

	MINUTES OF MEETING	MOM-001
	Pre-EOI- discussion for setting up of Coal to Methanol Plant at Dankuni Coal Complex-CIL	MOM NUMBER
		SHEET 1 OF 6

DIVISION: NOIDA

Department: Material Management

Meeting Title	Pre-EOI Meeting held with interested parties reg. Coal to Methanol Project on BOO basis	Start Time	12.00 PM on 14.05.2020
		Stop Time	01:15 PM on 14.05.2020
Place/venue	PDIL,Noida- CIL &prospective Bidders through Video Conferencing in Skype.	Date	14.05.2020

DETAILS OF PRE-EOI- DISCUSSION HELD THROUGH VIDEO CONFERENCE HELD THROUGH SKYPE ON 14.05.2020

1. In line with Amendment –III dated 09.05.2020 to EOI Booklet no.: PNMM/PC-176/PQ-001 dt 20.03.2020, request mail to prospective bidders for participating in the Pre-EOI discussion were sent on 08.05.2020 and confirmation were received for bidders interest to participate in the Pre-EOI discussion schedule for 14.05.2020, through video conference in ‘SKYPE’.
2. Accordingly, Pre-EOI- discussion through video conferencing in ‘SKYPE’ was held on 14.05.2020 around 12.00 PM. GM, Noida PDIL and CM(Min.) and in total 10 parties participated in the SKYPE meeting. CIL thanked the participants for joining the Video Conference. Participants were briefed about the Project and the Intent of the EOI by GM, Noida PDIL.

List of the Participants in the video conferencing and the various points discussed with the respective parties are as mentioned below:

i. M/s Adani Enterprises Ltd, Ahmedabad - Sh Prodyut Maji

During the conference Sh Maji requested to exclude the Sales and Marketing responsibility of all products and by-products from bidder’s scope and to include the same in CIL’s responsibility. Further M/s Adani requested that guarantee provided should be in proportion to the shareholding in the JV.

CIL/PDIL informed that as per current Philosophy the project shall be executed on BOO basis with marketing of the Product in BOO operator’s scope. It was further clarified that the fulfilment of guarantee shall be the responsibility of lead bidder.

ii. M/s Airproducts (India) - Sh Shibaditya Sen

Sh Shibaditya Sen, informed that Air Products (AP) is not willing to take the Marketing and Pricing risk of Methanol and requested CIL/PDIL to consider a third party with long-term product take-off contract for Marketing. AP requested CIL to guarantee the offtake of the methanol and other by-products.

AP also informed that the Coal Gasification being a critical process , the bidder’s should have experience of operating a Coal Gasification BOO Plant as PQC experience criteria to which CIL/PDIL informed that this will restrict the bid



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participation. CIL/PDIL also informed that the particular concern has been taken care as the prospective bidders are required to have a technology tie-up with the Licensor's having coal gasification plant running on the proposed technology for at least one year continuous operation,

Further, AP showed their apprehension regarding Mechanical Completion (MC) time of 33 Months and Commissioning period of 3 Months and suggested the following schedule for MC-36 Months and commissioning 4 Months.

AP also informed CIL/PDIL that 12 weeks bid submission is insufficient and requested for longer bid submission time. However, CIL/PDIL informed that if the bidders start the preliminary work for preparing the bids from now onwards, then the bid submission time available to them will be much more than 12 weeks.

It was informed that CIL & PDIL shall discuss the MC & Commissioning schedule and look for any possibilities.

iii. Kaveri Napthol LLP-Mumbai - Sh Jayant Vasa

Sh Jayant Vasav informed that he has no comment.

iv. Linde India Limited, Mumbai - Sh Anish Paunwala

Sh Anish raised his apprehension regarding product offtake and suggested CIL to have some commercial arrangements for the same. During the discussion Mr Anish also enquired if the marketing of product shall be fixed or variable for 15 years. He also requested CIL/PDIL to make some payment to bidders for preparation of Bid.

Linde also informed that the 12 weeks' time available for submission of Bid after NIT is less and requested to give more time.

CIL/PDIL informed that Product marketing shall be in the scope of BOO operator however CIL shall facilitate BOO operator for product marketing. It was further informed that the responsibility of BOO operator for marketing of product is envisaged for the rated capacity of the plant for a period of 25 years to commensurate with the proposed duration of BOO contract.

It was also informed that CIL shall not pay any fee for Bid Preparation as preparation & submission of Bid of any bidder is their Marketing/ Business Development activity for which the bidder should bear the cost.

CIL/PDIL informed that if the bidders start the preliminary work for preparing the bids from now onwards, then the bid submission time available to them will be much more than 12 weeks.

v. NovaAir Private Limited,- Sh Siladitya Roychoudhri / Sh Bhuvnesh Mehtani



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Representatives of NovaAir mentioned that selling the Product Methanol & By-products is not possible for BOO Operator. Nova Air also requested CIL/PDIL that due to present situation caused by Covid-19 it will be very tough for the bidders to submit the hard copies of Completion Certificate and other PQ documents. They also requested CIL/PDIL to provide names of independent third party inspection agency located in China for verification and certification of documents. Nova Air also requested to reduce the EMD & BG value, if possible.

CIL/PDIL informed that Product marketing shall be in the scope of BOO operator however CIL shall facilitate for product marketing. CIL/PDIL informed that the list of independent third party inspection agency in China shall be looked upon and incorporated in NIT document.

vi. Sedin Engineering Co. Ltd, China- Mr Wu Yuanbo (a.k.a. Mr. Paul)

M/s Sedin requested CIL to invest the capital in this project and to bring the project on EPC mode. They informed that it will be difficult for them to find an investor for BOO mode Project.

