

PRE-QUALIFICATION DOCUMENT
FOR DEVELOPMENT & CONSTRUCTION OF OPEN CAST LIGNITE MINE

At

THAR BLOCK-II
DISTRICT THARPARKAR, SINDH, PAKISTAN



SINDH ENGRO COAL MINING COMPANY LIMITED

4TH Floor, The Harbor Front Building, HC#3, Marine Drive,

Clifton Block-4, Karachi, Pakistan

Phone: +92(21)35297501-10. Fax: +92(21)3529601.

Website: <http://www.engropowergen.com>

Table of Contents

1. INTRODUCTION.....	4
2. INSTRUCTIONS TO APPLICANTS.....	4
2.1. Submission of Applications	4
3. PRE-QUALIFICATION CRITERIA	5
3.1. Experience	5
3.2. Personnel Capabilities.....	6
3.3. Equipment Capabilities	7
3.4. Financial Position	8
3.5. Litigation History	8
3.6. Application of Health, Safety and Environmental Standards.....	8
3.7. Conflict of Interest	8
3.8. Updating Pre-qualification Information	9
3.9. Other Factors	9
4. EVALUATION CRITERIA.....	9
4.1. Experience	10
4.2. Financial Position	11
4.3. Personnel Capabilities.....	11
4.4. Equipment Capabilities – Major	11
4.5. Equipment Capabilities – Auxiliary	12
4.6. Litigation History	12
4.7. Application of HSE standards.....	12

FORMS

Annexure-A	Letter of Application
Application Form A-1	General Information
Application Form A-2.	Joint Venture Information
Application Form A-3	Experience Summary
Application Form A-4	Project Summary
Application Form A-5	Project Financial Summary

Application Form A-6	Financial Capability
Application Form A-7	Technical Staff Summary
Application Form A-8	Major Mining Equipment Details
Application Form A-9	Major & Auxiliary Equipment Summary
Application Form A-10	Litigation History Application Form A-11.
Application Form A-11	Health, Safety and Personal Protective Equipment (PPE) and Standard Operating Procedures (SOP) of the Contractor

1. INTRODUCTION

- 1.1. Sindh Engro Coal Mining Company Limited (SECMC) hereinafter called the 'Owner' is a joint venture of Engro Powergen Limited (a subsidiary of Engro Corporation Limited) and Government of Sindh (GoS). The Owner has been granted a 30 years Mining Lease for Thar Block-II covering 95.5 sq.km area for development of an Open Cast Lignite Mine which is planned to produce 6.5 Million Tons of Lignite per annum in the first Phase.
- 1.2. The Owner intends to pre-qualify experienced and reputed Open Cast Mining Operators/Contractors either individually or as Joint Ventures for;
 - 1.2.1. Construction of Open Cast Lignite Mine involving;
 - 1.2.1.1. Overburden removal of approximately 30-40 Million bank cubic meters per annum
 - 1.2.1.2. Lignite Production of 3.5 to 6.5 Million Tons per year
 - 1.2.1.3. All other associated work including;
 - 1.2.1.3.1. Detailed Mine planning based on mine design provided by Owner
 - 1.2.1.3.2. Operations & Maintenance of Surface & Groundwater dewatering system
 - 1.2.1.3.3. Development of infrastructure and other ancillary facilities such as haul roads, access roads, Mine service facilities, workshop, ware house etc.
- 1.3. Pre-qualification is open to all companies who have previous experience and technical & financial capability of developing or executing projects of similar nature and capacity

2. INSTRUCTIONS TO APPLICANTS

2.1. Submission of Applications

Applications for pre-qualification should be sent via email in PDF format or through registered courier; one (01) original and one (01) copy in sealed envelope to:

Planning & Contracts Manager

Sindh Engro Coal Mining Company
4th, Floor, The Harbor Front Building, HC#3, Marine Drive,
Clifton Block-4, Karachi, Pakistan
Phone: +92(21)35297501-10. Fax: +92(21)3529601
Email: contracts.secmc@engro.com

by Aug 31, 2013 and be clearly marked **“Pre-qualification application for
“Development & Construction of Open Cast Lignite Mine in Thar Block-II”**

