



CHENAB VALLEY POWER PROJECTS PRIVATE LIMITED
(A Joint Venture among NHPC Limited, JKSPDC and PTC India Ltd)
JKPCC Building 2nd Floor, Rail Head Complex, Panama Chowk, Jammu -180006 (J&K)

INVITATION FOR PREQUALIFICATION (INTERNATIONAL COMPETITIVE BIDDING)

Notice No.: CVPP/KIRU/MW/ 2012/ Lot 01

Dated: 29.11.2012

1. **CHENAB VALLEY POWER PROJECTS Pvt. Limited**, a Joint Venture Company of NHPC Limited, JKSPDC and PTC (India) Limited, hereinafter referred to as the “Employer”, responsible to plan, promote and organize an integrated and efficient development of Pakal Dul, Kiru and Kwar Hydroelectric Projects in Chenab River Basin in all its aspects in the State of Jammu & Kashmir , intends to implement **Kiru Hydroelectric Project, 660 (4 X 165) MW**, located in District Kishtwar in the State of J&K, India hereinafter referred to as the “Project”, for which it invites prequalification Applications.
2. The Employer intends to pre-qualify suitable Applicants through **International Competitive Bidding (ICB)** in respect of the following works/contracts under the Project:

Lot No.	Details of Works
Kiru Civil : (LOT-1)	<p>Civil Works for construction of Diversion Tunnel, Concrete Gravity Dam, Intake, Silt Excluder Arrangement, Pressure Shafts, Underground Powerhouse and Tail Race Tunnels.</p> <p>(1 no. Diversion tunnel of 9.0 m dia and 700m length, Concrete gravity dam with Energy dissipation arrangement; 135m high and 193 m long with four Radial Gates and six construction Sluice Gates, U/s & D/s coffer dams, 4 nos. intakes with gated structure, 4 nos. underground circular steel lined Pressure Shafts/Penstocks of 5.7 m dia and length varying from 316m to 322m, underground Power House of cavern size 182.0 m x 23.6 m x 51.2 m to accommodate 4 units of 165 MW each, 4 nos. TRT of 7.0m dia and lengths varying from 165 m to 190 m)</p> <p>Completion Time : 50 Months</p>

3. Prequalification is open to Construction Companies and Joint Venture/Consortium of such Companies from any country. The Applicant who wishes to apply for PQ for the subject package shall satisfactorily establish to meet the following Qualification Criteria:

3.3.1 Technical Criteria

3.3.1.1 General Construction Experience

The Applicant (Sole Contractor or Lead Partner of JV) should have the General Construction Experience as Prime Contractor or as Lead Partner in a JV of executing a major Civil Structure in a Water Resources/Hydro Power Development Project for a period of at least three (3) years in preceding five (5) years. Other Partner in JV should have General construction experience

as prime contractor or lead partner or partner of Joint Venture of one (1) year in preceding five (5) years of executing a major civil structure in a Water Resources Development project. The reference date for considering the period of preceding five (5) years for General construction experience shall be 30 November 2012.

3.3.1.2 Specific Construction Experience

Applicant should have experience in an ongoing/ completed Project during the preceding 15 years (period from start to finish). The reference date for considering the period of preceding fifteen (15) years for specific construction experience shall be 30.11.2012.

i) Concrete Gravity Dam

- a) Completion of a Concrete Gravity Dam of minimum **80 m height** from deepest foundation level or a Spillway Structure of **80 m height** from deepest foundation level in any other type of Dam.
- b) Excavation in foundation/abutments of minimum **3,10,000 cum** with an average progress of **20,000 cum/month** in an ongoing/Completed Dam continuously for 6 months.
- c) Concreting of **7,70,000 cum** or above with average concrete placement of **30,000 cum/month** in an ongoing/Completed Dam for a continuous period of at least 6 months. The average concrete placement in a Roller Compacted Concrete (RCC) dam will be factored by 50% for the purpose of working out the progress rate e.g. concrete placement rate in RCC Dam @ 'Z' cum/month shall be considered equivalent to 'Z' x 0.50 cum/month.

ii) Powerhouse

- a) Completion of a Underground /Sub-surface/Surface Power House of minimum **16m width** in a Hydroelectric Project, and
- b) Completion of a Cavern of minimum **16m** width with an average excavation progress rate of **7,000 cum** per month for a continuous period of 6 months.

iii) Tunnel

- a) Completion of a **tunnel** of minimum **550m** length from one tunnelling face in a tunnel of minimum **6m finished dia** with an average excavation progress of **50m/month** for a continuous period of 6 months with DBM.
- b) Concrete lining with an average progress rate of **100 m/month** from one tunneling face of minimum **6 m** finished diameter for a continuous period of at least 6 months.

iv) Shaft

Completion of Civil works (excavation and concreting) of underground Concrete/steel lined, vertical /inclined shaft with minimum **excavated dia** of **5m** and minimum **height / inclined length** of **100m**. In case of inclined shaft, the elevation difference should be minimum 90m

measured from centre line of top and bottom horizontal portions of pressure shaft.

