

# **DEVELOPMENT OF SOLAR POWER PROJECTS IN THE STATE OF KARNATAKA**

## **VOLUME I Request for Proposal**

**March 2014**



**KARNATAKA RENEWABLE ENERGY  
DEVELOPMENT LIMITED**

## **Request for Proposal**

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<b>Volume I</b>	<b>Request for Proposal (RFP)</b>
<b>Volume II</b>	<b>Draft Power Purchase Agreement (Draft PPA)</b>

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## GLOSSARY

Authority	As defined in Clause 1.1
Bid(s)	As defined in the Disclaimer
Bidders	As defined in Clause 1.2.1
Bidding Process	As defined in Clause 1.2.1
Bid Due Date	As defined in Clause 1.2.2
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Eligibility Criteria	As defined in Clause 1.2.4(B)
Financial Capacity	As defined in Clause 3.3.2
Government	Government of Karnataka
Group Business Entity	As defined in Clause 3.3.2(b)
Jt. Bidding Agreement	As defined in Clause 2.1.16(i)
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LOA	As defined in Clause 3.4.6
Member	Member of a Consortium
Other Members	As defined in Clause 2.1.16 (d)
Performance Security	As defined in Article 1 of Power Purchase Agreement
PPP	Public Private Partnership
Project	As defined in Clause 1.1.1
Power Purchase Agreement	As defined in Clause 1.1.1
Re. or Rs. or INR	Indian Rupee
Request for Proposal (RFP)	As defined in Clause 1.1.8
Right	As defined in Clause 1.1.7
SPV	As defined in Clause 2.1.16
Technical Capacity	As defined in Clause 3.3.2

The words and expressions beginning with capital letters and defined in this document shall, unless the context otherwise requires, have the meaning ascribed thereto herein, shall, unless the context otherwise requires, have the meaning ascribed thereto therein.

## DISCLAIMER

The information contained in this Request for Proposal document (the “RFP”) or subsequently provided to Bidder(s), whether verbally or in documentary or any other form by or on behalf of the Authority or any of their employees or advisors, is provided to Bidder(s) on the terms and conditions set out in this RFP and such other terms and conditions subject to which such information is provided.

This RFP is not an agreement and is neither an offer nor invitation by the Authority to the prospective Bidders or any other person. The purpose of this RFP is to provide interested parties with information that may be useful to them in preparing their proposal pursuant to this RFP (the "Bid"). This RFP includes statements, which reflect various assumptions and assessments arrived at by the Authority in relation to the Project. Such assumptions, assessments and statements do not purport to contain all the information that each Bidder may require. This RFP may not be appropriate for all persons, and it is not possible for the Authority, its employees or advisors to consider the investment objectives, financial situation and particular needs of each party who reads or uses this RFP. The assumptions, assessments, statements and information contained in this RFP may not be complete, accurate, adequate or correct. Each Bidder should, therefore, conduct its own investigations and analysis and should check the accuracy, adequacy, correctness, reliability and completeness of the assumptions, assessments, statements and information contained in this RFP and obtain independent advice from appropriate sources.

Information provided in this RFP to the Bidder(s) is on a wide range of matters, some of which depends upon interpretation of law. The information given is not an exhaustive account of statutory requirements and should not be regarded as a complete or authoritative statement of law. The Authority accepts no responsibility for the accuracy or otherwise for any interpretation or opinion on law expressed herein.

The Authority, its employees and advisors make no representation or warranty and shall have no liability to any person, including any Bidder under any law, statute, rules or regulations or tort, principles of restitution or unjust enrichment or otherwise for any loss, damages, cost or expense which may arise from or be incurred or suffered on account of anything contained in this RFP or otherwise, including the accuracy, adequacy, correctness, completeness or reliability of the RFP and any assessment, assumption, statement or information contained therein or deemed to form part of this RFP or arising in any way in this Bidding Process.

The Authority also accepts no liability of any nature whether resulting from negligence or otherwise howsoever caused arising from reliance of any Bidder upon the statements contained in this RFP.

The Authority may in its absolute discretion, but without being under any obligation to do so, update, amend or supplement the information, assessment or assumptions contained in this RFP.

The issue of this RFP does not imply that the Authority is bound to select a Bidder or to appoint the Developer, as the case may be, for the Project and the Authority reserves the right to reject all or any of the Bidders or Bids without assigning any reason whatsoever.

The Bidder shall bear all its costs associated with or relating to the preparation and submission of its Bid including but not limited to preparation, copying, postage, delivery fees, expenses associated with any demonstrations or presentations which may be required by the Authority or any other costs incurred in connection with or relating to its Bid. All such costs and expenses will remain with the Bidder and the Authority

shall not be liable in any manner whatsoever for the same or for any other costs or other expenses incurred by a Bidder in preparation or submission of the Bid, regardless of the conduct or outcome of the Bidding Process.

## 1. INTRODUCTION

### 1.1. Background

Karnataka Renewable Energy Development Ltd. ("**Authority**" / "**KREDL**") incorporated under the Companies Act, 1956 is a nodal agency of the Government of Karnataka to facilitate the development of renewable energy in the State of Karnataka. KREDL processes all applications received for setting up of renewable energy generating plants and based on their recommendation, Government of Karnataka ("**GoK**") approves and grants rights to such independent power producers set up their generation plants in the State. Subsequently, KREDL also monitors progress of various renewable energy projects in the State.

