

MUNICIPAL CORPORATION CHANDIGARH
New Deluxe Building, Sector-17
Chandigarh

DETAILED TENDER NOTICE

Municipal Corporation, Chandigarh proposes to set up plant for conversion of post consumer mixed waste plastics from Municipal Solid Waste into fuel / Hydrocarbons derivatives of Capacity 10 TPD by using an innovative Patented Environmentally Clean Technology (with Zero Pollution) through Public Private Partnership (PPP) mode based on Design, Built, Operate & Transfer (DBOT) basis. For this purpose, Municipal Corporation, Chandigarh has to select the developer for the project through SWISS CHALLENGE mode. Municipal Corporation, Chandigarh has received a proposal from a company i.e. **“Original Project Proponent”** (OPP) for the Project which is considered as Base Proposal for the purpose of SWISS CHALLENGE mode. The initiator of the instant proposal has come up with this innovative idea of setting up plant for conversion of waste plastic to fuel oil.

The land identified is at Dumping Ground site at Daddu Majra Colony, Chandigarh. Under the Swiss Challenge mode of tendering the initiator who has come up with the original idea shall be provided with an opportunity of First Right of Refusal. That being the case, the said initiator/proposer has to match/raise his bid (rate) with the highest bidder. The original initiator/proposer shall have the opportunity to take up the project on highest offer, and in the event if he refuses, then the highest bidder shall have right to implement the project. However, if such highest bidder refuses to accept the Letter of Award (LoA) then the EMD deposited by it shall be forfeited forthwith.

Municipal Corporation, Chandigarh (MCC), therefore, invites Expression of Interest for counter bids from interested eligible bidders possessing required technical and financial capabilities under “SWISS CHALLENGE” mode.

The MCC intends to technically qualify and short-list suitable Applicants (the “Bidders”) who shall be eligible for participation in the opening of the financial Bids, for awarding the Project through SWISS CHALLENGE mode in accordance with the procedure set out herein. The selected Bidder, who is either a company incorporated under the Companies Act, 1956 or undertakes to incorporate as such prior to execution of the concession agreement (the **“Concessionaire”**) shall be responsible for [designing,] engineering, procurement, construction, operation and maintenance of the Project under and in accordance with the provisions of a [long - term] concession agreement (the **“Concession Agreement”**) to be entered into between the Concessionaire and the MCC in the form to be provided by the MCC issued to qualified bidders.

The scope of work of the Concessionaire to convert post consumer mixed waste plastics to fuel / hydrocarbons derivatives and will broadly include as under:

- 1 Design, Construct, Operate, Maintenance and Transfer the facility with the Right of Use for a period of 30 years.
2. To set up/ upgrade the Collection Centres/10 Dumping centres in the city at the sites earmarked by the MCC.
3. To operate the plant using waste plastics collected from Municipal Solid Wastes through Municipal Solid Waste existing system on best efforts basis on continuous basis till the validity of the contract period.
- 4 To obtain the following pre-project approvals /clearances for the project.
 - a) Ministry of Environment and Forest Approval-Mandatory for RED Category Industries
 - b) CPCB Approval for consent to establish
 - c) CPCB approval for consent to operate
 - d) CPCB approval on year to year basis as renewal as this project falls under Red category
 - e) Controller of Explosive approval for Storage of Class A,B & C materials.
 - f) Fire and Emergency Services
 - g) Any other approval/license/NOC required by the Agency (*The Municipal Corporation, Chandigarh will assist and facilitate the selected vendor in obtaining the various permissions wherever possible.*)**
5. To collect the mixed waste plastics from Municipal Solid Wastes through Municipal Solid Waste existing system on best efforts basis on continuous basis till the validity of the contract period.
6. Conduct Awareness campaigns for safe disposal of waste plastics.
7. Conduct Awareness campaigns for source segregate.
8. Installing of pre processing machinery / bailing and transportation of waste plastics from the new or existing collection centres / Transfer stations.
9. Collection of waste plastics from Collection centres of the Municipal Corporation.
10. To develop systems to ensure and collection of waste plastics to achieve the objective of ZERO LITTERING of waste plastics
11. The concessionaire will arrange the grant (Viable Gap Funding) of Rs. 9 crores by way of Funding from CSR partners/ multiple stakeholder/apply for grant from central / state government, if available, for the project. (MCC will only facilitate in the same, if required)

Roles and Responsibilities of Municipal Corporation:

- Land of 2 acres will be provided by MCC for the project under “RIGHT OF USE” at a landfill / dumpsite.
- The period of the project will be for 30 years from the date of commissioning of the facility.
- The MCC will provide a financial assistance of Rs 7.5 crores at 3% rate of interest returnable in half yearly installment over a period of 15 years.
- MCC will also provide land within the existing set up for establishment of around 10 Collection centres in the city.

