



**GANGTOK SMART CITY DEVELOPMENT LIMITED**  
**SOKAYTHANG, GANGTOK – 737102,**  
**SIKKIM - INDIA**

**EXPRESSION OF INTEREST (Eoi)**

To

DESIGN, BUILD, FINANCE, MAINTAIN & OPERATE

A

WASTE PROCESSING PLANT WITH AN ENERGY GENERATION COMPONENT UNDER SMART URBAN CITY DEVELOPMENT & MANAGEMENT UNIT

ON

PPP MODE

ISSUED ON: Date: 14/09/2018

EMPLOYER	GANGTOK SMART CITY DEVELOPMENT LIMITED
REPRESENTED BY	CHIEF EXECUTIVE OFFICER GANGTOK SMART CITY DEVELOPMENT LIMITED SOKAYTHANG, GANGTOK – 737102, SIKKIM INDIA



## 1. INTRODUCTION

### *1.1 Background*

1.1.1 The Ministry of Environment, Forest and Climate Change, Government of India has enacted the Solid Waste Management Rules, 2016 vide its S.O. 1357(E) dated April 08, 2016 (hereinafter referred as the “**SWM Rules**”). These rules are applicable to every Urban Local Body (ULB), making it mandatory for every municipal authority to implement these rules and develop necessary infrastructure for collection, segregation, storage, transportation, processing and disposal of municipal solid waste (MSW).

1.1.2 As stated above, development and operation of MSW is one of the most challenging tasks at the hand of ULBs. There have been several attempts using different technologies, but yet effective solution to this problem has not been arrived at. A large number of infrastructure has been created mostly centered on collection, transportation, segregation and disposal of waste. The waste to compost and waste to energy plants have also been an integrated component of long distance haulage of solid waste to sanitary landfill sites, where most of these large plants are planned.

1.1.3 The Gangtok Smart City Development Limited (GSCDL), in its desire to provide SWM services, seeks the services of reputed and qualified Companies/firms/Corporate Bodies/Private sector to: design, build, finance, maintain & operate a waste processing plant with an energy creation component under Smart Urban City Development & Management Unit on PPP mode. Henceforth, the GSCDL is responsible for conducting a transparent Application Process for selection of the suitable Technology and Developer who will be eligible to undertake the Project in accordance with the procedure set out herein.

### *1.2 Current status of SWM Projects in Sikkim*

1.2.1 In Sikkim, so far options and technologies like waste to Compost has been tried but various options like Refuse Derived Fuel (RDF) to waste to energy plants is yet to be explored. The projects like waste to compost have been constructed, even run for some time, but have not been able to sustain itself in long term. This projects were very successfully in initial days and acknowledged but finally could not sustain. The Urban Development & Housing Department, Government of Sikkim has completed the project: Construction of Sanitary Landfill site at Martam East Sikkim funded by Asian Development Bank under the North East Region Capital Cities Development & Investment Program (NERCCDIP) scheme implemented by Ministry of Urban Development, Government of India. The other two projects namely:-

1. Construction of Sanitary Landfill site at Mangan, North Sikkim
2. Construction of Sanitary Landfill site at Shipsu, West Sikkim

Sanctioned & Funded by Ministry of Development of North Eastern Region, Government of India is underway.

1.2.2 The experience has been that in projects of integrated waste management (from collection, transportation and processing), quite often issues crop up. Whereas, when both the processing part and collection, transportation and segregation is handled by local bodies the quantity and quality of municipal solid waste reaching the processing site becomes unmanageable and finally leading to difficulties in processing. Even if the above difficulties are managed over, the processed product like compost faces marketing problems. The common issues of marketing in compost are the poor nutritive value and odour.

### ***1.3 Proposed Approach***

1.3.1 The GSCDL has embarked upon a significant initiative to implement a state-wide Solid Waste Management Strategy (the “Strategy”), by way of conversion of waste to energy (WtE) intended to modernize and greatly improve the practice of SWM throughout the State. Specifically, the environmental objectives of the Strategy are summarized as: Reduction, Reuse, and Recycling. The strategy also envisages preferably 100% waste diversion from final disposal to the landfill site.

1.3.2 Notable projects may be of composting of organic waste, capping of the landfill for methane gas capture, and reconfiguration of the active landfill for improved operations, including leachate containment for off-site disposal. The most preferred option in waste management is at source segregation and reuse, recycling, composting, waste to energy and disposal to landfills in that order.