In furtherance of the said objective and in line with the Renewable energy Purchase Obligations ("**RPO**") set out by Karnataka Electricity Regulatory Commission ("**KERC**"), GoK intends to undertake development of 50 (Fifty) MW of solar thermal and/or solar PV power plants in the State of Karnataka in the third phase (hereinafter referred to individually as the "**Project**" and collectively referred as the "**Projects**"). GoK has, through KREDL, decided to carry out the bidding process for selection of the Bidders to whom the Project(s) may be awarded.

Bidders are allowed to bid for one or more Project(s) based on the Eligibility Criteria stipulated in this RFP.

This RFP document is common for all the Projects. It may be noted, however, that for all intents and purposes the Projects are independent of each other and the Bidder shall, as part of its Financial Bid, submit separate Effective Tariff (as defined in Clause 1.2.5) for each of the Project for which it is submitting its Bids in accordance with this RFP document. Separate agreements shall have to be entered for each Project with concerned electricity supply company ("**ESCOMS**") (hereinafter referred to as the "**Power Purchase Agreement**").

- 1.1.1. The Selected Bidder shall be a company incorporated under the Companies Act, 1956 (hereinafter referred to as "**Developer**") and will be responsible for design, finance, engineering, procurement, construction, operation and maintenance of the Project under and in accordance with the provisions of the Power Purchase Agreement to be entered into between the Developer and the concerned ESCOM in the form provided by the Authority as part of the Bidding Documents pursuant hereto.

### 1.1.2. Capacity of the Project

A bidder may submit Bids for developing the Project(s) under solar thermal technology (Solar Thermal Project) or solar PV technology (Solar PV Project) or both. The aggregate capacity offered under this RFP Document is 50 MW. A Bidder could propose a maximum of three (3) Projects. Provided that the minimum capacity of the project proposed by the Bidder shall be at least 3 MW and the maximum capacity shall be 10 MW. However, the maximum capacity to be allotted to any Bidder including its Group Business Entity (ies) either bidding as Single Business Entity or as a Consortium shall not exceed 10 MW.

The Bidder shall furnish details of its Group Business Entity (ies) participating in the Bidding Process in the format provided in Appendix I.

For avoidance of doubt following illustration is provided

- a) Company A is the Bidder participating in the Bidding Process.
- b) Company B, C and D are Group Business Entities of Company A.
- c) Company A, B and C are bidding for Project(s) aggregating to capacity of 10 MW either as a Single Business Entity or as a Consortium inclusive of both Solar Thermal and Solar PV Project.
- d) Then, company D who is a Group Business Entity of company A cannot bid as a Single Business Entity or as a member of any Consortium

The Bidder shall furnish details of its Group Business Entity(ies) participating in the Bidding Process in the format provided in Appendix I.

#### 1.1.3. **Connectivity with the Grid**

The Developer shall be responsible for power evacuation from the power plant to the nearest sub-station/delivery point. The interconnection to the nearest substation/delivery point shall be at the voltage level of 11KV for generation capacity of less than 5 MW. However for the purpose of reliability, the Bidder may interconnect to the nearest substation/delivery point at a higher voltage level. The Developer shall provide the interconnection to the nearest substation at the voltage level of 33/66/110/220 KV for generation capacity of 5 MW and above.

The Selected Bidder shall obtain power evacuation approval from Karnataka Power Transmission Company Limited ("KPTCL")/ESCOM, as the case may be, within 270 (Two Hundred and Seventy) days of signing of the Power Purchase Agreement.

The Developer shall carry out maintenance of the transmission line during the Agreement Period. However, applicable supervision charges shall be paid by the Developer.

#### 1.1.4. **Water Availability**

This Clause is applicable in case the Bidder is bidding for the Solar Thermal Project(s). It would be the responsibility of the Developer to make arrangements for the water required for the Project(s). The Bidder shall submit documentary evidence in the form of approval from the Irrigation Department, Government of Karnataka in case the water is proposed to be used from irrigation sources along with the Bid.

1.1.5. The scope of work will broadly include development, operation and maintenance of the Project(s) including supply of power at the Effective Tariff as per the draft Power Purchase Agreement<sup>1</sup> during the tenure of the Power Purchase Agreement.

1.1.6. The Bidding Documents include this RFP and the draft Power Purchase Agreement.

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<sup>1</sup> The executed Power Purchase Agreement would be vetted KERC