Roles and Responsibilities of Concessionaire:

- Design, Construct, Operate, maintain the facility during the concession period and after the expiry of the period, transfer back to the Authority.
- Plant and Equipment (Turnkey)
- Annual Maintenance Contract
- Catalyst for the process
- Facility conforms to ISO 14000 standards & GME (Global Manufacturing Excellence)
- Scientific establishment and management of Collection Centres and networks
- Shareholder
- Loan Guarantor
- Implementation/Management/Operation during the Concession Period

Eligibility Criteria:

i. Pre-Qualification criteria:

- a. Having experience of successfully installing and operating a waste plastics to fuel oil facility / project in India with similar capacity.
- b. Currently having waste plastics to fuel oil plant in commercially operating conditions with all the required clearances from various statutory authorities.
- c. Environmental clearance from MOEF for the existing facility / plant as the project is classified under RED Category.
- d. The bidders are required to submit supporting documents as part of their proposal.
- e. Bidders should meet the following minimum financial eligibility criteria mentioned below. The audited Balance Sheets duly attested by the Chartered Accountants have to be attached alongwith.
- f. Deposit of the EMD as Bank Guarantee for an amount of Rs 50 lacs.
- g. Tyre /rubber pyrolysis plant operators are not acceptable.
- h. Consortium is not permitted.
- i. The bidders should not be blacklisted from participating in any bidding process for any Government/Municipality across India.
- j. Certificate of Incorporation.
- k. Work order/ completion certificates of projects provided by the project respective clients.

ii. Technical Eligibility criteria:

- a. Bidder must have developed and operated a least one running plant of Waste plastic to Fuel oil / Polymer oil / Hydrocarbon Mixture / Crude Oil plant in India with similar capacity of mixed waste plastic as feed, based on continuous catalytic process technology in last 5 years.
- b. The reference plant should be in operation for a minimum period of 5 years prior to the due date for bid submission. The plant must have produced 35 lakh litres of liquid fuel from waste plastics, based on Central Excise Records during the past 5 years.

- iii. **Financial Eligibility Criteria:** The bidder should have minimum average annual Turnover of Rs. 10 crore in last 3 years ending 31st March of the previous Financial year.
- iv. The Bidder shall submit the following relevant statutory clearances for the existing facility / unit:
 - a. NOC for Ministry of Environment and Forest (MOEF) as required for red category Industry.
 - b. Consent to establish
 - c. Consent to operate
 - d. PESO clearances for storage facility
- v. The Bidder must be the owner of the existing facility and operating the plant.
- vi. The Bidder must be setting up at least two facilities for the Municipality /Government/ Public Sector Units of Government of India based on a Public Private Partnership Model.
- vii. The Bidder must have proof of sale of minimum 150 MT of acceptable quality Hydrocarbon Derivatives / Fuel Oil to an end user / consumer. The customer's certificate to be enclosed.
- viii. The bidder must attach the copy of invoice of its existing plant.
- ix. Attested Annual Report and audited balance sheets for the past 5 years.
- x. Certificate of Registration of Firm/ Company
- xi. Address and telephone no., fax no., email id, mobile number, etc.

Note:

On request original documents should be produced failing which the tender would be liable for rejection.

Project Cost:

Estimated Project Cost of the project is Rs. 20.00 Crores.

Brief description of Bidding Process

1. The MCC shall receive Applications pursuant to this Tender in accordance with the terms set forth herein as modified, altered, amended and clarified from time to time by the MCC, and all Applications shall be prepared and submitted in accordance with such terms on or before the date for submission of Applications (the "**Application Due Date**").