Composition of Municipal Solid Waste:



Bio Degradables	Recyclables	Inert
Composting	Revert to manufacturing process for Paper, Plastics, Glass, Metal etc. If not convert into Compost and use as a fuel for Energy	As building materials
Bio-methanation		

Technology Options for Waste Processing:



1.3.3 Prior to further investments in waste management technologies, the GSCDL is seeking to evaluate the feasibility of applying alternative waste management technologies within the State. To that end, the Authority is issuing this Expression of Interest (EoI) to solicit proposal to design, build, finance, maintain and Operate a waste processing plant with an energy creation component on PPP mode to assess the viability of reliable solid waste management technology alternatives that may support the goals and objectives of the Gangtok Smart City.

**1.4 Scope of Services**

1.4.1 The Authority is seeking a mutually beneficial, long-term public-private partnership based upon an incentive approach, and desire to negotiate a concession for a term of reasonable length.

1.4.2 The scope of the project includes the following:

- a) Maximize sanitary and aesthetic living conditions for all residents;
- b) Maintain positive communications with the Users;

c) Design, Build, Finance, Maintain and Operate a waste processing plant with an energy generation component on PPP mode;

1.4.3 That the 90% of the project cost shall be borne by the Developer/Investor and Developer/Investor and at no point of time can raise or should raise funds for the said project taking into account the name of Government of Sikkim or the land belonging to Government of Sikkim.

### **1.5 OBLIGATION FROM Gangtok Smart City Development Ltd. (GSCDL) PART**

1.5.1. GSCDL will provide the land situated at Lower Martam, East Sikkim free from all encumbrances to the concessionaire for a fixed period of 33 years (Concession/Lease Period) for construction/commissioning of the project: “Design, build, finance, maintain and operate a waste processing plant with an energy generation component on PPP mode”.

1.5.2 GSCDL will provide Rs. 18 Crores (Eighteen Crores) only or 10% of the project cost whichever is lesser as Viability Gap Funding (VGF) after the Contract is awarded to the selected Concessionaire.

1.5.3 The GSCDL will make available all the municipal solid waste in unsegregated form generated from the city of Gangtok, Sikkim.

1.5.4 The GSCDL will facilitate in obtaining the necessary clearances/permission from the line departments.

## **2. EOI INVITATION**

### **2.1 EOI Document**

2.1.1 The EOI Document is being issued to the interested Concessionaire/Firms/Companies to have a better understanding regarding the Project. The statements, explanations, and the draft terms of reference contained in this EOI (“**EOI Document**”) are intended to provide a better understanding to the Concessionaire/Firms/Companies about the subject matter of this EOI and should not be construed or interpreted as limiting in any way or manner the scope of services and obligations of the Concessionaire.

2.1.2 While the document is comprehensive, it is by no means intended to be exhaustive or restrictive.

2.1.3 The EOI is invited from the Concessionaire/Firms/Companies for the project “Design, build, finance, maintain and operate a waste processing plant with an energy generation component on PPP mode”. The concept presentation on methodology and technology will need to be presented before the Committee comprising of experts to be set up by the GSCDL. Thereafter the detailed RFP will be issued to the shortlisted Applicants for financial quote.



2.1.4 The Applicant selected based on the terms and conditions issued during the RFP stage (“**Concessionaire**”) shall implement the Project in accordance with the provisions of Development Agreement (the “**Agreement**”) to be entered into between the Selected Applicant and the GSCDL in the form provided by the GSCDL to be finalized at a later stage subject to the negotiated terms and conditions. Accordingly, the said Agreement will set forth the detailed terms and conditions for grant of the concession to the Selected Applicant/s, including the scope of services and obligations (the “**Concession**”)

## **2.2 Application Process**

2.2.1 The EoI document shall be available on website <https://www.gmcsikkim.in> and may be downloaded by the interested Applicants. Interested Applicants are invited to submit their Application in accordance with the terms specified in this Document.

2.2.2 The Authority has adopted a two-stage process (EoI and Request for Proposal) for selection of the Concessionaire for award of the Project.

## **2.3 Evaluation parameters**

2.3.1 The Applicant’s competence and capability at EoI stage is proposed to be established by the following parameters:

- a) Technical Capacity;
- b) Financial Capacity and
- c) Detailed Presentation

2.3.2 A Committee set up by GSCDL will review the Application with respect to eligibility and qualifications criteria prescribed in this EoI.

2.3.3 Based on the technical review, the Committee will make a recommendation on the short-listed Applicant to the GSCDL. Accordingly, GSCDL will invite the shortlisted Applicants to make detailed presentation on proposed methodology.