3.3.2 Financial Capacity/Criteria

3.3.2.1 Turnover

Minimum average annual construction turnover requirement to at least the amount specified hereunder, by Applicants over the preceding five (5) years:

US\$ 130 million or equivalent

Note: For conversion to US\$, the exchange rate(s) prevailing on the last date of the respective accounting year(s) shall be considered.

3.3.2.2 Other Financial parameters

(a) Net worth

The Net worth of the Applicant to be positive and not less than the amount of Equity including share premium in 5 (five) out of 5 (five) years. The Net Worth shall be calculated based on subscribed and paid-up Share Capital plus Share Premium plus Free Reserves plus Unallocated balance/Surplus amount of Profit & Loss Account less (a) Expenses not written off (b) Accumulated Loss in Profit & Loss Account if not reduced from Reserves & Surplus. The Revaluation Reserve, Capital Reserve and amount of Intangible assets like goodwill etc. will not be taken into account while calculating the Net Worth.

(b) Profitability:

The applicant should have earned net profit for at least 3 (three) years out of preceding 5 (five) financial years. However, if losses are reported in 2 (two) years, it shall not be in the preceding two consecutive financial years.

(c) Working Capital

The minimum working capital (current assets minus current liabilities) requirement shall be **US\$ 14 million or equivalent**

Note: For conversion to US\$, the exchange rate(s) prevailing on the last date of the respective accounting year(s) shall be considered.

For this purpose current assets and current liabilities will be considered as classified in the audited balance sheet for the year immediately preceding the date of opening of applications. If the Working Capital calculated from the audited Balance Sheets is negative then such working capital shall be treated as zero. In case there is a shortfall in the Working Capital as per this, the unutilized Cash Credit Limits sanctioned to the Applicant by the Banks/Financial Institutions of international repute shall be considered to meet the shortfall.

The statement displaying Cash Credit limits should not be more than three months old as on the last date for submission of applications.

In case of the JV the Lead Partner shall meet the Working capital requirement.

Note:

1. Other income shall not be considered for arriving at average Annual Construction Turnover.
2. The Applicant's financial evaluation vis a vis the requirement as stipulated above shall be done on the basis of duly printed Annual Report for the immediately preceding 5 (five) years submitted by the Applicant along with the Application. Further, standalone audited Annual Financial Statement of Applicant shall be forming part of the Annual Report.

In case, if Applicant has not submitted the above Annual Report along with Application, then a certificate from CEO/CFO of the Applicant shall be submitted along with Application mentioning that the requirement of Annual Report is not mandatory as per governing law of country. In such cases duly notarised copies of Audited Printed Annual Financial Statement (Balance Sheet, Profit & Loss Statement, cash flow statement, Auditor's Report thereon including all relevant Schedules/ annexure etc.) for the immediately preceding 5 (five) years be submitted by the Applicant along with the Application.

3. In case where Audited financial results for the immediately preceding year are not available, then a statement of account as on the closing date of the immediately preceding financial year depicting the Turnover, Profitability and Net Worth (calculated as per laid down criteria) duly certified by their Statutory Auditor/ Certified Public Accountant carrying out the statutory audit shall be enclosed with the Application along with copy of appointment letter of the statutory auditor / CPA as statutory auditor.
4. In addition to above wherever audited printed Annual Financial Statement contain turnover pertaining to other activities besides construction turnover of Applicant's and breakup of construction turnover is not directly available from such financial statements, then statement of account depicting the construction turnover for that year duly certified by their Statutory Auditor shall also be enclosed with the Application.
5. Wherever, the Annual Report/ duly notarised copies of Audited Printed Annual Financial Statement are based on other than English language, then duly printed & translated in English language duly certified by approved/ recognized English translator shall be submitted with the Application.

6. For the Purpose of compliance to the stipulated turnover criteria given at Financial Criteria, the construction turnover from Joint Venture(s) in proportion to the participation share of the Applicant(s)/proposed JV partner(s) as declared in the Joint Venture Agreement shall be considered.

The proportionate JV Turnover shall be certified by their Statutory Auditor in the absence of not appearing the same in Auditor Financial Statement.

3.3.2.3 Bid Capacity

The available Bid capacity of the Bidder at the time of submission of Price bid, calculated as under should not be less than the estimated cost of the work put to tender:

$$\text{Available Bid capacity} = 2.5 \times A \times N - B$$

Where:

A= Maximum value of Works executed in one year during last 5 (five) years

N = Number of years prescribed for completion of the subject contract package i.e 50/12.