CIL/PDIL informed that the concept of execution of the project is on BOO basis with marketing of the product. However, CIL shall take a note of it based on the response from the bidders.

vii. TATA Project (India)-SH Shikher Kanwar & Sinopec Ningbo Engineering Co., Ltd. (China)

M/s Sinopec requested CIL /PDIL to execute the project on EPC mode. CIL/ PDIL suggested TATA Projects & Sinopec to explore opportunity BOO basis.

viii. Tecnimont Pvt Ltd, Mumbai- Sh Nitin Sahu

Tecnimont suggested to split the Project into EPC & BOO. Tecnimont requested execution of Syn Gas Portion in BOO Mode and Methanol Production as EPC package.

CIL/PDIL informed that as per current Philosophy the project shall be on BOO basis only with marketing of the Product in BOO operator's scope.

ix. M/s China Tianchen Engineering Corporation (TCC)- Rajeev Paliwal

During the discussion M/s TCC suggested to execute the project on EPC mode and also requested to consider the marketing of the Product in the scope of CIL.

TCC requested to extend the date (28.05.2020) for submission of response to EOI.

CIL/PDIL informed that as per current Philosophy the project shall be on BOO basis only with marketing of the Product in BOO operator's scope. CIL/PDIL also

informed that the Project is being monitored from high level therefore extension of date for submission of response to EOI may not be possible.

x. Sh Manoranjan Grover

No comments were registered from Sh Grover during the video conferencing.

3. The participants were further apprised of the following:


I. Statutory and Regulatory clearances: CIL/PDIL shall arrange Environment Clearance (EC) / Consent to Establish (CTE), required for construction of the plant, subject to the BOO Operator furnishing data/technical information necessary for obtaining such clearances. It is envisaged that any other Statutory and regulatory clearances required during construction commissioning, operation, etc. shall be arranged by the BOO operator.

II. Technology Licensors:

- a) Coal Gasification technology: Bidders may choose any one of the Coal Gasification Technology from the following:
- i. Shell Syngas Cooler gasification technology (Now, owned by Air Products & Chemical Inc.)
 - ii. GE gasification technology (Now, owned by Air Products & Chemical Inc.)
 - iii. CCG gasification technology, by CHOREN Industrietechnik GmbH, Germany
 - iv. Any other technology license which fulfils the eligibility criteria which are applicable to aforesaid technologies at (i), (ii) and (iii)
- b) Intermediate Process Licensors: Bidders may choose any one of the following licensors for the processes enumerated below:
- i. CO-shift conversion: To be communicated during tender stage.
 - ii. Acid Gas Removal: Linde and Air Liquide
 - iii. Sulphur recovery: Linde, EIL, Technip KTI and Jacobs Comprimo
 - iv. Methanol Synthesis: Haldor Topsoe, Air Liquide and Casale

III. Financial Model: The applicable financial model for the BOO Operator may be as follows:

- (a) **Buy & Sell Model** (In case Marketing is responsibility of the BOO operator): – It is envisaged that BOO Operator will buy the inputs (coal, water and power) and sell the methanol to Consumer at market driven price.
- (b) **Tolling Model** (In case Marketing is not the responsibility of the BOO operator) – It is envisaged that BOO Operator will be provided inputs (coal, water and power) free of cost and they will sell the methanol to CIL only charging the “conversion cost”.

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4. The participants were requested to provide their suggestions on Additional Details / Information sought at Cl. No. 3.5 of Chapter 2 of the EOI. All the participants were further requested to provide the introductory details sought at Cl. No. 5.4 of Chapter-1.
5. Due to the present COVID situation, CIL/PDIL informed the bidders to submit the inputs to the EOI within the scheduled date of 28.05.2020 through email with certification from Authorized Signatory at the e-mail ID provided in the EOI.
6. The meeting ended with a vote of thanks from CIL and PDIL to all the parties for showing their interest and participating in the Pre-EOI- discussion.

For and on behalf of PDIL

(Kailash Joshi)
Project Manager



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Participants from PDIL/CIL:

PDIL

1. Mr. Ashutosh Prasad, GM (Noida)
2. Mr. A K Singh, GM (Process)
3. Mrs. Anjali Thakur, DGM(MM)
4. Mr. T N Negi, Manager (MM)

CIL Hq

1. Dr. A.K. Samantaray, GM/HOD(CV&IC)
2. Mr A.R.Das, CM(CP)
3. Mr. Sagar Sen, CM(Min.)
4. Mr Sribas Sarkar, Sr. Manager(CP)
5. Mr. Manjeet Bakliwal, Manager (CP)

CIL-Subsidiaries

1. Mr. S. S. Ahmad, GM(NIMC), CCL
2. Mr. A. P. Swarnakar, CM(CP), CCL
3. Mr. Niladri Roy, GM/TS to CMD, ECL
4. Mr. R. N. Som, GM(P&P), ECL
5. Mr. Bhaskar Bhattacharjee, CM (Geo), ECL
6. Mr. A. D. Chaudhury, GM(E&M/Washery), SECL
7. Mr. Rakesh Prasad, CM(M), TS to CMD, WCL
8. Mr. Gopal N. Masti, Sr. Manager (CP), WCL
9. Mr. Rajiw Lochan, GM/HOD(CBM), CMPDI
10. Mr. Varun Pangal, Asst. Manager (CP), CMPDI
11. Mr. Trilok Nath, Asst. Manager (CP), CMPDI