- 2.2. Owner reserves the right to accept or reject late applications
- 2.3. Applicants will be informed, in due course of time, about the result of the evaluation of applications. Only the pre-qualified companies under this process will be invited to bid for the project
- 2.4. Any misinformation statement(s) by the Applicant will result in disqualification at any stage
- 2.5. Name and mailing address of the Applicant shall be clearly marked on left hand side on the envelope
- 2.6. The applications shall be prepared in English language. Information in any other language shall be translated and provided in English. Owner reserves the right for disqualification in case of noncompliance of the above requirement
- 2.7. The Applicants must respond to all questions and provide complete and verifiable information with complete supporting data as advised in this document. Any lapses to provide essential information or references may result in dis-qualification of the Applicant
- 2.8. The clarifications (if required by the Applicant) may be sought through email /post/other communication means or discussed in a meeting at a mutually agreed time and date, at least one (01) week before the submission date of pre-qualification documents

3. PRE-QUALIFICATION CRITERIA

Pre-qualification is based on the criteria given in succeeding clauses regarding the Applicant's general and particular experience, personnel and equipment capabilities, financial position, litigation history and application of HSE standards, as demonstrated by the Applicant's responses in the forms attached to this document. Sub-contractor's experience and resources shall not be taken into account in determining the Applicant's compliance with the qualifying criteria. However, Joint Venture experience & resources shall be considered, the applicant will be required to provide the documentary proof of the same. Consortium or Association of firms will be considered for similar treatment as in case of Joint Venture. Owner reserves the right to waive minor deviations, if these do not materially affect the capability of an Applicant to perform its obligations under the contract.

3.1. Experience

3.1.1. The Applicant shall meet the following minimum criteria:-

- a) Last five years experience from operations or contracting of mining should be at least 30-40 Mm³/annum of Overburden Removal and 3.5-6.5 Mt/annum of coal/ore production in Open Cast mine operation.

b) Successful experience of operating and maintaining Rigid Mining Equipment for overburden removal and coal/ore production work within the last five years.

3.2. Personnel Capabilities

3.2.1. The Applicant must have in his employment suitably qualified personnel to fulfill the following minimum key management and specialist permanent positions.

3.2.2. The Applicant will provide CVs and complete proof of Employment for all key permanent employees as required in the Table 3.3.1 below.

Table 3.3.1: Minimum Requirement of Key Personnel

Sr. No.	Position	Qualification	Minimum No.	Minimum Experience (Years)
1	Mine Planning Manager	B.S/M.S Mining Engineering	2	15
2	Production Manager	B.S/M.S Mining Engineering	2	15
3	Mining Engineer / Mine Planning Engineer	B.S/M.S Mining Engineering	5	3-5
4	Geotechnical Engineer	B.S/M.S Mining/Civil Engineering	2	10
5	Senior Geologist	M.Sc Geology	1	5-7
6	Hydro-geologist	M.Sc Geology/Hydrogeology	1	5-7
7	Production Supervisors	B.Sc Mining Engg./ D.A.E Civil .	15	15
8	Mining fleet Maintenance Manager	Bsc. Mechanical/Automobile Engg	1	15
9	Mechanical/Automobile Engineer	Bsc Mechanical Engg	2	5-7
10	Electrical Engineer	BSc Electrical Engg.	1	5-7
11	HSE/QA Manager	B.Sc Engg.	1	10
12	HSE/QA Engineers	BSc. Engg/DAE	4	8-10
13	Chief Financial Officer/Manager Accounts	CA/MBA Finance	1	15
14	Maintenance Supervisors	DAE Mechanical	5	10
15	HR, Admin & Public Relations Managers	MBA HR, Masters in Public Relations	1	10
16	Field Surveyors	D.A.E Civil/surveying	5	8-10
17	Draftsmen for Mine design software (Datamine, SURPAC and Autocad)	B.Sc Engg.	2	5-8
18	Other Required Staff including maintenance technicians, skilled labor, driver, shovel and equipment operators, administrative and security staff etc.	-	As per Project Requirement	5-8