- 1.1.7. The draft Power Purchase Agreement sets forth the detailed terms and conditions for grant of the right to the Developer to supply solar power to the ESCOM (the “**Right**”), including the scope of the Developer’s services and obligations and is enclosed as Volume II of this RFP (the Power Purchase Agreement executed by the Developer and ESCOM would be vetted by KERC).
- 1.1.8. The statements and explanations contained in this RFP are intended to provide a proper understanding to the Bidders about the subject matter of this RFP and should not be construed or interpreted as limiting in any way or manner the scope of services and obligations of the Developer set forth in the draft Power Purchase Agreement or the Authority’s right to amend, alter, change, supplement or clarify the scope of work, the Right to be awarded pursuant to this RFP or the terms thereof or herein contained. Consequently, any omissions, conflicts or contradictions in the Bidding Documents including this Volume I-Request for Proposal (“**RFP**”) are to be noted, interpreted and applied appropriately to give effect to this intent, and no claims on that account shall be entertained by the Authority.
- 1.1.9. The Authority shall receive Bids in accordance with the terms set forth in this RFP and other documents to be provided by the Authority pursuant to this RFP (collectively the “**Bidding Documents**”), as modified, altered, amended and clarified from time to time by the Authority, and all Bids shall be prepared and submitted in accordance with such terms.
- 1.1.10. Under this RFP, a Bidder may submit Bids for one or more Project(s). The Bidder may propose to develop different Project(s) in the same location, provided that each Project is separated by a distinct boundary. It shall be the onus of the Bidder to prove that the Project(s) proposed have distinct boundaries. In the event that the evidence provided by the Bidder is found to be unsatisfactory by the Authority, such Bids shall be summarily rejected. However, the Project would be awarded to the Bidder subject to it meeting the Eligibility Criteria set out for the Project. Bidders desirous of bidding for more than one Project will be required to submit separate Effective Tariff for each of the Project. For the purpose of identifying the Bidder to implement the Project, the Bids submitted by each Bidder would be evaluated on the basis of the evaluation criteria set out in Section 3 of this RFP.

The Selected Bidder may change the location proposed during the RFP stage for the Project in the event that land for the same cannot be acquired or for other technical reasons. In such a case, the Project may also be split, however, the minimum capacity specified in the Bid Documents are to be maintained. In no circumstance shall the Effective Tariff offered by the Bidder be changed due to change in location.

## **1.2. Brief Description of Bidding Process**

- 1.2.1. The Authority has adopted a single stage process (the “**Bidding Process**”) for selection of Bidders for award of the Projects and invites Bids from eligible parties (“**Bidders**”), which expression shall, unless repugnant to the context include the members of the Consortium, for the Project electronically in the unified e-procurement platform of the Government of Karnataka [www.eproc.karnataka.gov.in](http://www.eproc.karnataka.gov.in) (hereinafter referred to as “**E-Procurement Website**”) in accordance with the terms of this RFP.

- 1.2.2. The Bidders are requested to submit their Bids in accordance with the Bidding Documents. The Bid shall be valid for a period of not less than 365 (Three Hundred and Sixty Five) days from the date specified in Clause 1.3 for submission of Bids (the “**Bid Due Date**”).
- 1.2.3. The Bidding Documents include the Request for Proposal and draft Power Purchase Agreement for the Project. The Bidding Documents and any addenda issued subsequent to this RFP, but before the Bid Due Date, will be deemed to form part of the Bidding Documents.
- 1.2.4. The Bidders are required to deposit, along with its Bid, a bid security (“**Bid Security**”) of Rs.20,00,000/- (**Rupees Twenty Lakhs only**) per MW. The Bid Security shall be refundable not as per Clause 2.20.3 except in the case of the Selected Bidder(s) whose Bid Security shall be retained till it has provided a Performance Security under the Power Purchase Agreement. The Bidder shall pay a part of Bid Security equal to an amount of Rs. Rs.10,00,000/- (**Rupees Ten Lakh only**) through E-Procurement Website, through any one of the following e-Payment options only.

Online payments:

1. Credit Card
2. Direct Debit
3. Internet Banking

Offline payments:

4. Remittance at the Bank Counter using challan (ICICI Bank only)
5. NEFT/RTGS

Please note that payment submitted through cheque or demand draft shall not be accepted. For further details regarding e-payment, please refer to E-Procurement Website.

Remaining Bid Security<sup>2</sup>, for an amount derived by multiplying the capacity for which the Bidder is submitting its bid with Rs. 20,00,000 (Rupees Twenty Lakhs) less Rs.10,00,000/- (**Rupees Ten Lakh only**) submitted through e-payment shall be provided in the form of Bank Guarantee acceptable to the Authority at the time of bid submission. The validity period of the Bank Guarantee shall not be less than 365 days from the Bid Due Date, inclusive of a claim period of 60 (sixty) days, and may be extended as may be mutually agreed between the Authority and the Bidder from time to time. The Bid shall be summarily rejected if it is not accompanied by the Bid Security.

The Bid Security payable for the Project through E-Procurement Website and through bank guarantee is set out in the table below:

Name of Assignment	Bid Security	Through e- payment	By way of Bank Guarantee
Development of Solar Power Projects in the State of Karnataka	Rs.20,00,000/- per MW	Rs.10,00,000/-	An amount to be derived by each Bidder based on the capacity for which it

<sup>2</sup> This amount would be different for each Bidder and shall be calculated based on the capacity for which it is submitting its Bid for the Project(s).

Name of Assignment	Bid Security	Through e- payment	By way of Bank Guarantee
			is submitting its Bid for the Project(s) less the payment of Bid Security made through e-payment

Note: KREDL shall not be held responsible in case of failure on part of the Bidder to furnish part of the Bid Security through E-Procurement Website or for rejection of Bids by E-Procurement for whatsoever reasons. No correspondence shall be entertained by KREDL in this regard.

