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MINAS DE BENGA, LDA

NOTICE INVITING EXPRESSION OF INTEREST

BENGA COAL MINE: MINING, TRANSPORTATION OF COAL & POWER PLANT PROJECT

EOI No.: 02/2016 22/09/2016

Project name:

Mining Services in Benga coal mine; Transportation & Handling Services in Benga coal mine; Benga Thermal Power Plant.

Country: Mozambique (Location Moatize District, Tete Province)

Business Sector: Coal Mining and allied services, Power and Energy

Notice type: Invitation for Expression of Interest

Issue date: 22.09.2016

Closing date: 12.10.2016

1.0 Background of the company:

1.1 Minas de Benga, Lda (MBL) is a company registered under the laws of Mozambique. The company owns an opencast coal mine in Tete province (Moatize district), Mozambique, namely Benga coal mine. MBL is a subsidiary of the ICVL Group of companies. International Coal Ventures Pvt. Ltd. (ICVL) is a India based company registered under the laws of India. ICVL is a Joint Venture company promoted by some of the largest steel/ mining sector public companies of India, namely Steel Authority of India Limited (SAIL), Rashtriya Ispat Nigam Limited (RINL) and NMDC Ltd.

2.0 Benga Mine Operations – An Overview:

2.1 Benga Coal Mine is a multi-seam (Seams B to N), open cast operation with over 200 million tonnes of proven coal reserves. It started mining in the later part of 2011. After acquiring the mine in October, 2014, MBL continued

mining operations till December, 2015. Coal washery operations, however, continued till April 2016 for washing the RoM coal stock.

2.2 The seams C and D were being mined at the time of takeover in the south pit of the mine while mining from the upper Seam E started in 2015. The average stripping ratio was about 4.65 BCM/tonne of RoM.

2.3 The mine has a state of the art coal handling, processing and preparation facility (CHPP) that has been operating since 2012, having a designed capacity to process 5.3 Mtpa Run-of-Mine (RoM) coal. The RoM coal after washing in the CHPP produces three coal products namely Hard Coking Coal at 10% to 13.5% ash (HCC); Thermal Coal (TC) at 27.5% to 28% ash and Low Heat Value Coal at 50% to 60% ash (Power Grade Coal). In addition, Tailings having a good heat value, are also generated from CHPP. Post-takeover, Hard Coking Coal (at 13.5% Ash level), Thermal Coal and Low Heat Value Coal have been produced ideally in the ratio of 35:10:50 with the balance 5% as Tailings Coal. Coking Coal with 13.5% ash has so far been exported to India for consumption by the promoter companies of ICVL in their own steel plants.

2.4 The coking coal produced at CHPP is hauled by trucks to the railway siding, about 15 km away. It is then loaded there into company owned trains for transportation to the Beira port at a distance of about 590 Km. The fleet consists of 15 locomotives (3100 HP each) and 310 wagons with average carrying capacity of 62 tonnes. CFM, the owner of the rail track, charges rail access fee on the coal transported.

2.5 At Beira port, Coal Terminal TCC-8 which has been constructed jointly by Vale (68%) and MBL (32%) is used for loading coal into Handymax vessels (35000 tonnes). Both jointly have a Take or Pay agreement with the Port Operator for 5 MTPA capacity, out of which MBL has a reservation of 32% capacity which translates into 1.6 Mtpa. Beira port being a Tidal Port, has low draft of about 9.5 meters thereby restricting both the vessel size as well as the sailing time (day time of high tides).

2.6 Thus, currently, 1.6 million tonnes of coal per annum can be transported for export.

2.7 ICVL Mozambique also has a project to develop the methane gas potential of its coal deposits which could in the future also be used for power generation or any other value addition.

3.0 **EXPRESSION OF INTEREST:**

3.1 MBL invites Expression of Interest (EOI) from the qualified individual companies or a Joint Venture company/ Consortium of up to 3 different companies (hereinafter called "Bidder"), for the following jobs at Benga mine:

1) Mining operations:

It shall primarily include the extraction of 4.5Mtpa (+/- 20% at MBL's discretion) of ROM coal feed for the CHPP, along with the associated activities such as excavation and handling of the waste rock material.

