR)	0 - 4% (AR)	Higher than 6% (ADB)
4	Total Moisture (AR)	%	25% (AR)	15-26 % (AR)	Higher than 30.0 % (AR)
5	Volatile Matter	%	35 % (AR)	35-42 % (AR)	Higher than 45% (ADB)

The quality measurement shall be as per ASTM/ ISO Standard.

4. Pre-Qualification requirement:

The bidder shall fulfill the following criteria's and submit relevant supporting documents for each of the following:

4.A Technical:

- 1) **Quality Parameters:** The bidder shall supply coal from a single mine and the proposed coal shall meet all quality parameters mentioned in Sr. No. 3 above.
- 2) **Production/Operational Capability:**
 - I. The bidder shall quote for coal supplies of minimum 0.8 Million MT per annum.
 - II. If the bidder is trader, then the Bidder should submit Corporate Guarantee from the Miner.

In addition to the above (i.e. Sr. No. 4.A - 1 and 2), the bidder shall satisfy the following criteria:

- a. If the interested bidder is **Miner**, then the bidder should have:
 - i. Coal producing mine meeting the coal specification requirement as per Sr. no. 3.
 - ii. Relevant valid mining license in the respective country, till Dec 2024.
 - iii. Coal production, from the proposed mine, of equal or more than average 3 MTPA for last five years.
 - iv. Executed at least one single order of quantity equal or more than 0.8 Million MT per annum for such coal.

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- b. If the interested bidder is **Trader/ Marketing company/ Equity holding company** in Coal Mining Company, then the bidder should have:
 - i. Valid Off-take Agreements / MoU's with the mining companies, satisfying the above-mentioned conditions in Sr. No. 2(II)(a)
 - ii. Executed at least one single order of quantity equal or more than 0.8 Million MT per annum for such coal.
- 3) **Logistics Capability:** The interested bidder should be capable of supplying at least three (3) Panamax shipments per month under the proposed contract.

4.B Financial

The bidder shall have adequate financial resources to execute the proposed contract concurrently along with their other commitments and shall meet the following conditions:

- 1) The bidder shall have during the last three financial years an Average Annual Turn Over of not less than USD 50 Million or its equivalent in any other currency.
- 2) The bidder shall have the positive Net worth i.e. The Net Worth of the bidder as on the last day of the preceding financial year should be at least equal to or more than the paid-up share capital.
- 3) The bidder should submit copies of their profit and loss account (P&L) and audited Balance sheet for the last three preceding financial years along with the EOI. In cases, where audited results for the last preceding financial year are not available, certification of financial statements from a practicing Chartered Accountant shall also be considered acceptable.

Notes for Financial Requirements:

- Net Worth means the sum total of the paid-up share capital and free reserves. Free reserves means all reserves credited out of the profits and share premium account but do not include reserves credited out of the revaluation of assets, write back of depreciation provisions and amalgamation. Further, any debit balance of profit and loss account and miscellaneous expenses to the extent not adjusted or written off, if any, shall be reduced from Reserves & Surplus.
- Other income shall not be considered for arriving at annual turnover.

4.C Other requirements

- 1) Interested Bidder shall submit the details of existing contracts (Unpriced/without Price) and the details of clients (Name and Contact details) for whom such type of coal is supplied.
- 2) THE U.S. GOVERNMENT / UNITED NATIONS have in place sanctions against certain Countries, Related Entities & Individuals. Bidders (Miners / Marketing companies / Traders) should not fall in purview of any of these sanctions.
- 3) The interested bidder should warrant that they have not defaulted in past in performing their obligation. They should not have been blacklisted / debarred by any Power Utility. Declaration to this effect is to be furnished on their letter head.
- 4) The interested bidder should have experience of satisfactory execution of long-term contract with leading Power companies. Bidder shall submit name and contact details of such company’s representative.
- 5) The interested bidder should provide the details of their principal bankers with contact details in the country of their origin for the purpose of checking the credentials of the bidder, if required.
- 6) The interested bidder should provide copy of the Registration Certificate in the Country of Incorporation.

5. Documents to be Submitted along with EOI:

5.A If the interested Bidder is **Miner**, then following documents have to be submitted to meet the respective Qualification requirement:

Sr no	Pre-qualification Requirement Criteria for Mining company	Documents to be submitted
1)	Quality Parameters	The Certificate of Analysis (COA) by Independent Inspection Agency for five (5) latest shipments loaded from the particular mine under consideration for purpose of EOI
2)	Miner	Proof of Ownership.
3)	Relevant valid mining license in their country valid till December 2024	Copy of Valid Mining license/ Mining Permit/