3.3. Equipment Capabilities

- 3.3.1. The Applicant should own, or have assured access to (through ownership, purchase or long term lease agreements) the minimum key items of Major Equipment given in Table 3.3.1 below; in full working order.
- 3.3.2. The Applicant should also provide a list of all other tools, plant, cranes, vehicles etc., for site use and equipment for auxiliary and maintenance works that will be required for the purpose of work refer Table 3.3.2
- 3.3.3. Applicant should provide proper location of the equipment at the time of application
- 3.3.4. The company must provide proof on stamp paper in the form of Affidavit for ownership of all the mentioned tools and plants

Table 3.3.1 Key Major Equipment

Sr. No.	Equipment Name	Minimum/Maximum Capacity	Minimum Qty.
1	Excavators	6 m ³ / 12 m ³ or more	25 / 08
2	Rigid Dump Trucks	27-30 m ³ /50-60 m ³ or more	100 / 45
3	Dozers	580 H.P	06

Table 3.3.2 Other Auxiliary/Maintenance

Sr. No.	Equipment Name	Minimum Capacity/ Type	Qty.
1	Mobile Cranes	25/50 tons	02
2	Loaders	5m ³	03
3	Dump Trucks	25 Ton	03
4	Road Roller	10-20 Ton	02
5	Grader	4-5 m	02
6	Genset	1000KVA	01
7	Water Bowers	15 tons	04
8	Fuel Tank	15 tons	03

3.4. Financial Position

- 3.4.1. The Applicant should demonstrate that it has access to, or has available liquid assets, un-encumbered real assets, lines of credit and other financial means sufficient to meet the cash flow requirements for execution of works
- 3.4.2. Applicant's financial commitments for other ongoing contracts shall also be provided
- 3.4.3. The audited financial statements with notes attached and evidence of financial health such as bank account statements, line of credits, etc., for the past **five years** should demonstrate the soundness of the Applicant's financial position showing long term profitability. Where necessary, the Owner will make enquiries with the Applicant's bankers

3.5. Litigation History

- 3.5.1. The Applicant should provide accurate information on any litigation or arbitration resulting from contracts completed or under execution over the last ten years. A consistent history of award against the Applicant may result in rejection of the application. In case an Applicant claims Nil litigation, he shall submit the same statement on affidavit duly attested by Oath Commissioner

3.6. Application of Health, Safety and Environmental Standards

- 3.6.1. The Applicant should provide the following information:
 - a) Standard Operating Procedures (SOPs) for HSE
 - b) Detailed HSE Statistics for Projects Completed/In-hand for the past 05 years
 - c) Details of HSE incidents for the Projects completed in the past 05 years
 - d) Availability of Fire Fighting and Emergency Evacuation Equipment

3.7. Conflict of Interest

- 3.7.1. The Applicant must not be associated, nor have been associated in the past with the Owner or any of its affiliates, subsidiaries or successors in interest, legal representatives, that have prepared the design, specifications, and other prequalification and bidding documents for the project, or have been associated with the Owner as Consultants at any stage of project development. Any such association may result in disqualification of the Applicant

3.8. Updating Pre-qualification Information

3.8.1. At bidding stage, the Pre-qualified Bidders shall be required to update the information provided at the time of pre-qualification (experience, financial, personnel, main mining equipment, auxiliary equipment, HSE and litigation history, etc) to confirm and verify their continued compliance with the qualification criteria. A bid shall be rejected if the Applicant's qualification thresholds are no longer met at the time of bidding

3.9. Other Factors

3.9.1. Only firms that have been prequalified under this procedure shall be invited to bid. If a firm submits more than one bid, all bids including that bidder will be rejected. This rule will not apply in respect of bids which include specialist sub-contractors who are used by more than one bidder

3.9.2. The Owner reserves the right to:

- a) Amend the scope and value of any contract(s) to be bid, in which event the bidder(s) will only bid among those prequalified bidders who meet the requirements of the work(s) as amended. However, the Owner has to review the disqualified bids who originally do not meet the specified criteria for Pre-qualification;
- b) Reject or accept any application; and
- c) Cancel the pre-qualification process and reject all applications
- d) The Owner shall neither be liable for any such actions nor be under any obligation to inform the Applicant of the grounds for rejection