2) Transportation of Coking Coal:

It shall primarily cover the Transportation of Coking Coal and also sometimes Thermal Coal (as per MBL's requirement), from the CHPP to the Railway siding and then loading onto the trains.

3) Thermal Coal Relocation:

It shall primarily cover the Thermal Coal relocation, stacking, compaction & appropriate treatment for long term storage at the specified locations within the leasehold area.

4) Setting up of Thermal Power Plant on BOO Basis:

It shall primarily include the setting up of a thermal power plant on a **Build, Own & Operate (BOO)** basis at the designated site within the mine leasehold area, including adequate arrangements for evacuation of power by interconnection to the national/international grid.

3.2 Any Bidder having experience in more than one of the services can submit its offers for all such services. However, while deciding on the prospective Bidder(s) for different services, the most preferred option for MBL would be for a Bidder, possessing the required experience to execute the two jobs together, namely (1) Mining operations, and (2) Setting up of a Thermal power plant on BOO basis. In such a case, the Contract could be entered for an appropriate duration longer than the proposed period of 5 years for the mining operations.

3.3 MBL reserves the right to award a single contract for any combination of jobs together or all the four together or even split them into separate contracts for each of the four services, based on the convenience and cost economics.

3.4 Bidders should clearly specify in their EOI document, the Options in which they would like to participate.

4.0 **JOB -1 : MINING OPERATIONS**

4.1 MBL holds the required mineral title (Mining Concession 3365C), land title and the Environmental License. The contract shall be executed within the

Mining Concession 3365C area in accordance with the approved 5 year Mining Plan, which may be adjusted annually or otherwise from time to time, as may be required, and also as per Environmental Management Plan.

4.2 **Scope of Work:**

The successful bidder will be responsible for carrying out all the mining activities for supply of ROM to CHPP primary feeder and handling & transportation of Low Heat Value Coal, in compliance with all applicable laws, which inter-alia would include mining, safety, environment, labour, compensation etc., but not limited to the following:

- 4.2.1 Annual excavation of about 21 Million BCM various waste rocks/ earth cutting, loading, transportation, dumping, dozing, backfilling and levelling of OB at pre-designated dump sites to ensure progressive mine closure plan.
- 4.2.2 ROM coal extraction at a rate of 4.5 Mtpa (+/- 20% at MBL's discretion) in accordance with the approved Mine plan, from the multiple coal seams, to be mined in a proportion (currently from seams C, D & E in a ratio of 36:24:40) for obtaining the required quality (13.5% ash level) and yield (about 36%) of coking coal by feeding the same to the CHPP.
- 4.2.3 The ROM coal will, in general, be fed into the primary crusher feeder hopper. When the CHPP is not in operation, the ROM coal will be stacked at the designated ROM coal stockyard location. This stacked coal will be re-handled using a Wheel Loader and Dumper combination. The maximum allowable size for the blasted coal will be 800 mm so as to feed through the primary feeder grizzly. Whenever plant feeding is done, it must be continuous so that plant does not stop for lack of feed.
- 4.2.4 Own and maintain a fleet of HEMM (Excavators, dumpers, loaders and all other ancillary equipment) of adequate size and numbers in good working condition commensurate with the production plans throughout the contract period, and including creating necessary operating facilities of workshops, stores & offices as well as applicable labour, vehicle and mining safety and security standards.
- 4.2.5 Handling, storage & proper treatment of Low Heat Value Coal of about 2.3 (+/- 20% at MBL's discretion) Mtpa (about 50% of ROM), generated at CHPP. This would be from the reject bin at CHPP to the designated low heat value coal dump area (unloading points, at a distance of 3 to 4 km from CHPP)
- 4.2.6 Compliance with mutually agreed weekly, monthly and yearly mining plan. Any changes or clarifications to the plan to be intimated at least one month in advance with mutual consent.
- 4.2.7 Dewatering of the working area; water control, drainage, pumping of water and flood management at contractor's own cost by constructing

dams, installing suitable capacity pumps for drainage of water to ensure that the production continues at stipulated rate of about 375,000 MT ($\pm 20\%$) per month average at all time. Water usage, drainage, dams, etc., shall be constructed and operated in compliance with the Environmental Management Plan and Mozambican water and mining legislation.