1.2.4(A) Bidders would need to submit the following sets of documents as part of their Bid;

- a. “**Key Submissions**” to be submitted through E-Procurement Website as provided in Clauses 2.11.
- b. “**Financial Bid**” to be submitted only through E-Procurement Website. For the purpose of providing clarity on the Financial Bid to Bidders, a specimen for the Financial Bid is provided in **Appendix – VI**”.

1.2.4 (B) The evaluation of the Bid submissions would be carried out in the following three stages:

- a. The first stage would involve opening and evaluation of the Key Submissions and a test of responsiveness based on the provisions of Clause 3.2 of the RFP. Those Bids found to be substantially responsive would be evaluated in the second stage. KREDL reserves the right to seek any document submitted in the E-Procurement Website in the form of hard copy for the purpose of clarification.
- b. In the second stage, the information of the Bidders relating to their eligible experience comprising Technical Capacity and Financial Capacity (“**Eligibility Criteria**”) would be evaluated as per Clause 3.3 of the RFP. Bidders who meet the Eligibility Criteria would qualify for evaluation of their Financial Bid.
- c. In the third stage, the Financial Bid in accordance with the provision of Clause 3.4 would be opened and evaluated to identify the Selected Bidder(s).

1.2.5. Financial Bids are invited for the Project on the basis of the effective tariff after discount in Rupees/kWh on KERC approved tariff (the “**Effective Tariff**”) offered by a Bidder for energy to be sold to ESCOMs under the Agreement. The Effective Tariff payable by ESCOM/kWh to the Bidder shall constitute the sole criteria for evaluation of the Financial Bids. The Agreement Period is pre-determined, as indicated in the draft Power Purchase Agreement.

In case KERC issues a revised tariff order after the Bid Due Date and consequently, the Effective Tariff of any of the Selected Bidder(s) is higher than the tariff notified by KERC, then the revised tariff as notified by KERC would be applicable to those Selected Bidders.

In case these Selected Bidders withdraw from the Bidding process or the PPA, the Bid Security/ the Performance Security, as the case may be, would be forfeited.

- 1.2.6. Generally, the Bidder who quotes the lowest Effective Tariff will be selected first and so on till the total aggregate capacity of 50 MW is reached. The remaining Bidders may be kept in reserve and may be shortlisted in case any of the Selected Bidders withdraws or is not selected for any reason, in accordance with the process specified in this RFP and as explained in Clause 3.4. In the event that the other Bidders withdraw, the Authority may, in its discretion annul the Bidding Process.
- 1.2.7. The Developer shall be entitled for the revenues from the Project in accordance with the terms of the Power Purchase Agreement.
- 1.2.8. Further and other details of the process to be followed and the terms thereof are spelt out in this RFP.
- 1.2.9. Any queries (including any discrepancy, ambiguity and error) or request for additional information concerning this RFP shall be submitted in writing and shall be submitted through post/courier to the Managing Director, KREDL. The envelopes shall clearly bear the following identification/ title:

“Queries/Request for Additional Information: RFP for **“Development of Solar Power Projects in the State of Karnataka”**”.

### 1.3. Schedule of Bidding Process

The Authority shall endeavour to adhere to the following schedule:

SI No	Event Description	Date
1.	Last date for receiving queries	April 21, 2014, 1630 Hrs
2.	Pre-Bid Conference	April 21, 2014, 1430 Hrs
3.	Bid Due Date	April 30, 2014, 1630 Hrs
4.	Due Date for submission of Demand Draft towards cost of RFP	May 05, 2014, 1630 Hrs
5.	Due Date for submission of original Bank Guarantees towards Bid Security	May 05, 2014, 1630 Hrs
6.	Due Date for submission of Processing Fee	May 05, 2014, 1630 Hrs
7.	Opening of Bid (except Financial Bid)	May 09, 2014, 1130 Hrs
8.	Opening of Financial Bid	To be intimated later
9.	Bid Validity Period	365 days from Bid Due Date
10.	Signing of the Power Purchase Agreement	30 days from the acknowledgement of LOA or Allotment Letter as the case may be

#### Venue of Pre-bid Conference:

Information will be furnished in the KREDL Website [www.kredlinfo.in](http://www.kredlinfo.in) and the e-procurement website.

## 2. TERMS OF BIDDING

### A. GENERAL

#### 2.1. General terms of Bidding

- 2.1.1. A Bidder is eligible to submit only one Bid for each of the Project(s). A Bidder bidding individually or as a member of a Consortium shall not be entitled to submit another Bid either individually or as a member of any Consortium, as the case may be for the same Project(s).

Further, a Bidder either bidding as Single Business Entity or as a Consortium is eligible for award of Project(s) of aggregate capacity up to 10 MW under this RFP. In the event where the Bid(s) submitted by any Bidder and its Group Business Entity(ies), either as a Single Business Entity or as a Consortium, aggregate to more than 10 MW, in such circumstances all the Bid(s) submitted by such Bidder and such Group Business Entity(ies) under this RFP would be rejected.

