

**EXPRESSION OF INTEREST FOR MOVEMENT OF 3 MMT OF IMPORTED COAL PER ANNUM FOR A PERIOD OF 7 YEARS THROUGH WATERWAY TO NTPC PLANT LOCATED AT FARAKKA & KAHALGAON**

Inland Waterways Authority of India (IWAI) invites “**Expression of Interest**” from reputed companies which are engaged in the business of Barge operations, bulk cargo trans-loading operations, ship owners, stevedores, terminal owners/operators, logistic players, infrastructure developers and other port users who are having experience in the operation or having an investment in barges /Ship handling /Cargo handling /transportation /Coastal vessel / terminal infrastructure development / transshipment services (‘Relevant Sector’)

The objective of this EOI is to seek interest for this project initiative from prospective Developer(s)/Operator(s). Private Developer(s)/Operator(s), so selected, will be required to develop the required infrastructure for total cargo transport solution up to coal stack yard at NTPC plant site from nearest port / transloading point

IWAI through this EOI seeks to understand the interest from Operator(s)/Developer(s) for this project and also requirement & expectation with respect to contractual framework and any other facilitation

**I. Project Background**

NTPC is desirous of using inland waterway for the transportation of 1 mn MT per annum of imported coal to its Farakka plant and 2 mn MT per annum of imported coal to Kahalgaon power plant.

NTPC has communicated to IWAI its commitment in facilitating transportation of a total of 3 million MT of coal per annum (2 million MT for Kahalgaon and 1 million MT for Farakka) through waterways for a period of 7 years subject to the condition that the delivered cost of coal at the power station (coal stack yard) through the inland waterways is competitive and in no case exceeds the delivered cost of coal at Power station using railway mode of transportation from the nearest port of discharge.

Delivery of coal through Panamax vessel at midstream/ at any other suitable point on fairly

evenly spread (FES) basis will be arranged and payment to the Operator(s)/Developer(s) shall be made by coal importer of NTPC based on the actual quantity received at Power station.

NTPC is desirous of this initiative. The Selection of the Operator(s)/Developer(s) is expected to be completed latest by December 2010 so as to enable the **transportation through this mode to commence latest by 1<sup>st</sup> July, 2012.**

## II. Role of Developer(s)/Operator(s)

Developer is expected, at his own cost, to arrange for the following

- (1) Procure inland barges for movement of imported coal from transshipment point upto NTPC Plant at Farakka & Kahalgaon
- (2) Create Material handling facilities at Farakka & Kahalgaon to deliver the coal at coal stack yard of power plants. Handling infrastructure at Farakka and Kahalgaon will include construction of berthing facility and conveyor system, suitable weighing mechanism as accepted by Weights & Measures Deptt of concerned state for commercial use including acquisition of land for coal stacking & conveyor system.
- (3) Transshipment infrastructure at Diamond Harbour/Sagar/Sandhead or any other deep draft locations in the sea capable to handle Panamax Vessel for unloading of the mother vessel

In addition to above, Developer(s)/Operator(s) shall also suggest the place of unloading at midstream point through Panamax vessel; however, Operator(s)/ Developer(s) shall only be responsible for transportation of coal from midstream point to power stations and not be responsible for coal imports

## III. Role of IWAI

IWAI will

- (1) Provide guarantee of 3 m LAD with a minimum width of channel of 45 m from Haldia to Farakka and 2.5 m LAD between Farakka and Kahalgaon

- (2) Provide facilities for 24 hrs operation of barges, markings and other navigational aids such as DGPS etc
- (3) Maintain and guarantee the above specifications over a project period of 7 years
- (4) Make available IWT facility at Haldia in case of exigency
- (5) Facilitate availability of land for the development of Farakka and Kahalgaon berthing facility
- (6) Ensure smooth functioning of lock gate at Farakka over the project period.

#### **IV. Role of NTPC**

NTPC has

- (1) Provided commitment in facilitating IWT mode of transportation of 1 mn MT per annum of imported coal to Farakka power plant and 2 mn MT per annum of imported coal to Kahalgaon Power plant through IWT for a period of 7 years provided delivered cost of coal at power station coal stack yard by transportation through IWT is lower than transportation through railways.
- (2) To ensure transportation of the above quantity through IWT, NTPC will include a provision in the tender document for procuring imported coal that the coal supplier at his option will utilize for transportation of 3 mn MT of coal for Kahalgaon and Farakka as long as delivered cost of coal at NTPC power station coal stack yard for transportation through IWT is lower than transportation through railways.
- (3) Stipulate material handling system requirement & specifications
- (4) Ensure all the movement through Panamax upto the point of transshipment
- (5) Ensure delivery of coal at midstream point on fairly evenly spread (FES) basis through their coal importer.