- 4.2.8 Maintenance of the haul road within the mine working area.
- 4.2.9 Suppression, prevention & control of dust emissions using water or any other suitable product.
- 4.2.10 Lighting, fencing and provision of civil amenities.
- 4.2.11 Availability of the equipment to meet the work requirement and applicable labour, vehicle and mining safety and security standards. To arrange for security within the mine precincts including the HEMM, mine facilities etc.
- 4.2.12 Blasting activities including providing explosives (and storage if required) in accordance with Mozambican Legislation.
- 4.2.13 Fire prevention and control in the area of operations including Low Heat Value Coal dump area.
- 4.2.14 Adequate expertise, supervision and labour for the operation and maintenance of equipment, vehicles, tools and tackles.
- 4.2.15 All fuel, lubricants and other consumables as well as spare parts and accessories (including tyres) and related maintenance and repair operations required for continuous operation of the machines & vehicles.
- 4.2.16 The conduct of operations in such a way as to reduce the amount of waste and coal loss as waste to minimum.
- 4.2.17 ROM coal stock piles shall be built and maintained according to the procedures and design of MBL. The height of stock pile shall be up to 8 meters and in accordance with the safe working height for front end loader operation. Stock piles shall be self-draining.
- 4.2.18 All coal to CHPP will be delivered via the ROM facility. Coal feed to the ROM facility shall be sourced either directly from the pit or from stockpiles, by front end loader or dumper or combination of both as per requirement. The ROM facility will be managed in such a manner that continuity of ROM coal feed to the Coal Handling & Processing Plant (CHPP) is maintained as per process requirement.
- 4.2.19 Feeding of ROM coal from emergency stockpile area at CHPP.
- 4.2.20 All duties, taxes, charges and costs associated with the permanent or temporary import of equipment, machinery and any other goods.

- 4.2.21 To fulfil all the obligations in respect of the local employees as well as the permitted expatriate employees as are required by the Mozambican labour law and immigration legislation, the prospective service contractor being the principal employer.
- 4.2.22 Open book administration and record keeping of the services.
- 4.2.23 Storage, retention, collection, recycling and disposal (including transport wherever applicable) of all used oil, and grease, disposable filters and other waste liquids etc., as per environmental policies & procedures, Environment Management Plan, and Environment Licence & environmental regulations, waste management regulations and other applicable legislations.
- 4.2.24 All activities associated with clearing, grubbing and top soil management, shall be in compliance with the applicable Mozambican Laws, Environmental Management Plan and Environmental Licence for the Benga Mine Project and any other applicable rules and regulations.
- 4.2.25 If the bidder is not a Mozambican company, then any adjudication is subject to the timely registration of a company, tax, labour and operating licence registration.
- 4.2.26 To arrange all necessary permits, consents and approvals necessary for executing the Service Contract, including any investment authorization and would be required to comply with the Environmental Management Plan and all other regulatory requirements of the Environmental License.
- 4.2.27 To arrange for security within the mine precincts including the HEMM, mine facilities etc.
- 4.2.28 For the avoidance of doubt, the responsibility in respect of arrangement of HEMM spares, explosives, diesel, tyres etc. shall be of the Contractor only.
- 4.3 **Obligations of MBL:**
- 4.3.1 MBL shall provide daily, weekly, quarterly & monthly schedule one month in advance.
- 4.3.2 MBL will provide five year Mining Plan
- 4.4 The interested bidder will make their own assessment of all-inclusive costs on the basis of per ton of ROM coal mined & delivered at CHPP Hoppers.
- 4.5 This service contract shall be awarded initially for a period of Five (5) years, which may be extended further with a fresh set of negotiated terms and conditions.

5.0 JOB 2: TRANSPORTATION OF COKING COAL

5.1 Benga Mine is anticipating an annual production of 1.60 Mtpa (+/-20%) of coking coal and 0.44 (+/-20%) Mtpa of thermal coal.