2.3.4 The Committee reserves the right to accept any or none of the Applications submitted and will evaluate Applications based on the basis of **best value and the lowest cost**. In the event that the Authority rejects or annuls all the Applications, it may, in its discretion, invite all eligible Applicants to submit fresh Applications hereunder.

## **2.4 Eligibility of Applicants**

2.4.1 Applicants must read carefully the minimum conditions of eligibility (the “**Conditions of Eligibility**”) provided herein. Applications of only those Applicants who satisfy the Conditions of Eligibility will be considered for evaluation.

2.4.2 To be eligible for evaluation of its Application, the Applicant shall fulfil the following:



a) The Applicant shall be either a Proprietorship/Partnership Firm/LLP, or a Company registered with concern legal authority, 3 years prior to the Application Submission Due Date (“Applicant”).

b) For demonstrating technical capacity and experience (the “**Technical Capacity**”), the Applicant over the past 5 (five) Financial Years preceding the Application Due Date, have Developed and completed 1 project of Waste to Energy (WtE) which is in operation. (Note: Completed project shall include projects wherein 100% construction is complete. Projects wherein 100% construction is complete and the operations are ongoing shall also be considered)

a) Such experience must be demonstrated through Letter of Awards/an explicit contract/Agreement with a public sector entity/ Government or semi Government Department or a Private entity.

2.4.3 Any entity which has been barred by the Central Government, or any State Government, or a statutory authority or a public sector undertaking, as the case may be, from participating in any project and the bar subsists as on the date of Application, would not be eligible to submit their Application.

## **2.5 Due Diligence**

2.5.1 The Applicants shall be deemed to have submitted their respective Applications after verifying the information in relation to the Project including but not limited to infrastructure, facilities, location, surroundings, climate, availability of power, water and applicable laws and regulations, and any other matter considered relevant by them.

## **2.6 Cost of Application**

2.6.1 The Applicant shall bear all costs associated with the preparation and submission of its Application.

## **2.7 Language of Application**

2.7.1 The Application and all related correspondence and documents in relation to the Eoi shall be in English language.

## **2.8 Currencies**

2.8.1 All prices indicated in the Application shall be in Indian National Rupee(s) (INR) only.

## **2.9 Clarification to Eoi Documents**

2.9.1 In the event that any Applicant requires any clarification on the Eoi, such Applicants are expected to send their queries to the Authority by email only to [ceosmartcity.gangtok@gmail.com](mailto:ceosmartcity.gangtok@gmail.com) on or before date specified above clearly stating in the subject as “Clarification for Eoi”. No queries via telefax, phone will be entertained.

## **2.10 Submission of Applications**



2.10.1 Application must be submitted to the following address via registered post, courier or in person on or before the date mentioned in this document. The application received after due date and time shall be treated as late applications.

Chief Executive Officer  
Gangtok Smart City Development Limited  
Sokaythang  
Gangtok – 737101  
Sikkim, India

**2.11 Application Due Date**

2.11.1 The Application shall be submitted via courier or registered post or in person on or before Application Due Date. The Authority may, in its sole discretion, extend the Application Due Date and time by issuing an Addendum uniformly for all Applicants.

**2.12 Late Applications**

2.12.1 Application received after application due date and time shall be considered late application and will be returned un-opened.

**2.13 Right to accept or reject any or all Applications**

2.13.1 Notwithstanding anything contained in this EoI, the Authority reserves the right to accept or reject any or all Application and to annul the Application Process at any time without any liability or any obligation for such acceptance, rejection or annulment, and without assigning any reasons thereof.

**2.14 Confidentiality**

2.14.1 Information relating to the examination, clarification, evaluation and recommendation for the short-listed Applicants shall not be disclosed to any person who is not officially concerned with the process or is not a retained professional advisor advising the Authority in relation to, or matters arising out of, or concerning the Application Process. The Authority will treat all information, submitted as part of the Application, in confidence and will require all those who have access to such material to treat the same in confidence. The Authority may not divulge any such information unless it is directed to do so by any statutory entity that has the power under law to require its disclosure or is to enforce or assert any right or privilege of the statutory entity and/ or the Authority or as may be required by law or in connection with any legal process.