2. The MCC has adopted a two-stage process (collectively referred to as the "**Bidding Process**") for selection of the bidder for award of the Project. The first stage is the Technical Qualification Stage and the second stage is the Price/ Financial bid stage. Both the bids i.e. Technical and Financial should be sealed in a separate envelopes and both the envelopes should be enclosed in a main outer envelop clearly marking as the Bid for the project (project name).

3. Date for issue of tender document is 02.11.2016 upto 1500 Hrs.
4. Date of Pre-Application meeting is 14.11.2016 at 1500 hours in the Committee Room, 1st Floor, Municipal Corporation, Chandigarh.
5. Last date for submission of Tender is 25.11.2016 upto **1500 hrs** i.e. "**Application Due Date**".
6. Date of opening of Technical Bid only is **on 25.11.2016 at 1530 Hrs** in Office of MCC.
7. At the end of this stage, the MCC would announce short-listed suitable prequalified Applicants who shall be eligible for participation in the second stage of the Bidding Process (i.e. "**Bid Stage**").
8. In the Qualification Stage, Applicants would be required to furnish all the information specified in the Tender document. Only those Applicants that are pre-qualified and short-listed by the MCC shall be invited for opening of financial bid to be informed subsequently.
9. **In terms of the TENDER DOCUMENT, a Bidder will be required to deposit, along with its Bid, Earnest Money Deposit of Rs. 50 lakhs (Rupees Fifty lacs only) in form of a Bank Guarantee in favour of Medical Officer of Health, Municipal Corporation, Chandigarh, drawn on any Scheduled/Nationalized Bank, valid for the period of 180 days from Application due date, (the "Earnest Money Deposit"), refundable no later than 180 (one hundred and eighty) days from the Bid Due Date, except in the case of the selected Bidder whose Earnest Money Deposit shall be retained till it has provided a Performance Security under the Concession Agreement. The Bid shall be summarily rejected if it is not accompanied by the Earnest Money Deposit.**
10. Generally, the Highest Bidder shall be shortlisted and the remaining Bidders shall be kept in reserve and may, in accordance with the process specified in the TENDER DOCUMENT, be invited to match the Bid submitted by the Highest Bidder in case such Highest Bidder withdraws or is not selected for any reason. **However, the Original Project Proponent shall be allowed to exercise his First Right of Refusal.** In the event that the OPP do not match the Bid of the Highest Bidder, then the highest bidder shall be selected for the concession agreement or else the MCC, may, in its discretion, invite fresh Bids from the remaining Bidders or annul the Bidding Process, as the case may be. However, if such highest bidder refuses the offer then the Earnest Money Deposit shall be forfeited.
11. As part of the Bidding Documents, the MCC will provide a draft Concession Agreement and other information pertaining/ relevant to the Project available with it in the tender document in next stage of bidding.
12. Bids are invited for the Project on the basis of sharing of highest percentage of revenue from sale of output (Fuel Oil) as a (the "**Royalty**") to the MCC for award of the concession. The concession period shall be pre-determined, and will be indicated in the draft Concession Agreement forming part of the Bidding Documents i.e 30 years. The Royalty amount shall constitute the sole criteria for evaluation of Bids. The OPP shall be allowed to match to the Bidder quoting the highest Royalty. In this , the term "**Highest Bidder**" shall mean the Bidder who is offering the highest percentage of revenue from sale of Fuel Oil as Royalty.

13. Any queries or request for additional information concerning this shall be submitted in writing or by fax and e-mail to the Joint Commissioner-1, MCC. The envelopes/communications shall clearly bear the following identification/ title:

"Queries/ Request for Additional Information Setting up a plant for conversion of post consumer mixed waste plastics from Municipal Solid Waste into fuel / Hydrocarbons derivatives of Capacity 10 TPD Project:.

For more details please visit the website mcchandigarh.gov.in. The bid prepared by the bidder and all correspondence and documents relating to the Tender exchanged by the bidder and the Employer shall be written in English language only. Incomplete applications shall be summarily rejected. MCC reserves the right to accept or reject any Application and to annul the Bidding Process and reject all Applications/Bids, at any time without any liability or any obligation for such acceptance, rejection or annulment, and without assigning any reasons thereof:

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