5.2 Scope of Work:

The indicative Scope of Work under this Contract shall comprise the following:

5.2.1 Transportation and loading of Coking Coal (if required Thermal Coal also), by trucks from CHPP to the Rail siding (15 km away), however within the overall limit of 1.6Mtpa (+/-20% at MBL's discretion). Stockpiling products by grade and loading into railway wagons in a time bound manner at the rail siding as per MBL's requirements;

5.2.2 Own and maintain a fleet of side tipping trucks including the required ancillary equipment for coal handling, loading etc., commensurate with the targeted levels throughout the contract period, and including creating necessary infrastructure facilities like workshops, stores, spares, fuel, offices etc.

5.2.3 Bidder would be required to demonstrate about the adequacy of the fleet for meeting the desired volume.

5.2.4 To carry out the operation on a 24x7, 365 days a year basis.

5.2.5 Rail siding management to include stock piling products by grade (minimum 55,000 tons), Dust suppression arrangements and loading into railway wagons within prescribed limits, up to three trains (currently 43 wagons per train) per day and ensuring that the trains are received in the appropriate tracks. Each loading to be completed in 2.5 hours for a train of 43 wagons (average capacity of 62 tonnes each) including loading and load adjustment. Train lengths may vary in future (upwards) when time will be adjusted proportionately.

5.2.6 Proper record maintenance in respect of tonnage of coal transported to the railway siding and also in-bound and out-bound train wagons at the in-motion weigh bridge.

5.2.7 Dust suppression arrangements at coal stockpile area at the CHPP & Rail siding.

5.2.8 Temporary coal relocation inside the stockpile area at CHPP and Rail Siding as and when the situation arises, so as to facilitate running of the operations.

5.2.9 Storage, retention, collection, recycling and disposal (including transport where applicable) of all waste oils, waste grease and disposable filters and other waste liquids as per the environmental policies and procedures of MBL, the Environment Management Plan and Environment Licence

and environmental regulations, waste management regulations and other applicable legislation.

5.2.10 To fulfil all the obligations of being the principal employer, in respect of employees including the supervisory staff, as required by the Mozambican labour law. This will also include providing workmen's compensation, all risks and third party insurance etc.

5.2.11 To ensure compliance of all statutory and regulatory provisions including safety (including providing personal protective equipment) and maintaining environmental standards as per MBL policy, Environmental Licence and Environmental Management Plan and Mozambican law.

5.2.12 Open-book administration and record keeping of the services.

5.2.13 All procedures and all duties, taxes, charges and costs associated with the supply of equipment and services.

5.2.14 Compliance on-site and off-site with all applicable law, licenses and authorisations, statutes, regulations, by laws, ordinances, orders including policies pertaining to local host community and shall bear all costs arising from any violation thereof.

5.2.15 Volumes of material to be hauled and loaded may be increased or decreased with a notice of one month in advance by MBL.

5.2.16 Security arrangements.

5.3 **Obligations of MBL:**

5.3.1 For accomplishment of the work, MBL shall provide daily, weekly, quarterly & monthly schedule one month in advance.

5.3.2 Management and oversight of the weigh-bridge at the railway siding.

5.4 This contract shall be awarded initially for a period of Five (5) years, which may be extended further with a fresh set of negotiated terms and conditions.

6.0 **JOB3: THERMAL COAL RELOCATION**

6.1 Benga Mine is anticipating an annual production of about 0.44 Mtpa (+/- 20%) of thermal coal.

6.2 **Scope of Work:**

The indicative Scope of Work under this Contract includes but is not limited to the following:

6.2.1 Thermal coal relocation [0.44 Mtpa (+/-20% at MBL's discretion)] from CHPP involving hauling, stacking, compaction & appropriate treatment for preventing fire etc.