4. EVALUATION CRITERIA

Sr. No.	Category	Maximum Points
1.	Experience	30
2.	Equipment Capabilities – Major Equipment	20
3.	Equipment Capabilities – Auxiliary/Maintenance Equipment	10
4.	Personnel Capabilities	10

5.	Financial	20
6.	Litigation History	05
7.	Application of HSE Standards	05
	Total:	100

The further detailed criterion for each category is as given under the each head as follows:

4.1. Experience

Sr. No.	Description	Maximum Points
i)	Mine Planning for a minimum 30Mm ³ /annum from a single Mine including but not limited to; <ul style="list-style-type: none"> - Equipment Planning - Mine advancement planning (daily/weekly/yearly) - Haul roads, access roads, dump design - Other mine service facilities & infrastructure planning 	10
ii)	Open Cast Mine Operations employing; <ul style="list-style-type: none"> (i) Shovels: 6 m³/12 m³ or larger (ii) Rigid Dump Trucks: 27-30 m³/50-60m³ or larger including but not limited to ; <ul style="list-style-type: none"> - Overburden removal 30Mm³/annum or more - Lignite/mineral production of 3.5-6.5 Mt/annum or more 	10 05
iii)	Operations & Maintenance of Surface & Groundwater de-watering systems involving >1000 m ³ /hour of dewatering for 05 years	05
	Total	30

4.2. Financial Position

Sr. No.	Description	Maximum Points
a)	Annual Average Revenues 50-60MUSD/annum or more in last 5 years exclusively from Open Cast mine operations	10
b)	Working Capital in last 5 years	5
c)	Available Credit Line/Liquidity Available	2
d)	Maximum Performance Guarantee/Bond (Amount) provided under a single contract	3
	Total	20

Note: All of the above should be exclusively for mining operation and OB removal only

4.3. Personnel Capabilities

Sr. No.	Description	Maximum Points
i)	Minimum Requirement of Key Personnel as per Table 3.3.1	10
	Total	10

4.4. Equipment Capabilities – Major

Marks for experience shall be awarded on the basis of following criteria:

Sr. No.	Equipment Type and Characteristics	Maximum Points
1.	Major Equipment for Mining and Overburden Removal Operations; Shovels: 6 m ³ /12 m ³ or larger Rigid Dump Trucks: 27-30 m ³ /50-60m ³ or larger	20
	Total	20

4.5. Equipment Capabilities – Auxiliary

Marks for experience shall be awarded on the basis of following criteria:

Sr. No.	Equipment Type and Characteristics	Maximum Points
1.	Equipment Capabilities – Auxiliary/Maintenance Equipment	05
2.	Existing maintenance facilities / workshops for Mining and Auxiliary equipments	05
	Total	10

4.6. Litigation History

Sr. No.	Litigation History	Maximum Points
1.	No Litigation History or Award against the Applicant	05
	Total	05

4.7. Application of HSE standards

Sr. No.	Application of HSE Standards	Maximum Points
1.	Annual TRIR/LTI record for past 5 years	
	Total	05

Annex-A

Letter of Application for Category (---)

[Letterhead paper of the Applicant, including full postal address, telephone no., fax no., telex no., cable and e-mail address]

To: Planning & Contracts Manager
Sindh Engro Coal Mining Company Limited
4th floor, Harbor Front Building, HC#3,
Marine Drive, Clifton, Block-IV, Karachi, Pakistan