**2.15 Schedule of Application Process**

2.15.1 The Authority would endeavor to adhere to the following schedule:

Description	EoT to Design Build finance Maintain Operate a waste processing plant with an energy generation component under Smart City Development & Management Unit
Publication of EoI Notice	14.09.2018



EOI TO DESIGN, BUILD, FINANCE MAINTAIN & OPERATE A WASTE PROCESSING PLANT WITH AN ENERGY GENERATION COMPONENT ON PPP MODE

Uploading of Eoi Document on <a href="http://www.gmcsikkim.org">www.gmcsikkim.org</a>	15.09.2018
Last Date for receiving Clarifications/queries	21.09.2018
Application Due Date	24.09.2018 till 1500 hours
Declaration of short-listed applicants	24.09.2018, 1600 hours

### **2.16 Proprietary data**

2.16.1 The Eoi documents, other information supplied by the Authority and are transmitted to the Applicant shall remain or become the property of the Applicants. Applicants are to treat all information as strictly confidential and shall not use it for any purpose other than for preparation and submission of their Application. The provisions of this Clause 2.16.1 shall also apply *mutatis mutandis* to Applications and all other documents submitted by the Applicants, and the Authority will not return to the Applicants any Application, document or any information provided along therewith.

### **2.17 Bid Processing Fees**

2.17.1 The Bid Processing Fee is Non-Refundable. The Cost of EOI Document would be **Rs.100000/- (Indian Rupees One Lakh Only)** in the form of Demand Draft from any Nationalized/Scheduled Bank in favour of CEO, GSCDL, payable at Gangtok.

2.17.2 Please note that the Application/Proposal, which does not include the bid processing fees, would be rejected as non-responsive.

### **2.18 Governing Law & Jurisdiction**

2.18.1 The Contract shall be governed by and interpreted in accordance with the laws of India.

2.18.2 All legal proceedings, if necessary arising to be instituted by any of the parties shall have to be lodged in courts situated in Gangtok and not elsewhere.



Appendix- A

Form 1

APPENDIX-A Letter comprising the Application (On Applicant's letter head)

Dated:

To  
The Chief Executive Officer  
Gangtok Smart City Development Limited  
Sokaythang, Gangtok  
Sikkim, India

**Sub: Design Build finance Maintain Operate a waste processing plant with an energy generation component under Smart City Development & Management Unit on PPP Mode**

With reference to your Eoi document dated \_\_\_\_\_, I/we, having examined the Eoi Documents and understood their contents, hereby submit my/our Application for the aforesaid Project. The Application is unconditional and unqualified.

2. All information provided in the Application and in the Appendices is true and correct.
3. I/ We shall make available to the Authority any additional information which GSCDL fit appropriate and submit to supplement or authenticate the Application.
4. I/ We acknowledge the right of the Authority to reject our Application without assigning any reason or otherwise and hereby waive our right to challenge the same on any account whatsoever.
5. I/We certify that in the last three years, I/We have neither failed to perform on any Concession, as evidenced by imposition of a penalty by an arbitral or judicial authority or a judicial pronouncement or arbitration award, nor been expelled from any project or Concession by any public authority nor have had any Concession terminated by any public authority for breach on our part.
6. I/ We understand that you may cancel the Application Process at any time and that you are neither bound to accept any Application that you may receive nor to invite the Applicants to Application for the Project, without incurring any liability to the Applicants.
7. I/ We certify that in regard to matters other than security and integrity of the country, we have not been convicted by a Court of Law or indicted or adverse orders passed by a regulatory authority which could cast a doubt on our ability to undertake the Project or which relates to a grave offence that outrages the moral sense of the community.



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8. I/ We further certify that in regard to matters relating to security and integrity of the country, we have not been charge-sheeted by any agency of the Government or convicted by a Court of Law for any offence committed by us or by any of our Associates.

9. I/ We further certify that no investigation by a regulatory authority is pending either against us or against our CEO or any of our Directors/ Managers/ employees.

In witness thereof, I/we submit this Application under and in accordance with the terms of the EoI document.

Yours faithfully,

(Signature of the Authorized signatory)

Date:

Place:

(Name and designation of the of the Authorized signatory)  
Name and seal of Applicant



Appendix B

Form 2

Compliance Sheet for Selection

The Applicant's Response to EoI should comprise of the following basic requirements. The documents mentioned in the compliance sheet along with this form, needs to be part of the EoI Response.