- 2.1.2. a. The Bidder may be a single business entity (“**Single Business Entity**”) or a group of entities (the “**Consortium**”), coming together to implement the Project. However, no Bidder applying individually or as a member of a Consortium, as the case may be, can be a member of another Consortium. The term Bidder used herein would apply to both a Single Business Entity and a Consortium.
- b. A Single Business Entity, government-owned entity and in case of Consortium, all the entities forming a Consortium, bidding for the Project, shall be a Company incorporated under the Companies Act 1956 or under an equivalent law abroad, if it is a foreign company. A Consortium shall be eligible for consideration subject to the conditions set out in Clause 2.1.16 below. Unless the context otherwise requires, the terms not defined in this RFP, but defined in the draft Power Purchase Agreement for the Project shall have the meaning assigned thereto in the draft Power Purchase Agreement.
- c. Those Bidders who were shortlisted by KREDL in the previous bidding processes for development of grid connected solar power projects in the State of Karnataka and did not comply with the terms and conditions of the Letter of Award are not eligible to participate in this bidding process.
- 2.1.3. Notwithstanding anything to the contrary contained in this RFP, the detailed terms specified in the draft Power Purchase Agreement shall have overriding effect; provided, however, that any conditions or obligations imposed on the Bidder hereunder shall continue to have effect in addition to its obligations under Power Purchase Agreement.
- 2.1.4. The Financial Bid should be furnished in electronic mode only clearly indicating the Effective Tariff. The Bidder shall, as part of its Financial Bid, submit separate Effective Tariff for each of the Project for which it is Bidding. The specimen of the Financial Bid is provided at **Appendix VI** of this RFP. The Financial Bid must clearly indicate the bid amount in Indian Rupees.

- 2.1.5. The Financial Bid shall consist of Effective Tariff to be quoted by the Bidder as per Clause 2.14. The order issued by KERC regarding the tariff for grid connected Solar PV and Solar Thermal Projects is provided in Schedule 2 of this RFP.
- 2.1.6. The Bidder shall furnish a Bid Security as per Clauses 1.2.4 and 2.20 and in accordance with the provisions of this RFP. The Bidder shall provide part of the Bid Security in the form of a Bank Guarantee acceptable to the Authority, as per format at **Appendix - IV**.
- 2.1.7. The validity period of the Bank Guarantee shall not be less than 365 (Three Hundred and Sixty Five) days from the Bid Due Date, inclusive of a claim period of 60 (sixty) days, and may be extended as may be mutually agreed between the Authority and the Bidder. The Bid shall be summarily rejected if the Bidder fails to submit the original Bank Guarantees towards Bid Security to KREDL within the date as specified in Schedule of Bidding Process. The Bid Security shall be refundable as per the Clause 2.20.3 except in the case of the Selected Bidders whose Bid Security shall be retained till they have provided a Performance Security under the Power Purchase Agreement.
- 2.1.8. The Bidder should submit a Power of Attorney as per the format at **Appendix – II**, authorising the signatory of the Bid to commit the Bidder.
- 2.1.9. In case the Bidder is a Consortium, the Members thereof should furnish a Power of Attorney in favour of the Lead Member in the format at **Appendix – III**.
- 2.1.10. Any condition or qualification or any other stipulation contained in the Bid submission shall render the Bid submission liable to rejection as a non-responsive Bid submission.
- 2.1.11. The Bid submission and all related correspondence and documents in relation to the Bidding Documents shall be in English language. Supporting documents and printed literature furnished by the Bidder with the Bid may be in any other language provided that they are accompanied by appropriate translations of the pertinent passages in the English language, duly authenticated and certified by the Bidder. Supporting materials, which are not translated into English, may not be considered. For the purpose of interpretation and evaluation of the Bid, the English language translation shall prevail.
- 2.1.12. The Bidding Documents including this RFP and all attached documents are and shall remain the property of the Authority and are transmitted to the Bidders solely for the purpose of preparation and submission of a Bid in accordance herewith. Bidders are to treat all information as strictly confidential and shall not use it for any purpose other than for preparation and submission of their Bid. The Authority will not return any Bid or any information provided along therewith.
- 2.1.13. A Bidder shall not have a conflict of interest (the “**Conflict of Interest**”) that affects the Bidding Process. Any Bidder found to have a Conflict of Interest shall be disqualified. Without limiting the generality of the above, a Bidder shall be considered to have a Conflict of Interest that affects the Bidding Process, if:
- a. such Bidder (or any constituent thereof) and any other Bidder (or any constituent thereof) have common controlling shareholders or other ownership interest; provided that this

disqualification shall not apply in cases where the direct or indirect shareholding in a Bidder or a constituent thereof in the other Bidder(s) (or any of its constituents) is less than 25% of its paid up and subscribed capital; or

- b. a constituent of such Bidder is also a constituent of another Bidder; or
- c. such Bidder has the same legal representative for purposes of this Bid as any other Bidder; or
- d. such Bidder, or any Group Business Entity thereof, has a relationship with another Bidder or any Group Business Entity thereof, directly or through common third parties, that puts them in a position to have access to each others' information about, or to influence the Bid of either or each; or
- e. such Bidder or any Group Business Entity thereof has participated as a consultant to the Authority in the preparation of any documents, design or technical specifications of the Project.