## V. WHAT TO SUBMIT

The interested organizations are requested to submit their suggested logistic solution comprising of the following:

### (1) Suggested Logistic solution

#### (a) **Transshipment mode & infrastructure**

- (i) Preferred place for vessel call i.e Port or Midstream Transshipment
- (ii) In case of Midstream Transshipment
  - A. Preferred method of transshipment and its technical specification
  - B. The preferred midstream location(s) for Panamax transshipment
  - C. Estimated cost for the creation of mid stream transshipment infrastructure
  - D. Lead time for the creation of the said infrastructure

#### (b) **Barges**

Operator(s)/Developer(s) shall procure the barges to ensure supply of target quantities to power plants. Operator(s)/Developer(s) shall provide the specification, types, capacity and number of barges that they propose to deploy for the project.

#### (c) **Terminal /Pontoon /Mooring cells**

Specification and mode of creating berthing facility are completely left to the Operator(s)/Developer(s). Operator(s)/Developer(s) is expected to detail out the plan and nature of facility to ensure the delivery of coal to coal stack yard of power stations.

**(d) Handling System**

Handling System at Farakka and Kahalgaon will include conveyor system with suitable weighing mechanism to the coal stack yard as stipulated by NTPC

**(e) Any other information which applicants feel relevant for the project**

**(2) Other submissions**

In addition to above suggested logistic solution, Operator(s)/Developer(s) must satisfy the following

**(a) Minimum net worth and Turnover of the Operator(s)/Developer(s)**

**(i) Average Annual Turnover** of the past three (3) financial years (i.e. 2007-08, 2008-09 & 2009-10) should be at least Rs.100 crore

**OR**

**(ii) Average Net Worth** in the past three (3) financial years (i.e. 2007-08, 2008-09 & 2009-10) should be at least Rs. 50 crore

**(b) Experience Criteria**

**(i) Experience in Operating / Maintaining / managing** any of the projects defined above, continuously for a minimum period of 2 years in last 7 years immediately preceding the date of submission of bids in India or abroad.

**OR**

**(ii) Operator(s)/Developer(s)** should have Developed and/or implemented at least 3 projects either on its own or as a lead member of a consortium in the past 7 years, in Relevant Sector as mentioned above, the total project cost for such a project aggregating to a minimum of Rs. 200 crores

With respect to clause (V) (2) the Operator(s)/Developer(s) is expected to provide

- (a) Last three years Annual reports
- (b) Details of the project undertaken by Operator(s)/Developer(s) including members in case of consortium
- (c) Mention the name of lead member and consortium members with likely shareholding pattern in case Operator(s)/Developer(s) is willing to take up the project in consortium

VI. Parties may note this is not part of bidding process and mere submission of EOI and/or submission of additional information do not automatically entitle them to claim for qualification and/or any other right in any way. IWAI reserves the right to seek additional information from Prospective Parties who respond to this EOI.

VII. IWAI reserves the right, solely at its discretion to modify or issue another EOI at a later date without assigning any reason whatsoever.

VIII. IWAI may, at its option, shortlist party and seek for price proposal from those that have submitted their EOI as well as from any other party

**IX. HOW TO SUBMIT**

The interested organizations are requested to submit their proposal furnishing the above details latest by 11.00 hrs on 23<sup>rd</sup> August 2010 in an envelope duly superscribed **“EXPRESSION OF INTEREST FOR MOVEMENT OF 3 MN MT OF IMPORTED COAL FOR A PERIOD OF 7 YEARS THROUGH WATERWAY TO NTPC PLANTS LOCATED AT FARAKKA AND KAHALGAON”** and addressed to

**Chief Engineer,  
Inland Waterways Authority of India,  
A-13, Sector-1,  
Noida -201301  
(Uttar Pradesh)**

In addition to above, IWAI and NTPC would like to meet with interested parties on 23<sup>rd</sup> Aug 10 in the Conference Room of IWAI from 11.00 AM onwards wherein interested parties will be required to separately present their submission and interact with members of IWAI and NTPC about this initiative.

Each party will be given 45 minutes for presenting and discussing with team members of IWAI and NTPC.

Interested parties are requested to revert to IWAI with their preferred time slot by 19<sup>th</sup> Aug 10. An attempt shall be made to adhere to the preferred time slot of interested party to the extent possible. Individual time slot will be communicated by IWAI separately to interested parties through email or fax by 20<sup>th</sup> Aug 10