- 6.2.2 Own and maintain the required ancillary equipment for coal handling, loading, compaction, grading etc. including fleet of tipping trucks, commensurate with the targeted levels throughout the contract period, and including creating necessary infrastructure facilities like workshops, stores, spares, fuel, offices etc.
- 6.2.3 To carry out the operation on a 24X7, 365 days a year basis.
- 6.2.4 Loading thermal coal from live stockpiles, hauling, unloading and compaction at cut / fill stockpiles and extended stockpiles located at CHPP.
- 6.2.5 Maintenance by grading of all access roads, high voltage lines servitude areas and pipeline road as per requirement.
- 6.2.6 Construction of compacted safety berms and fire breaks at thermal stockpiles.
- 6.2.7 Clean up and/or relocation of spillage from ROM/CHPP, bin area and surroundings to the designated location.
- 6.2.8 Extinguishing spontaneous combustion incidents including removal and compaction of the affected material.
- 6.2.9 Storage, retention, collection, recycling and disposal (including transport where applicable) of all waste oils, waste grease and disposable filters and other waste liquids as per the environmental policies and procedures of MBL, the Environment Management Plan and Environment Licence and environmental regulations, waste management regulations and other applicable legislation.
- 6.2.10 Open-book administration and record keeping of the services and security.
- 6.2.11 All procedures and all duties, taxes, charges and costs associated with the supply of equipment and services.
- 6.2.12 To fulfil all the obligations of being the principal employer, in respect of employees including the supervisory staff, as required by the Mozambican labour law. This will also include providing workmen's compensation, all risks and third party insurance etc.
- 6.2.13 To ensure compliance of all statutory and regulatory provisions including safety (providing personal protective equipment) and maintaining environmental standards as per MBL policy, Environmental Licence and Environmental Management Plan and Mozambican law.
- 6.2.14 Compliance on-site and off-site with all applicable law, licences and authorisations, statutes, regulations, by laws, ordinances, orders including policies pertaining to local host community and shall bear all costs arising from any violation thereof.
- 6.2.15 Security Arrangements.

6.2.16 Collection, removal and relocation of oversized coal (about 160,000 Ton per Annum $\pm 20\%$) from designated places.

6.3 **Obligations of MBL:**

6.3.1 MBL to provide daily, weekly, quarterly & monthly schedule one month in advance.

6.4 This contract shall be awarded initially for a period of Three (3) years, which may be extended further with a fresh set of negotiated terms and conditions.

7.0 **JOB4: SETTING UP OF THERMAL POWER PLANT ON BOO BASIS**

7.1 The proposed Thermal Power Plant (2X150 MW or more) on a **Build, Own & Operate (BOO)** basis would be set up at the designated site within the Benga mine leasehold area.

7.2 It would include the interconnection to the national/international grid including use for a dedicated user.

7.3 The full project design as originally approved could have a capacity of more than 1000 MW, to be developed in stages.

7.4 Allocation of the land for the Power Plant will be on a long term lease or equivalent legal framework in line with the procedures and provisions of MBL in compliance with Mozambican Law.

7.5 A blend of thermal coal/ low heat value coal/tailings supplied from the Benga Coal Mine (captive source), would be used in the Power Plant. The details of the quality of the three products are as below:

- **Thermal coal** with an ash content of 27.5% to 28% and an approximate 24.5 MJ/kg to 25.3 MJ/kg (5850 Kcal/kg to 6020 kcal/kg) Gross Calorific value constituting about 10% of ROM production;
- **Low heat value coal/power Grade Coal** with 50% to 60% ash and about 12.55 MJ/kg to 14.40 MJ/kg (3000 kcal/kg to 3440 kcal/kg) Gross Calorific value constituting about 50% of ROM coal; and
- **Tailings coal** with 21.21 MJ/kg to 26.92 MJ/kg (5065 kcal/kg to 6430 kcal/kg) Gross Calorific value constituting about 5% of ROM coal. Tailing dam 1 is full. Quantity can be made available from tailing dam 1 and 2; interested party will have to make its own arrangements for evacuation and transportation.

7.6 Approximately 2.2 Million Tonnes of thermal coal, 6.3 Million tonnes of low heat value coal and about 1 Million Tonne of tailings coal are presently available at the site for immediate utilization. Further production will continue. The tonnage of each product may increase with the

expansion of the Benga Mine operation as well as the development of other adjacent coal deposits in Mozambique held by ICVL through its different companies.