Sirs,

1. Being duly authorized to represent and act on behalf of _____ (hereinafter called "the Applicant"), and having reviewed and fully understood all the pre-qualification information provided, the undersigned hereby apply to be prequalified for development and construction of Open Cast Lignite Mine involving overburden removal (30-40Mm³) and Lignite production (3.5-6.5Mt/a) at Thar Block-II
2. Attached to this letter are copies of original documents defining:
 - (a) the Applicant's legal status;
 - (b) the principal place of business; and
 - (c) the place of incorporation (for applicants who are corporations); or the place of registration and the nationality of the owner(s) (for applicants who are partnerships or individually-owned firms).
3. The 'Owner' and its authorized representatives are hereby authorized to conduct any inquiries or investigations to verify the statements, documents, and information submitted in connection with this application, and to seek clarification from our bankers and clients regarding any financial and technical aspects. This Letter of Application will also serve as authorization to any individual or authorized representative of any institution referred to in the supporting information, to provide such information deemed necessary and requested by yourselves or the authorized representative to verify statements and information provided in this application, or with regard to the resources, experience, and competence of the Applicant.
4. The 'Owner' and its authorized representatives may contact the following persons for further information, if needed.
5. This application is made with the full understanding that:
 - (a) Bids by prequalified applicants will be subject to verification of all information submitted for prequalification at the time of bidding.
 - (b) The 'Owner' reserves the right to:
 - (i) amend the scope and value of any work under the project; in such event

bids will only be called from prequalified bidders who meet the revised requirements; and

(ii) reject or accept any application, cancel/discontinue the pre-qualification process, and reject applications

(c) The 'Owner' shall not be liable for any such actions and shall be under no obligation to inform the Applicant of the grounds for actions at 5(b) here above.

6. The undersigned declare that the statements made and the information provided in the duly completed application are complete, true, and correct in every detail.

For and on behalf of (name of Applicant)

General Information

All individual firms / Joint venture companies applying for prequalification are requested to provide complete information in this form including nationality information for foreign owners.

Where the Applicant proposes to use named subcontractors for critical components of the works, or for work contents in excess of 10 percent of the value of the whole works, the following information should also be supplied for the specialist subcontractor(s).

1.	Name of Firm	
2.	Head Office Address	
3.	Telephone	Contact Person: Name: Title: Cell No. e-mail:
4.	Fax	Email:
5.	Place of Incorporation/Registration	Year of incorporation/registration

<i>NATIONALITY OF OWNERS</i>		
	<i>NAME</i>	<i>NATIONALITY</i>
1.		
2.		
3.		
4.		
5.		

Joint Venture Information

Reference JV Agreement:

-
-
-
-
-
-
-
-
-

Details:

-
-
-
-
-
-
-

Experience Summary

Name of Applicant

All individual firms are requested to summarize the complete the information provided in the form A-4 for individual projects, in this form.

Experience Summary						
Project Start Date	Project End Date	Project Title	Name of the Employer	Total Overburden Removal	Total Lignite Production	Other works; De-watering etc

Project Summary

Name of Applicant

Name of Applicant

Use a separate sheet for each contract.

1.	Name of Project:
	Location/Country:
2.	Name of Employer:
3.	Employer Contact Person/Address
4.	Nature of works:
5.	Total Overburden Volume as per Contract:
6.	Total Lignite Production as per Contract:
7.	Actual Overburden Volume during overall Project Duration: Actual Overburden removal rate per anum
8.	Actual Lignite Production during overall Project Duration: Actual Lignite production per anum
9.	Capacity, Type and nos. of Major Mining Equipment Used:
10.	Contract Role (Tick One) (a) Sole Contractor (b) Sub- Contractor
11.	Value of the total contract at time of award in USD
12.	Date of Award: Date of Completion
13.	Contract Duration (Years and Months) ____Years ____Months
14.	Specified Requirements; De-watering, O&M etc.

Project Financial Summary

Project Financial Summary					
Year	Project Name/Mine	Name of the Employer	Annual Revenue	Working Capital Requirement	Credit Line Availability

Financial Capability

Applicants should provide financial information to demonstrate that they meet the requirements stated in the Instructions to Applicants. Each applicant must fill-in this form. If necessary, use separate sheets to provide complete banker information. A copy of the audited financial statements should be attached.

Banker	Name of banker	
	Address of banker	
	Telephone	Contact name and title
	Fax	Telex

Summarize actual assets and liabilities in USD Millions (in case the domestic currency in not USD, the applicant should use equivalent rate of exchange at the end of each year respectively, using the following website link: <http://www.x-rates.com/historical/>) for the previous five years.