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Sr no	Pre-qualification Requirement Criteria for Mining company	Documents to be submitted
		Federal Mining Permit/ CCOW.
4)	Coal production of equal or more than average 3 MMTPA for last five years	Certificate stating annual Coal Production for last five years. Mining Experience Certificate.
5)	The bidder should have executed at least a single order of the quantity equal or more than 0.8 Million MT for such coal	Details of such contracts (without Price) executed in last three years.
6)	Logistics Capability	Undertaking on logistic capability
7)	No Sanctions by US Govt. / United Nations on the bidder/ exporting Country.	Undertaking to this effect
8)	No default	Declaration to this effect to be furnished on their letter head.
9)	Experience certificate	Experience of satisfactory execution of long-term contract with leading power companies.
10)	Copy of the Registration Certificate in the Country of Incorporation.	Certificate of Incorporation
11)	Financial statements substantiating Average Annual Turn Over	Financial statements of last three years
12)	Financial statements substantiating Net Worth	Financial statements of last three years and working for the evaluation of financial criteria specified above. (as per our notes for Financial Requirements)
13)	Financial Statements	Profit and loss, Balance sheet for last three years

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Sr no	Pre-qualification Requirement Criteria for Mining company	Documents to be submitted
14)	Questionnaire	Duly filled Questionnaire

5.B If the interested Bidder is **Trader/Marketing/Equity Holding** Company then the following documents have to be submitted to meet the respective Qualification requirement:

Sr no	Pre-qualification Requirement Criteria for Traders/ Marketing Companies	Documents to be submitted
1)	Quality Parameters	The Certificate of Analysis (COA) by Independent Inspection Agency for five (5) latest shipments loaded from the particular mine under consideration for purpose of EOI
2)	Traders / Marketing Companies / Equity Holding	Proof of Association with the Miners and proof of Ownership for the Miner
3)	Under taking for submission of Corporate Guarantee	Undertaking by bidder confirming submission of Corporate Guarantee in the prescribed format, if the contract is awarded.
4)	Relevant valid mining license in their country valid till December 2024	Copy of Valid Mining licence / Mining Permit/ Federal Mining Permit/ CCOW.
5)	Coal production of equal or more than average 3 MMTPA for last five years	Certificate stating annual Coal Production for five years. Mining Experience Certificate.
6)	The bidder should have executed at least a single order of the quantity equal or more than 0.8 Million MT of coal	Details of such contracts (without Price) executed in last three years.
7)	Logistics Capability	Undertaking on logistic capability
8)	NO Sanctions by US Govt. / United Nations on the bidder/ exporting Country.	Undertaking to this effect

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Sr no	Pre-qualification Requirement Criteria for Traders/ Marketing Companies	Documents to be submitted
9)	No default	Declaration to this effect to be furnished on their letter head.
10)	Experience certificate	Experience of satisfactory execution of long-term contract with leading Power companies.
11)	The bidder should provide copy of the Registration Certificate in the Country of Incorporation.	Certificate of Incorporation
12)	Financial year Average Annual Turn Over	For Last three years
13)	Net Worth	For Last three years and working for the evaluation of these numbers. (as per our notes for Financial Requirements)
14)	Financial Statements	Profit and loss, Balance sheet for last three years
15)	Off take Agreements	Off take agreements or MOUs with Miner for supply security
16)	Questionnaire submitted	Duly filled Questionnaire

Note: In the event that documents are available in different language other than English, the interested bidders will be required to submit the notarised English translated copy of the same.

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6. Interested Bidder to submit the below questionnaire duly filled:

Questionnaire with EOI

1. Name of Interested bidder: _____
2. The quantity bidder is able to commit in the EOI: _____
3. Address and contact details:

4. Authorized representative who will submit the bid and communicate:

5. Contact Details of Authorized representative:

6. Email address of Authorized representative:

7. Alternative contact phone number:

8. Alternative contact email address:

9. From which country the interested bidder shall be sourcing coal in response to EOI?
Specify country _____
10. From which port in the country as specified above the interested bidder plans to load Coal under this EOI. Specify Port along with Berth of loading.

11. Can the interested bidder offer coal on CFR basis? (yes/ no)

12. If not, please specify the reason for the same.

13. If the interested bidder wishes to offer coal only on FOB basis, then what is the loading rate the Interested bidder shall guarantee at Load port.

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14. What type of vessels, sizes of vessels can bidder accept for loading?

15. Can the interest bidder prove the capability of providing freight from Load port to Tata Power Mumbai, India?

7. **Due Date:** The due date of submission of all the documents is **9th Mar 2020 by 17.00 Hrs (IST)**, within 10 days from the published date of Notice for EOI.

The Interested Bidder is required to submit all the documents mentioned above (Sr. no. 1 to 6) by email as follows:

- 1) To - fernandesj@tatapower.com
- 2) CC to –
 - (a) pradip.sil@tatapower.com
 - (b) akanksha.yadav@tatapower.com
 - (c) vaibhav.korgaonkar@tatapower.com

Tata Power reserves the right to assess the capabilities and capacity of the bidder to perform the contract. Tata Power also reserves the right to accept or reject any EOI or any bidder without assigning any reason whatsoever.

Tata Power reserves the right to cancel and/or modify the process without assigning any reason and without any liability. Tata Power reserves the right to accept or reject any or all EOI or cancel/ withdraw the enquiry without assigning any reason whatsoever. In such an event, no claim shall be made arising out of such action.