7.7 Scope of work:

The indicative scope of work for the job includes but is not limited to the following:

- 7.7.1 Supply all necessary finance for the design, materials, equipment, accessories, resources, services and construction works, both of a temporary and permanent nature as well as the operation of the Power Plant; Project management; detailed survey; detailed engineering for all technical disciplines; complete technical documentation of the project, procurement of all necessary equipment and services; all works, goods, licences and services related to the construction of the power plant, construction of power transmission line/inter-connection, commissioning, start-up and operation including marketing and sale of electricity, as owner of the Benga Power Plant Project facilities and installations.
- 7.7.2 The structuring of Benga Energia, SA, a Mozambican company with Mauritius shareholding structure, which is the existing project vehicle.
- 7.7.3 Obtaining all applicable operating licences, labour and immigration authorisation and any investment project authorisation or other investment related authorisations as per the applicable Mozambican legal requirements;
- 7.7.4 If the bidder is not a Mozambican company, then any bid is subject to the timely company, tax, labour and operating licence registration.
- 7.7.5 Building conveyor/any other system, if required, with all its accessories for transport of Thermal coal, Low heat value coal and tailings from dump area/tailing pond area to power plant location.
- 7.7.6 The time taken for erection, commissioning and testing of power plant shall be 24 to 36 months step wise from the date of placement of order.

7.8 Obligations of MBL:

- 7.8.1 MBL will provide a long term coal supply agreement with an option for upside sharing in the power for its own mine operation.

7.9 Statutory/ Regulatory clearances:

- 7.9.1 While there is an existing Environment Licence for the construction and operation of the Power Plant, depending on the actual design, construction and operation proposed by the successful proponent, Mozambican environmental regulations may require update and /or amendments to the licence.
- 7.9.2 The site location is secured by a land title.

- 7.9.3 There is also an agreement in principle for access to transmission infrastructure and to transmission servitude. The successful party will be responsible for all other regulatory compliance for going forward.
- 7.10 MBL may exercise an option of participating in the Power Plant Project in view of the facilities and rights to be provided to the project proponent.

8.0 **ELIGIBILITY CRITERIA**

8.1 **GENERAL REQUIREMENTS**

A. Mining Operations:

- 1) The bidder must demonstrate the capability that they can mobilize all equipment within three (3) months after award of the job.
- 2) The prospective bidder should have successfully executed/ or successfully running at least one opencast coal mining contract, globally (preference for Sub Sahara Africa countries), involving a quantity of 20 MTPA (ROM & Waste/ ROM/ Waste), in a year during the last 7 years, ending last day of the month previous to the one in which the EOI was issued.

B. Transportation of Coking Coal:

- 1) The bidder must demonstrate the capability that they can mobilize all equipment within three months after award of the tender.
- 2) The prospective bidder should have successfully executed/ or successfully running, one work of transporting bulk material, globally (preference for Sub Sahara Africa countries) involving a quantity of 1.20 Mtpa, in a year during the last 5 years, ending last day of the month previous to the one in which EOI was issued.

C. Thermal Coal relocation:

- 1) The bidder must demonstrate the capability that they can mobilize all equipment within three months after award of the tender.
- 2) The prospective Bidder should have successfully executed/ or successfully running, one similar work of coal/Bulk relocation involving hauling, stacking, compaction & appropriate treatment for preventing fire etc., globally (preference for Sub Sahara Africa countries), involving a quantity of 0.3 Mtpa, in a year during the last 5 years, ending last day of the month previous to the one in which EOI was issued.

D. Power Plant:

- 1) Ownership and financial closure for not less than 300 MW of power projects globally (preference for Sub Sahara African countries), out of which not less than 100 MW of coal-fired power projects.
- 2) Global experience (preference for Sub Sahara African countries) of Power Purchase Agreement (PPA) and Capacity of concluding PPAs of not less than 150 MW PPA.
- 3) Engineering and project management experience, Capability for project engineering and project management for Coal based power plants.
- 4) Demonstrate at-least three (3) years' experience in developing and operating coal-fired power plants, including technical set up capabilities in planning, constructing and commissioning of coal-fired power projects. Demonstrate access to competent construction, commissioning, operation and maintenance contractors.

Bidders submitting EOI for any combination of the jobs should meet the combined general eligibility requirements stated above.