Financial information in (USD Mil)	Actual: previous five year				
	1	2	3	4	5
1. Total assets					
2. Current assets*					
3. Total liabilities					
4. Current liabilities					
5. Profits after taxes					
*Do not include "Current portion of Long-term Debt" in Current Assets					

Specific proposed sources of financing to meet the cash flow of the Project, net of current commitments (in case the domestic currency in not USD, the applicant should use equivalent rate of exchange at the present)

Source of financing	Amount (USD Mil)
1.	
2.	
3.	
4.	

Provide the following information for us to better evaluate the liquidity position of your company:

Particular	Amount (USD Mil)
1. Available Credit Line	
2. Utilized Credit Line	
3. Cash Available	
4. Maximum Performance Guarantee/Bond (Amount) provided under a single contract	

Attach audited financial statements or alternative evidence of financial health such as bank account statements, line of credits, etc., for the last five years. Firms owned by individuals may submit their financial statements certified by a registered accountant, and supported by copies of tax returns.

**Failure to provide the above, will negatively impact the scoring of financial capability.*

Technical Staff Summary

Sr. No.	Position	Qualification	No.	Experience (Years)
1	Mine Planning Manager			
2	Production Manager			
3	Senior Mining Engineer			
4	Mining Engineer			
5	Geotechnical Engineer			
6	Senior Geologist			
7	Hydro-geologist			
8	Production Supervisors			
9	Mining fleet Maintenance Manager			
10	Mechanical/Automobile Engineer			
11	Electrical Engineer			
12	HSE/QA Manager			
13	HSE/QA Engineers			
14	Chief Financial Officer/Manager Accounts			
15	Maintenance Supervisors			
16	HR, Admin & Public Relations Managers			
17	Field Surveyors			
16	Draftsmen for Mine design software (Datamine, SURPAC and Autocad)			
17	Other Required Staff including maintenance technicians, skilled labor, driver, shovel and equipment operators, administrative and security staff			

Note: Provide CVs and proof of employment of all Key Staff

Major Mining Equipment Details

Name of Applicant

The Applicant shall provide adequate information to demonstrate clearly that he has the capability to meet the requirements for each and all items of equipment listed in the Instructions to Applicants. A separate Form shall be prepared for each item of equipment listed in Para 3.3 of the Instructions to Applicants, or for alternative equipment proposed by the Applicant.

Item of Equipment :		
Equipment information	1. Name of manufacturer :	2. Model and power rating :
	3. Capacity :	4. Year of manufacture :
Current status	5. Current location :	
	6. Details of current commitments	
Source	7. Indicate source of the equipment <input type="checkbox"/> Owned <input type="checkbox"/> Rented <input type="checkbox"/> Leased	

Omit the following information if it is owned by the Applicant.

Owner	8. Name of owner :	
	9. Address of owner :	
	Telephone :	Contact name and title :
	Fax :	Telex :
Agreement	Details of rental/lease specific to the Project.	

Major Mining & Auxiliary Equipment Summary

Key Major Equipment

Sr. No.	Equipment Name	Capacity/Type	Qty.	Life Covered (hours)
1	Excavators			
2	Rigid Dump Trucks			
3	Dozers			

Auxiliary/Maintenance Equipment

Sr. No.	Equipment Name	Capacity/Type	Qty.
1	Mobile Cranes		
2	Loaders		
3	Dump Trucks		
4	Road Roller		
5	Grader		
6	Genset		
7	Water Bowsers		
8	Fuel Tank		

Litigation History

Name of Applicant

Applicants should provide information on any history of litigation or arbitration resulting from contracts executed in the last five years or currently under execution.

Year	Award FOR or AGAINST Applicant	Name of client, cause of litigation, and matter in dispute	Disputed amount (current value Pak Rs. or equivalent)

Health, Safety and Environmental (HSE)

Name of Applicant

The Applicant should provide the following information

A. HSE Policies

Please attach

B. HSE Statistics (TRIR, LTI, LWI, Fatalities etc.) for Projects completed/in-hand during the past 05 years

Please attach record

C. HSE Incident reports for Projects completed/in-hand during the past 05 years

Please attach record

D. Availability of Fire Fighting, Rescue and Emergency Evacuation Equipment