Sl.No.	Basic Requirement	Specific Requirement	Documents Required	Complied (Y/N)	Page No.
1	Company Profile	Brief write-up of Company	Write up	-	-
2	Legal Entity of the Applicant	<p>i. The Applicant should be a Company registered under the Companies Act, 1956 since last 5 years</p> <p>ii. The Company must have registered with valid GST No and having PAN, &amp; IT returns up to 31<sup>st</sup> March 2018.</p>	<ul style="list-style-type: none"> <li>- Certificate of Incorporation</li> <li>- Registration Certificates, PAN copy &amp; other necessary supporting documents</li> </ul>	-	-
3	Turnover & Profitability	<p>i. Applicant must have an annual turnover of at least <b>40 crores</b> per year or an aggregate of <b>Rs.120 Crores</b> for the last 3 financial years ending 31/03/2018, 31/03/2017, 31/03/2016</p> <p>ii. The Applicant should have a positive Profit After Tax for each of the three financial year 2015-16, 2016-17 and 2017-18</p>	<p>Extracts from the audited Balance sheet and Profit and Loss</p> <p>CA Certificate with CA's Registration Number/Seal indicating net worth of the Firm</p>		



**EOI TO DESIGN, BUILD, FINANCE MAINTAIN & OPERATE A WASTE PROCESSING PLANT WITH AN ENERGY GENERATION COMPONENT ON PPP MODE**

3	Technical Capability	<p>i. Applicant must have proven record of having successfully executed and Operated at least 1 (one) project of Waste to Energy (WtE) during the last 3 years.</p> <p>ii. Should have been executing 1 project of WtE with a minimum output of 2 MW/Hour.</p>	-work order along with Completion certificates from the Client.	APPENDIX D	
4	Blacklisting	The Applicant must not have been blacklisted by any State Government and Government of India. The Applicant must also disclose full details of any blacklisting by Central or State PSUs/Undertaking/Autonomous body or under a declaration of ineligibility for corrupt or fraudulent practices in last five years as on 31/3/2018	- A self certified letter by an authorized signatory.	-	-
5	Performance	The Applicant must not have any record of poor performance, abandoned work, having inordinately delayed completion and having faced commercial failures for any State Government or Govt Organization during last 5 years as on 31/3/2018	- A self-certified letter from authorized signatory	-	-
6	Fees	i. The Applicant must have submitted Demand Draft amounting to Rs1.00 lakhs (One Lakh) towards the cost of Eoi Document processing Fee.	-DD		



Appendix - C

Form 3

APPENDIX-I Power of Attorney for signing of Application

Know all men by these presents, We..... (name of the firm and address of the registered office) do hereby irrevocably constitute, nominate, appoint and authorize Mr/ Ms (name), ..... son/daughter/wife of ..... and presently residing at ....., who is presently employed with us and holding the position of ....., as our true and lawful attorney (hereinafter referred to as the "Attorney") to do in our name and on our behalf, all such acts, deeds and things as are necessary or required in connection with or incidental to submission of our Application for the project "**Design Build finance Maintain Operate a waste processing plant with an energy generation component under Smart City Development & Management Unit on PPP Mode**" by Gangtok Smart City Development Limited (the "Authority") including but not limited to signing and submission of all Applications and other documents and writings, participate in Pre-Application and other conferences and providing information/ responses to the Authority, representing us in all matters before the Authority, signing and execution of all Concessions including the Agreement and undertakings consequent to acceptance of our Application, and generally dealing with the Authority in all matters in connection with or relating to or arising out of our Application for the said Project and/ or upon award thereof to us and/or till the entering into of the Agreement with the Authority.

AND we hereby agree to ratify and confirm and do hereby ratify and confirm all acts, deeds and things done or caused to be done by our said Attorney pursuant to and in exercise of the powers conferred by this Power of Attorney and that all acts, deeds and things done by our said Attorney in exercise of the powers hereby conferred shall and shall always be deemed to have been done by us.

IN WITNESS WHEREOF WE, ....., THE ABOVE NAMED PRINCIPAL HAVE EXECUTED THIS POWER OF ATTORNEY ON THIS .....

DAY OF ..... 2018.

For .....

(Signature, name, designation and address)

Witnesses: 1. 2.

(Notarised) Accepted

..... (Signature) (Name, Title and Address of the Attorney)



**APPENDIX-D**

Details of Eligible Projects

Item	Particulars of Project
Name of the Project	
Location	
Client Name and Address with Contact No & mail id	
Description of the project	
Final Output of the project (in MW)	
Total Project Cost (in INR)	
Date of Commencement of Project	
Period of Concession	
Present Status of Project	Whether the project is currently operational (Y/N)
Detailed Scope of Works/Services rendered	
Does the scope of work include operation of project (Y/N)	

1. Please attach separate sheets for each eligible project.
2. Please attach Client Certificate/Letter of Award for Eligible Project,
3. Please attach copy of completion/performance certificate.