8.2 FINANCIAL REQUIREMENTS

A. Mining Services:

- 1) The bidder must show the financial capability to execute the job with proven profit making record of 2 years in the last 5 years and with a minimum net worth of USD 200M.

B. Transportation of coal:

- 1) The bidder must demonstrate financial capability to execute the job with proven profit making record of 2 years in the last 5 years and with a minimum net worth of USD 50M.

C. Thermal coal relocation:

- 1) The bidder must demonstrate financial capability to execute the job with proven profit making record of 2 years in the last 5 years and with a minimum net worth of USD 50M.

D. Power Plant:

- 1) The bidder must demonstrate financial capability to execute the job with proven profit making record of 2 years in the last 5 years and with a minimum net worth of USD 300M.

- 2) Equity funding availability, Capability of equity funding sufficient for establishing mining operations and installation of up to 300 MW of power generation at the Benga Mine site.

Bidders submitting EOI for any combination of the jobs should meet the combined financial eligibility requirements stated above.

9.0 **REQUIREMENTS OF THE EOI**

9.1 **GENERAL REQUIREMENTS**

The Bidders(for each Partner, in case of Joint Venture/ Consortium) are requested to submit their EOI along with all necessary supporting documents andalso the credentials i.e. experience of operations and other relevant documents as below:

- I. Contact details as per the Annexure A
- II. Certificate of incorporation (and any certificate of change of name or other amendment)
- III. Certified copies of its Memorandum / Articles of Association;
- IV. Evidence of Tax Registration and Declaration of the Commencement of Activities;
- V. Copy of Annual Report/Audited Balance Sheet for the past 3 years
- VI. Copy of the Agreement between the Consortium members (in case of a Consortium members MOA/MOU is also allowed along with a condition to sign an agreement).
- VII. Statement indicating the list of works executed by the bidder during last 7 years indicating clients name, contact details, contract value, date of start and date of completion, along with work completion certificate issued by the client clearly indicating the date of issue of certificate, Work Order/Contract/Agreement number, Nature of work, date of start & date of completion, quantity executed/ or successfully running per annum etc.
- VIII. Confirmation from the Bidder or where the Bidder is a consortium each member of the consortium that there does not exist any conflict of interest or other impediment, which would prevent the Bidder or, as the case may be, the consortium member from contracting with MBL.
- IX. The bidder, or where the Bidder is a consortium each member of the consortium, shall submit a self-attested certificate stating that it has not been blacklisted in any of the countries it is operating in.

9.2 **SPECIFIC REQUIREMENTS OF POWER PLANT:**

The Bidder shall submit all relevant documents required to prove legal status (for each Partner, in case of Joint Venture/ Consortium), including:

- 1) Business certificate and copies of the current electricity generation licenses
- 2) A letter of recommendation from the energy regulator where it currently maintains operations,
- 3) Demonstrate its ability to raise funds at competitive terms,
- 4) Certificate from the client stating that the plant is in successful operation, as per designed capacity, for a period of 1/2/3 years from the date of its commissioning.
- 5) A commitment to construct and commission the power plant phase-wise within 24 months, limiting to thirty-six (36) months after contract award.

10.0 **VIRTUAL DATA ROOM:**

10.1 A Virtual Data Room (VDR) has been created wherein necessary information has been uploaded, which would help the Bidders in preparation of the Bids. It can be accessed by clicking the link www.icvl/eoi/dropbox.com. In case of any difficulty in accessing the VDR, Mr. Ashok Mishra may be contacted at the e-mail: ashok.mishra@icvl.co.mz or Mr. Jacob Maholela at the e-mail: Jacob.maholela@icvl.co.mz.