2.1.14. This RFP is not transferable.

2.1.15. Any award of Right pursuant to this RFP shall be subject to the terms of Bidding Documents.

2.1.16. Where the Bidder is a Single Business Entity, it may at its option, form an appropriate Special Purpose Vehicle under the Companies Act, 1956 (the "SPV"<sup>3</sup>) to execute the Power Purchase Agreement and implement the Project. In case foreign company bids as a Single Business Entity, it shall, prior to execution of the Power Purchase Agreement, incorporate an appropriate "SPV" to execute the Power Purchase Agreement and implement the Project. In case the Bidder is a Consortium, it shall, prior to execution of the Power Purchase Agreement, incorporate as per the terms of the RFP, an appropriate "SPV" to execute the Power Purchase Agreement and implement the Project. The Consortium in addition to forming a SPV, shall also comply with the following requirements:

- a. The number of members in a Consortium would be limited to 3 (three);
- b. The shareholding commitments of all the members of the Consortium shall be in accordance with Clause 2.3;
- c. The Bid should contain the information required for each member of the Consortium;
- d. Members of the Consortium shall nominate one member as the lead member (the "**Lead Member**") who shall have an equity share holding of at least 26% (twenty six percent) of the paid up and subscribed equity of the SPV until third anniversary of the Commercial Operation Date. The other members of the Consortium shall be termed as "**Other Members**". The nomination(s) shall be supported by a Power of Attorney, as per the format at **Appendix - III**, signed by all the members of the Consortium;
- e. Members of the Consortium shall collectively hold at least 51% of subscribed and paid up equity share capital of the SPV at all times until third anniversary of the Commercial Operations Date of the Project.

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<sup>3</sup> Bidders are responsible for timely incorporation of SPV and execution of Power Purchase Agreement.

- f. The Bid should include a brief description of the status of the Consortium members (Lead Member or Other Member), particularly with reference to equity shareholding commitment;
  - g. An individual Bidder cannot at the same time be member of a Consortium applying for qualification. Further, a member of a particular Bidder Consortium cannot be a member of any other Bidder Consortium applying for qualification;
  - h. The Parties to the Consortium should establish SPV and execute the Power Purchase Agreement in respect of the Project(s) awarded to such Consortium.
  - i. Members of the Consortium shall enter into a binding Joint Bidding Agreement (the “**Jt. Bidding Agreement**”), as per the format provided in **Appendix – V**, for the purpose of submitting Bid and should submit the same along with the Bid. The Jt. Bidding Agreement should be specific to the Project and should fulfill the requirements set out below, failing which the Bid shall be considered non-responsive. The Jt. Bidding Agreement shall, inter alia:
    - (i) convey the intent to form a SPV with shareholding/ ownership equity commitment(s) in accordance with Clause 2.3, which would enter into the Power Purchase Agreement and subsequently carry out all the responsibilities as Developer in terms of the Power Purchase Agreement, in case the Project is awarded to the Consortium;
    - (ii) clearly outline the proposed roles and responsibilities of each member at each stage;
    - (iii) commit the minimum equity stake to be held by each member; and
    - (iv) include a statement to the effect that all members of the Consortium shall under the Power Purchase Agreement, be liable jointly and severally for all obligations of the Developer in relation to the Project until the Condition Precedent of the Project is achieved in accordance with the Power Purchase Agreement.
- 2.1.17. Any entity which has been barred by the Central/ any State Government, or any entity controlled by them, from participating in any project, and the bar subsists as on the date of Bid, would not be eligible to submit a Bid, either individually or as member of a Consortium.
- 2.1.18. A Bidder/ Consortium Member should, in the last three years, have neither failed to perform on any contract, as evidenced by imposition of a penalty by an arbitral or judicial authority or a judicial pronouncement or arbitration award against the Bidder, nor been expelled from any project or contract nor have had any contract terminated for breach by such Bidder/ Consortium Member.
- 2.1.19. The following conditions shall be adhered to while submitting a Bid:
- a. Bidders should upload clearly marked and referenced continuation sheets in the event that the space provided in the prescribed forms in the Annexes to Appendices is insufficient. Alternatively, Bidders may format the prescribed forms making due provision for incorporation of the requested information;

- b. information supplied by a Bidder (or other constituent Member if the Bidder is a Consortium) must apply to the Bidder, Member or Group Business Entity named in the Bid and not, unless specifically requested, to other associated companies;
- c. Bidders should demonstrate their Eligibility Criteria in accordance with Clause 3.3 of this RFP.

2.1.20. While qualification is open to persons from any country, the following provisions shall apply:

- (a) Where, on the date of the Bid, more than 15% (fifteen percent) of the aggregate issued, subscribed and paid up equity share capital in a Bidder or its Member is held by persons resident outside India or where the Bidder or its Member is controlled by persons resident outside India; or
- (b) if at any subsequent stage after the date of the Bid, there is an acquisition of more than 15% (fifteen percent) of the aggregate issued, subscribed and paid up equity share capital or control (by persons resident outside India) in or of the Bidder or its Member;

then the qualification of such Bidder or in the event described in sub clause(b) above, the continued qualification of the Bidder shall be subject to approval of the Authority from national security and public interest perspective. The decision of the Authority in this behalf shall be final and conclusive and binding on the Bidder.

The holding or acquisition of equity or control, as above, shall include direct or indirect holding/ acquisition, including by transfer, of the direct or indirect legal or beneficial ownership or control, by persons acting for themselves or in concert and in determining such holding or acquisition, the Authority shall be guided by the principles, precedents and definitions contained in the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 1997, or any substitute thereof, as in force on the date of such acquisition.