B = Value of existing commitments (as on bid submission date) and on-going works to be completed in next "N" years

Bid capacity shall also be qualification criteria, but the same shall be assessed at the time of submission of the Price bid. For which, the Applicant/Bidder shall submit value of his existing commitments and on-going works (as on price bid submission date) to be completed in next "N" years.

3.4 Nature of Applicants

Applicant should either be a single entity or a JV/ Consortium formed for participating in the tendering for this Project. The Sole Applicant can be allowed to associate sub-contractor(s) for certain components in which he does not have the requisite experience. The JV/ consortium shall not be allowed to associate sub-contractor(s).

3.4.1 Joint Venture/Consortium Applicants

In case of application from Joint Venture or Consortium, it shall comply with the following minimum qualifying requirements:

- (i) The number of partners/members in the Joint Venture/Consortium including the Lead Partner shall not exceed three (3).
- (ii) The Lead Partner to fully meet the following:
 - General construction experience criteria specified for the tender.
 - Average annual construction turnover not less than 50% of criteria specified under Financial capacity,

- Working Capital Requirement specified under Financial capacity,
 - Specified criteria for Specific Construction Experience for “Concrete Gravity Dam” (para 3.3.1.2 i) or “Powerhouse” (para 3.3.1.2 ii).
- (iii) The other partner/member to individually meet the following:
- Average annual turnover not less than 20% of criteria specified under Financial Capacity.
 - General construction experience as prime contractor or lead partner or partner of Joint Venture of one (1) year in preceding five (5) years of executing a major civil structure in a Water Resources Development project,
 - One or more of the specified criteria of Specific Construction Experience (para 3.3.1.2) for the components listed in the document other than that met by the Lead Partner.
- (iv) The Specific Construction Experience of each component structure to be met individually by the Lead Partner and/or other Partner/member as the case may be, and not collectively.
- (v) All the partners/members of the Joint Venture/Consortium to individually fulfil the Profitability and Net Worth criteria specified under Financial Capacity.
- (vi) The Joint Venture/Consortium to collectively satisfy as a whole the Technical requirements specified and Turnover criteria specified under Financial Capacity.
- (vii) The Bid Capacity requirement should be satisfied by individual partner of Joint Venture in proportion to their participation share in Joint Venture.
- (viii) The parties shall be required to form the JV/ Consortium before applying for prequalification which shall be evinced by submitting a copy of the JV/Consortium agreement already entered into for the purpose. The JV agreement should contain the role and responsibility of each constituent, the proposed participation share of each partner/member alongwith the items of work to be executed by each partner/member. It shall also be brought out in the JV/Consortium agreement that in case the Contract is awarded to the JV/Consortium, each partner of the JV/Consortium shall be responsible for execution of that item of work for which he claims to have specific construction experience.
- (ix) Lead partner of the Joint Venture/Consortium should have at least 50% share.

3.4.2 Applicants with Sub-Contractors

In case the Sole Applicant does not have all requisite technical experience and also does not wish to enter into a Joint Venture, it can associate sub-

contractor(s) for specialized activities in which he does not have the relevant experience. The criteria to be met by such Applicant shall be as follows:

- (i) The Sole Applicant himself to fully meet the following:
 - General construction experience criteria specified above,
 - All criteria mentioned under Financial capacity,
 - Specified criteria for Specific Construction Experience for “Concrete Gravity Dam” (para 3.3.1.2 i),
 - Bid Capacity criteria.
- (ii) The number of sub-contractors not to exceed two (2).
- (iii) The proposed sub-contractor(s) shall individually meet the following requirement:
 - General construction experience of one (1) year in preceding five (5) years of executing a major civil structure in a Water Resources Development project.
 - One or more of the Specified criteria for the components listed under Specific Construction Experience i.e. “Power House (para 3.3.1.2 ii) and/or Tunnel (para 3.3.1.2 iii) and/or Shafts (para 3.3.1.2 iv)”.
- (iv) The proposed Sub-contractor(s) to individually meet all the Specified criteria for the component of structure “Power House and/or Tunnel and/or Shafts”, and not collectively.
- (v) The Applicant and his proposed sub-contractor(s) should collectively satisfy, as a whole all the technical requirements specified herein.
- (vi) The Applicant and his sub-contractor(s) should submit separate undertakings that the Applicant/sub-contractors shall be responsible for execution of that item of work for which they claim to have specific construction experience.
- (vii) In order to ensure serious participation of the sub-contractor(s) for work proposed to be executed by the sub-contractor(s), a Joint Deed of Undertaking shall be required to be submitted by the Contractor and sub-contractor(s). Besides this, an additional Performance Bank Guarantee for 5% of corresponding value as per Contract shall have to be submitted by the sub-contractor(s), in addition to normal Performance Bank Guarantee to be furnished by the Contractor under the Contract.