11.0 **TERMS & CONDITIONS:**

- 11.1 Each bidder shall conduct its own investigation and analysis, including the site visit, for checking the accuracy, reliability and completeness of the information in this Expression of Interest, VDR and also any additional information that may be obtained or required before the submission of the final bid.
- 11.2 All costs borne by the bidders on any such investigation/ analysis/ site visit etc., including any other expenses incurred in relation to the preparation/ submission of the EOI at any stage shall be on the account of Bidders only, whether or not MBL terminates, varies, or suspends the EOI process or takes any other action with regard to the proposed options of EOI at Benga Coal mine.
- 11.3 Bidders seeking any additional information/ clarifications on the EOI can send the same not later than 07.10.2016, to Mr. Ashok Mishra on the e-mail Id ashok.mishra@icvl.co.mz and Mr. Jacob Maholela on the e-mail id Jacob.maholela@icvl.co.mz.

- 11.4 MBL shall have the right to accept/ reject any or all of the additional information sought by any of the Bidders, without assigning any reason whatsoever.
- 11.5 MBL shall publish depersonalized replies to the requests for additional information/ clarification (if any) received from any of the Bidders, on the ICVL's website www.icvl.in, under the name: "Additional Information for the Bidders", not later than 10 days before the final date of submission of the Bids.
- 11.6 Bidders are expected to visit the website from time to time for any updates or clarifications in relation to the EOI.
- 11.7 Bidders should clearly specify in their EOI document, the Job(s) (1,2,3 and 4), in which they would like to participate.
- 11.8 To help the Bidders in preparation of the Bid(s), certain Data for reference has been provided in Annexure 'B'.
- 11.9 The interested Bidders are required to submit their duly completed Bids, electronically not later than 18.10.2016 to: Mr. Ashok Mishra on the e-mail ashok.mishra@icvl.co.mz and Mr. Jacob Maholela on the e-mail Jacob.maholela@icvl.co.mz.
- 11.10 A confirmatory email shall be sent by MBL to the bidders on receipt of the bids.
- 11.11 A tender shall be issued to the shortlisted Bidder(s).
- 12.0 **DISCLAIMER:**
- 12.1 This document is neither an agreement nor an offer or invitation to enter into an agreement of any kind with any bidder.
- 12.2 Under no circumstances shall the information set out in this document/ VDR/ additional information subsequent to queries by bidders, be considered binding or giving rise to legal consequences in any form with respect to MBL or any of its companies or employees or representatives.
- 12.3 MBL does not guarantee the accuracy, reliability or the completeness of any/ all information contained in this EOI/ VDR/ additional information or clarifications subsequently provided. MBL reserves the right to modify any aspect of the Project.

Ashok Mishra
Deputy General Manager (Procurement)
September 22, 2016

CONTACT DETAILS TO BE PROVIDED BY THE BIDDERS:

1. Name, registered address & operational office address of the Bidder.
2. Name & designation of the concerned officer to whom all references shall be made.
3. Website:
4. Telephone:
5. E-Mail:
6. Chief Executive
7. E-mail:
8. Telephone:
9. Locations and addresses of Offices, and operational locations (enclose the list):
10. Name & address of local representative, if any:

DATA FOR REFERENCE:

S.no	Description	Data
1	Distance between Pit and Primary feeder	2.9 to 3.5 km
2	Distance between Pit and ROM stock pile	2.6 to 3.2 km
3	Distance between CHPP and Low Heat Value coal stock pile	3.5 km
4	Distance between CHPP and Thermal Coal stock pile	1 to 2 km
5	Distance between CHPP and Rail siding	15 km
6	Distance between proposed power plant and CHPP	About 3.5 km
7	Distance between Proposed power plant site and the nearest Grid	Main Grid approx. 22 km
8	Distance between power plant site and nearest water source	Approx. 1.5 km
9	Capacity of power plant	2x150 MW and more
10	Loading of 43 wagons time	Less than 2.5 Hours
11	Waste removal in BCM	21 Million BCM
12	Proposed ROM Coal production	4.50 Mtpa (+/- 20%at MBL's discretion)
13	Low heat Value Coal Handling	2.30 Mtpa (+/- 20%at MBL's discretion)
14	Coking coal production	1.6 Mtpa (+/- 20%at MBL's discretion)
15	Thermal coal production	0.44 Mtpa (+/- 20%at MBL's discretion)
16	Current Stock of Thermal Coal	2.2 Million Tonnes
17	Current Stock of Low Heat Value Coal	6.3 Million Tonne
18	Current Stock of Tailings	1 Million Tonne