The Bidder shall promptly inform the Authority of any change in the shareholding, as above, and failure to do so shall render the Bidder liable for disqualification from the Bidding Process.

## **2.2. Change in composition of the Consortium**

A Bidder shall not be allowed to change its composition for any of the Project(s), i.e. Single Business Entity bidding for a Project cannot bid as a Consortium for any other Project and a group of entities bidding as a Consortium for a Project cannot change its composition for any other Project. Further, where the Bidder is bidding as Consortium, the Lead Member of the Consortium shall remain same for all the Project(s).

## **2.3. Shareholding Commitments**

- 2.3.1. In case the Selected Bidder is a Consortium, Members of the Consortium shall collectively hold at least 51% of subscribed and paid up equity share capital of the SPV at all times until third anniversary of the Commercial Operations Date of the Project. Lead Member shall have 26% shareholding of the SPV until third anniversary of the Commercial Operations Date of the Project. The Bidder further acknowledges and agrees that the aforesaid obligation shall be the minimum, and shall be in addition to such other obligations as may be contained in the Power Purchase Agreement, and a breach hereof shall, notwithstanding anything to the contrary contained in the Power Purchase

Agreement, be deemed to be a breach of the Power Purchase Agreement and dealt with as such thereunder.

- 2.3.2. In case the Selected Bidder is a Single Business Entity and exercises its option to incorporate a SPV, then it shall hold at least 51% (fifty one percent) of subscribed and paid up equity share capital of the SPV, until third anniversary of the Commercial Operations Date of the Project. This condition is applicable only in case the Single Business Entity incorporates an SPV to execute the Power Purchase Agreement and implement the Project.

## **2.4. Cost of Bidding**

- 2.4.1. The Bidders shall be responsible for all of the costs associated with the preparation of their Bids and their participation in the Bidding Process. The Authority will not be responsible or in any way liable for such costs, regardless of the conduct or outcome of the Bidding Process.

## **2.5. Verification of information**

- 2.5.1. It shall be deemed that by submitting a Bid, the Bidder has:

- a. made a complete and careful examination of the Bidding Documents;
- b. received all relevant information requested from the Authority;
- c. acknowledged and accepted the risk of inadequacy, error or mistake in the information provided in the Bidding Documents;
- d. satisfied itself about all matters, things and information necessary and required for submitting an informed Bid, execution of the Project in accordance with the Bidding Documents and performance of all of its obligations thereunder;
- e. acknowledged and agreed that inadequacy, lack of completeness or incorrectness of information provided in the Bidding Documents shall not be a basis for any claim for compensation, damages, extension of time for performance of its obligations, loss of profits etc. from the Authority, or a ground for termination of the Power Purchase Agreement; and
- f. agreed to be bound by the undertakings provided by it under and in terms hereof.

- 2.5.2. The Authority shall not be liable for any omission, mistake or error on the part of the Bidder in respect of any of the above or on account of any matter or thing arising out of or concerning or relating to RFP, the Bidding Documents or the Bidding Process, including any error or mistake therein or in any information or data given by the Authority.

## **2.6. Right to accept and to reject any or all Bids**

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

2.6.2. The Authority reserves the right to reject any Bid if:

- a. at any time, a material misrepresentation is made or uncovered, or
- b. the Bidder does not provide, within the time specified by the Authority, the supplemental information sought by the Authority for evaluation of the Bid.

Such misrepresentation/improper response shall lead to the disqualification of the Bidder. If the Bidder is a Consortium, then the entire Consortium shall be disqualified/rejected. If such disqualification/rejection occurs after the Bids have been opened and one of the Selected Bidder gets disqualified/ rejected, then the Authority reserves the right to:

- (i) invite the remaining Bidders in accordance with Clause 3.4; or
- (ii) take any such measure as may be deemed fit in the sole discretion of the Authority, including annulment of the Bidding Process.

2.6.3. In case it is found at any time before signing of the Power Purchase Agreement or after its execution and during the period of subsistence thereof, including the Right thereby granted by the Authority, that one or more of the qualification conditions have not been met by the Bidder or the Bidder has made material misrepresentation or has given any materially incorrect or false information, the Bidder shall be disqualified forthwith if not yet appointed as the Developer either by issue of the LOA or entering into the Power Purchase Agreement, and if the Bidder has already been issued the LOA or has entered into the Power Purchase Agreement, as the case may be, the same shall, notwithstanding anything to the contrary contained therein or in this RFP, be liable to be terminated, by a communication in writing by the Authority to the Bidder, without the Authority being liable in any manner whatsoever to the Bidder or Developer, as the case may be. In such an event, the Authority shall forfeit and appropriate the Bid Security or Performance Security, as the case may be, as genuine compensation and damages payable to the Authority for, inter alia, time, cost and effort of the Authority, without prejudice to any other right or remedy that may be available to the Authority.

The Authority reserves the right to verify all statements, information and documents submitted by the Bidder in response to the RFP. Failure of the Authority to undertake such verification shall not relieve the Bidder of its obligations or liabilities hereunder nor will it affect any right of the Authority thereunder.

## **B. DOCUMENTS**

### **2.7. Contents of the RFP**

2.7.1. This RFP comprises the Disclaimer set forth hereinabove, the contents as listed below, and will additionally include any Addenda issued in accordance with Clause 2.9.