3.4.3 Application by Subsidiary companies

If a subsidiary Company applies for pre-qualification on the unconditional technical and financial strength of the parent/holding Company or Sister Company within same Parent/Holding Company, the same shall be considered provided the parent/holding Company/Sister Company commits to sign a separate Agreement with CVPP (in the requisite Format) evincing full support for the technical and financial requirements of the subsidiary Company and commitment to take up the work itself in case of non-performance by the subsidiary Company in the event of award of the work to

the Applicant subsidiary Company. An undertaking by the parent/holding Company/ Sister Company to this effect shall be submitted alongwith the pre-qualification Application (in the requisite Format). 'Subsidiary Company' is one in which the parent/holding Company holds more than 50% of equity share capital. A subsidiary Company intending to pre-qualify on the strength of parent/holding Company/ Sister Company shall not be allowed to participate as a 'Sub-Contractor'.

In case Applicant Company (subsidiary Company) gets qualified and awarded the work package, the Parent/holding Company/ Sister Company will be required to furnish an additional performance bank guarantee of value equivalent to (5%) five percent of the Contract Price for portion of work (where the subsidiary Company is Joint Venture Partner) as the case may be, in addition to normal Performance Bank Guarantee to be submitted by the Applicant Company to the Employer besides entering into a separate Agreement (in the requisite Format).

- 3.5 The experience of bidder/ Consortium partner of JV who has executed the work in fulfillment of Qualifying Requirements, as a member of Joint Venture can also be considered provided:
- a) The allocation of scope of work between the partners of the Joint Venture is clearly defined in the executed JV agreement/ contract and bidders/ each partner of JV's scope of work executed by him as individual contribution in Joint Venture meets the Qualifying Requirement.
 - b) In case there is no specific allocation of work for any work component between the partners of the integrated Joint Venture as per the executed JV agreement /Contract, then the work experience of the integrated Joint Venture can be claimed by bidder/each partner of JV, provided the bidders /each partner of JV's share in the afore said Joint Venture was atleast 40%.
4. Eligible Applicants may obtain the Prequalification (PQ) Document from the office of undersigned on submission of formal request along with the specified non-refundable fee or download from our website: <http://www.cvppindia.com>.
5. The request must clearly state "**Request for Prequalification Invitation Document for Kiru Civil (LOT- 1) for Kiru Hydroelectric Project, 660 (4 X 165) MW**". The documents shall be available for a non-refundable fee of **Rs. 2,00,000/-** (Rs Two lacs only) which is inclusive of cost of tender document to be issued to pre-qualified firms. The non-refundable fee may be paid in the form of a Demand Draft in favour of "Chenab Valley Power Projects Private Limited" payable at Jammu, India. The Applicant may collect the documents in person or through an authorised agent on all working days from 07.12.12 to 07.01.2013 between 10.00 Hrs. to 17.00 Hrs. If desired by the Applicant, Employer shall dispatch the PQ Document by registered mail, but under no circumstances the Employer will be held responsible for late delivery or loss of the documents so mailed.

6. The Applicant, can also download the PQ Invitation Document from the web site after online payment of requisite fee or NEFT/RTGS payment into CVPP bank account in J&K Bank Jammu, a/c no. **0022010100000161** (IFSC code JAKA0ERAILH). The applicant shall submit the Application along with the receipt of online payment of requisite fee in a separate envelope marked 'Receipt of online payment towards Cost of PQ Invitation Document downloaded from internet'. In case of discrepancy in the downloaded document, issued document shall prevail. Downloaded document without proper payment of the requisite fee shall not be considered for evaluation.
7. Submission of Applications for Pre-qualification must be received in sealed envelopes, which must be either delivered by hand or by registered mail to the undersigned not later than **12:00 Hrs. (IST) on 21.01.2013 and shall be opened on the same day at 12:30 Hrs** in presence of authorized representative (s) of Applicant's who choose to remain present. If the due date of receipt of Applications as aforesaid is declared as holiday, Applications would be received up to 12:00 Hrs. (IST) on the next working day. The envelope must be clearly marked "**Application to Pre-qualify for Civil (LOT- 1) Package for Kiru Hydroelectric Project**".
8. Late Applications will be rejected.
9. Only pre qualified Applicants will be invited to Bid. Chenab Valley Power Projects Pvt. Ltd. Reserves the right to reject any or all Applicants.
10. Any corrigendum/modification to PQ documents shall be available on website only and the Applicants are advised to visit the site regularly before deadline for submission of Application for pre-qualification.
11. The Employer may impose certain restrictions on the foreign companies participating in any form and their employees in view of the National Security, in the Project situated in the sensitive region and border areas. The Employer shall obtain clearance of Govt. of India regarding security implications prior to pre-qualifications of such Company.

For & on behalf of CVPP Pvt Ltd.

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