

HINDUSTAN PETROLEUM

CORPORATION LIMITED

(A Govt of India Undertaking)

Mumbai, India



BHARAT PETROLEUM CORPORATION LIMITED (A Govt of India Undertaking) Mumbai, India

GLOBAL NOTICE INVITING EXPRESSION OF INTEREST (EOI)

FOR

SUPPLY OF HYDROGEN GAS TO REFINERIES OF HPCL AND BPCL AT MAHUL, MUMBAI BY INSTALLATION OF HYDROGEN GENERATION UNIT (HGU) ON BUILD-OWN-OPERATE (B-O-O) BASIS NEAR THEIR REFINERIES

PREPARED AND ISSUED BY



MECON LIMITED (A Govt. of India Undertaking) Mumbai, India

1. PURPOSE OF NOTICE

Hindustan Petroleum Corporation (HPCL) is currently enhancing its capability to produce environment friendly fuel products to the more stringent Euro III and IV specifications and to meet this objective, Mumbai Refinery of HPCL requires 20,000 TPA of additional Hydrogen to supplement their internal generating capacity at Mahul, Mumbai. HPCL proposes to outsource this additional Hydrogen requirement and HPCL may also decide to phase out its existing Hydrogen Generation Units In future leading to increase in the requirement of outsourced Hydrogen.

Bharat Petroleum Corporation (BPCL) is also setting up process units within their refinery at Mahul, Mumbai to produce products compliant to Euro III and IV fuel specifications. BPCL proposes to phase out a part of their internal hydrogen generation facility, by outsourcing of Hydrogen to the tune of 40,000 TPA..

Hydrogen Generation Unit (HGU)

SI.	Description	Requir	rement	TOTAL
No.		HPCL	BPCL	
1	Average Hourly Flow (Nm3/hr)	24,500	49,000	73,500
2.	Annual Requirement (Tonnes/year)	20,000	40,000	60,000

Hydrogen requirement for HPCL and BPCL is as follows:

Steam generated as a by-product in the process of production of Hydrogen may not be consumed either by HPCL or BPCL.

This Global notice for Expression of Interest is being issued to invite parties having expertise as well as experience in the field of manufacture and distribution of Hydrogen gas to set up Hydrogen Generation Unit (HGU) on Build – Own – Operate (B-O-O) basis near the existing Refineries of HPCL and BPCL to supply Hydrogen gas to them for a period of 15 years. The feedstock for production of Hydrogen gas shall be Natural Gas and / or Naphtha.

EOI is not an offer of award of business, but is merely a solicitation of preliminary interest. Only Short listed parties showing interest against this notice will be called for Pre-Bid meeting for briefing and issue of the tender documents. Subsequently after submission of the Bids, the parties will be evaluated based on techo-commercial capabilities as per the tender document.

2. BRIEF DESCRIPTION ABOUT HPCL AND BPCL

Hindustan Petroleum Corporation Limited (HPCL) is a Govt. of India Undertaking and a Fortune 500 company. HPCL operates two major refineries, one in Mumbai (West Coast) of 5.5 MMTPA capacity and the other in Visakhapatnam (East Coast) with a capacity of 7.5 MMTPA, producing a wide variety of petroleum fuels & lubricating oils. HPCL holds an equity stake in Mangalore Refinery & Petrochemicals Limited and is also setting up a refinery under a joint venture in the state of Punjab

Bharat Petroleum Corporation Limited (BPCL) is a Govt. of India Undertaking and a Fortune 500 company. BPCL operates three major refineries, one in Mumbai with 12 MMTPA capacity, in Kochi with a capacity of 9.5 MMTPA and the third at Numaligarh Refinery Limited with a capacity of 3MMTPA. A new Refinery in Bina, with a capacity of 6 MMTPA is in the process of commissioning.

3. CRITERIA FOR PRE – QUALIFICATION

The term "vendor" for the purpose of this EOI request shall mean:

- A company registered under applicable law engaged in manufacture & distribution of Hydrogen gas on BOO basis. OR
- A subsidiary of company engaged in manufacture & distribution of Hydrogen gas on BOO basis. OR
- A joint venture company of which majority / equal stake holder is engaged in manufacture & distribution of Hydrogen gas on BOO basis.

The Vendor shall meet the following criteria for submitting their EOI for setting up HGU (Hydrogen Generation Unit) on Build-Own-Operate (B-O-O) basis based on Natural Gas and / or Naphtha as feed stock.

3.1 General

- 3.1.1 The vendor shall be engaged in the manufacture and distribution of Hydrogen gas on B-O-O basis.
- 3.1.2 Vendor should have executed and operated on Built Own and Operate (B-O-O) basis during last seven (7) years,
 - $\circ~$ at least two (2) units of HGU having unit capacity not less than 40,000 $\,\rm Nm^3/h~or$
 - one unit of 74,000 Nm³/h for supply of Hydrogen gas

using Natural Gas and/ or Naphtha as feed stock.

3.1.3 Vendor shall purchase / lease on long term basis, adequate land for setting up HGU and also the ROU for pipelines as required, near HPCL and BPCL Refineries at Mahul, Mumbai.

3.2 Financial

Following Financial Criteria shall be fulfilled by the Vendor or Holding company or Joint Venture partner.

3.2.1 Turnover

Minimum Annual turnover as per audited financial results for the last three years shall be USD 82 Million or INR 3500 Millions.

3.2.2 Net Worth

The net worth of the vendor in the financial year (2008-09) shall be positive.

3.2.3 Return on Equity

The Return on Equity of the vendor in the financial year (2008-09) shall be positive.

4. FEED STOCK

Natural Gas and / or Naphtha as feed stock will be supplied by HPCL/BPCL.

5. Documents to be submitted

Vendor shall provide valid proof of having undertaken and successfully completed such projects in the form of Work Orders, Contract Agreement or Work Completion Certificates as on date of submission of EOI.

The vendor shall provide details of wholly owned subsidiary or Joint venture such as address, phone numbers etc. in India and their credentials with necessary documents, including audited financial reports for the last three years are to be submitted.

Certification by the Parent/ Holding Company/JV partner having experience for its commitment to support the Company submitting the bid,. shall be provided.

Notarized self declaration of intention to acquire / lease land and ROU shall be submitted.

6. **RIGHT TO REJECT**

HPCL and BPCL reserves the right to accept or reject any or all EOI without assigning any reason whatsoever. In the matter of interpretation of the qualification criteria or any other matter related to this advertisement, the decision of HPCL and BPCL shall be final.

Any material misrepresentation in the EOI will result in immediate disqualification and no communication whatsoever in this regard will be entertained.

7. SUBMISSION OF EOI

The EOI shall be submitted by the vendor in the format appended with this notice.

The EOI must be in English only and must be in mailed (hard copy) to the following address:

DY. GENERAL MANAGER – INCHARGE MECON Limited 3rd Floor, Tower # 7, International Infotech Park, Vashi Railway Station Complex, Vashi, Navi Mumbai – 400 703

Ph.No. 022 - 27812155 to 58

The last date of submission of EOI is 10.06.2010 till 16.00 hours.

(EOI submitted via email, fax or any other electronic means will not be acceptable.)

EOI received after due date and time will not be considered for evaluation.

8. QUERIES AND CLARIFICATIONS

Any query or clarification with regard to this notice may be referred to :-

Shri A. K.Ray, AGM <u>akroy@meconlimited.co.in</u> / <u>mumbai@meconlimited.co.in</u> Ph. No. 022 – 27812155 to 58

9. GOVERNING LAWS

The laws of Union of India shall govern all matters concerning the EOI. Any issue arising related to the EOI or the selection process shall be adjudged by the courts in Mumbai alone.

FORMAT FOR SUBMISSION OF EOI

1. VENDOR'S NAME AND ADDRESS

NAME OF THE COMPANY

ADDRESS OF THE COMPANY _____

2. SUBSIDIARY COMPANY / JOINT VENTURE COMPANY

NAME OF THE COMPANIES INVOLVED_____

ADDRESSES OF THE COMPANIES_____

3. Does the vendor have previous experience of execution & supply of Hydrogen Gas on B-O-O basis of two HGU having capacity not less than 40,000 Nm3/hr or one HGU having capacity not less than 74,000 Nm3/hr. during last seven years :

YES	NO	
-----	----	--

If yes, the relevant proof of the same (work order, Contract Agreement, work completion certificates etc. with clear mention of the date of start and completion of the work) shall be attached as per ANNEXURE- I.

(The name and designation of the contact person in the organization where such projects have been undertaken, needs to be clearly mentioned.)

4. Does the vendor have a minimum average annual turn over of INR 3500 Millions (or equivalent foreign currency 82 Millions USD) in the last three years:

YES	NO	

If yes, the relevant proof of the same (Audited Profit/ Loss Statement of the company for the last 3 years) shall be attached as per ANNEXURE -II.

5. Details of the Plants which are in regular operation for last one year with certificate from user:

- 6. Process Technology proposed for the project and details of Vendor's access to or in possession of (either as a proprietary technology holder or in close association with any such holder) proven state-of-the-art technology.
- 7. Details of financing arrangement and documentary evidence in support of finances available for the project.
- 8. A general write-up on the following shall be submitted along with the EOI:
 - a. Vendor's Profile.
 - b. How this project is linked with their current business stream.
 - c. In case of joint venture, core business of joint venture partner in line with condition given in cl. 3.1.
 - d. Details of Parent Company, Holding company & Group to which the vendor company belongs.
 - e. Plans for execution & implementation of HGU
 - f. Share holding pattern of the vendor'.

<u>ANNEXURE – I</u>

EXHIBIT FOR PAST EXPERIENCE FOR LAST 7 YEARS

SL. NO	WORK ORDER NO. & DATE	DESCRIPTION OF WORK	SCOPE	INDIVIDUAL/ JV/ PARENT/SUB SIDIARY COMPANY	POSTAL ADDRESS OF CLIENT	STARTING DATE	SCHEDULED COMPLETION DATE	ACTUAL COMPLETION DATE	REASONS FOR DELAY, IF, ANY	START DATE OF PRODUCT ION
This	FORM is to	be submitted by	/ Indian Ass	sociate/ wholly-ov	vned subsidiary i	n India also				

<u>ANNEXURE – II</u>

FINANCIAL DETAILS

(THIS PROPOSAL FORM IS TO BE SUBMITTED BY THE INDIAN ASSOCIATE / WHOLLY-OWNED SUBSIDIARY IN INDIA ALSO)

A. AUDITED ANNUAL TURNOVER REPORTS FOR LAST 3 YEARS

A.1 COMPANY		GROSS TURNOVER (US \$/ INR)			NET WORTH * (US \$/INR)	
(i) Year 1 (specify)					
(i	i) Year 2 (specify)					
(i	ii) Year 3 (specify)					
A.2	PARENT COMPANY / GROUP	GROSS TURNOVER (US\$/INR)	NET PROFIT AFTER TAX (US\$/INR)	NET WORTH (US\$/INR)	RETURN ON EQUITY	
	(Consolidated Group Companies) (In case of applical					
(i) Year 1 (specify)					
(i	i) Year 2 (specify)					
(i	ii) Year 3 (specify)					
*	NET WORTH = CAF	PITAL + RESERVE	S AND SURPLUS -	- ACCUMALATED LO	OSSES	
В.	MAIN BANKERS -		NAME			
			ADDRESS			
			PHONE/FA	AX		
C.	CREDIT FACILITIE (Banker's letter m		H COMPANY			

D. ENCLOSE AUDITED REPORT OF PROFIT & LOSS STATEMENT FOR THE PRECEDING THREE ACCOUNTING YEARS.

- E. ENCLOSE RECENT SOLVENCY CERTIFICATE FROM BANKER
- F. DEBT : EQUITY RATIO FOR LAST 3 YEARS
 - (i) Year 1 (specify)
 - (ii) Year 2 (specify)
 - (iii) Year 3 (specify)
- H. ENCLOSE LETTER FROM YOUR BANKER/SELF THAT THE AGENCY IS NOT UNDER LIQUIDATION, COURT RECEIVERSHIP OR SIMILAR PROCEEDINGS.