#### **a. Instructions to Bidders (Volume I)**

- Section 1. Introduction
- Section 2. Terms of Bidding
- Section 3. Evaluation of Bids
- Section 4. Fraud and Corrupt Practices
- Section 5. Pre-Bid Conference
- Section 6. Miscellaneous

#### **Appendices**

##### **Appendix I- Letter of Bid**

##### Annexes to Appendix I

Annex I - Details of Bidder

Annex II- Undertaking for Technical Capacity

Annex III - Financial Capacity of the Bidder

Annex IIIA - Format for certificate from Statutory Auditor/Independent Auditor for Financial Capacity

Annex IV-Format for certificate from Statutory Auditor/Independent Auditor for Group Business Entity

Annex V -Statement of Legal Capacity

Annex VI – Anti Collusion Certificate

Annex VII – Anti Blacklisting Affidavit

Annex VIII – Declaration of Shareholding Pattern of the Bidder

Annex IX – Information furnished by the Bidder in MS Excel format

##### **Appendix II - Power of Attorney for signing of Bid**

##### **Appendix III - Power of Attorney for Lead Member of Consortium**

##### **Appendix IV - Format for Bank Guarantee for Bid Security**

##### **Appendix V - Joint Bidding Agreement (Applicable in case of Consortium)**

##### **Appendix VI - Specimen for Financial Bid**

Schedule -1 A – Technical Standards Requirement in case of Solar Thermal Project

Schedule -1 B- Technical Standards Requirement in case of Solar PV Project

Schedule -2- Solar Tariff Order issued by KERC

#### **b. Draft Power Purchase Agreement (Volume II)**

The draft Power Purchase Agreement provided by the Authority as part of the Bid Documents shall be deemed to part of this RFP.

## **2.8. Clarifications**

- 2.8.1. Bidders requiring any clarification on the RFP may notify the Authority in writing to the address provided in Clause 2.11.5. They should send in their queries on or before the date mentioned in the Schedule of Bidding Process specified in Clause 1.3. The Authority shall endeavour to respond to the queries within 7 (seven) days prior to the Bid Due Date. The responses will be published in the Authority's Website [www.kredlinfo.in](http://www.kredlinfo.in) as well as in the E-Procurement Website without identifying the source of queries.
- 2.8.2. The Authority shall endeavour to respond to the queries raised or clarifications sought by the Bidders. However, the Authority reserves the right not to respond to any question or provide any clarification, in its sole discretion, and nothing in this Clause 2.8.2 shall be taken or read as compelling or requiring the Authority to respond to any question or to provide any clarification.
- 2.8.3. The Authority may also on its own motion, if deemed necessary, issue interpretations and clarifications to all Bidders through E-Procurement Website as well the Authority's Website [www.kredlinfo.in](http://www.kredlinfo.in). All clarifications and interpretations issued by the Authority shall be deemed to be part of the Bidding Documents. Verbal clarifications and information given by Authority or its employees or representatives shall not in any way or manner be binding on the Authority.

## **2.9. Amendment of RFP**

- 2.9.1. At any time prior to the Bid Due Date, the Authority may, for any reason, whether at its own initiative or in response to clarifications requested by a Bidder, modify the RFP by the issuance of Addenda.
- 2.9.2. Any Addendum thus issued will be published in E-Procurement Website as well on the website of the Authority; [www.kredlinfo.in](http://www.kredlinfo.in). The published details on the said sources will be binding on the participating Bidders.
- 2.9.3. In order to afford the Bidders a reasonable time for taking an Addendum into account, or for any other reason, the Authority may, at its own discretion, extend the Bid Due Date and/or Due Date. Information about extension of the deadline will be published in E-Procurement Website as well on the website of the Authority; [www.kredlinfo.in](http://www.kredlinfo.in) vide corrigendum.

## **C. PREPARATION AND SUBMISSION OF BIDS**

### **2.10. Format and Signing of Bid**

- 2.10.1. The Bidder shall provide all the information sought under this RFP in electronic mode. The Authority will evaluate only those Bids that are received in the required formats and complete in all respects. Incomplete and /or conditional Bids shall be liable to rejection.
- 2.10.2. All the documents of the Bid sought under this RFP shall be typed or written in indelible ink and signed by the authorised signatory of the Bidder who shall also initial each page in blue ink. In case of printed and published documents, only the cover shall be initialed. All the alterations, omissions,

additions or any other amendments made to the Bid shall be initialed by the person(s) signing the Bid. The Bid shall contain page numbers.

2.10.3. All documents of the Bids submitted in electronic mode under this RFP shall be uploaded on E-Procurement Website: [www.eproc.karnataka.gov.in](http://www.eproc.karnataka.gov.in) using digital signature.

## 2.11. Submission of Bid

2.11.1. The Bidder shall submit the Bid(s) in the form specified in Clause 2.11.2.

2.11.2. The Bidder shall submit following documents in the electronic mode using their digital signatures in the correct slots in E-Procurement Website. The documents accompanying the Bid(s) submission shall include.

### “Key Submissions”

- a. Scanned copy of the Demand Draft of Rs. 10,000/- (Rupees Ten Thousand only) towards the cost of the RFP Document (non-refundable) and scanned copy of the Demand Draft of Rs. 1,10,000 (Rupees One Lakh Ten Thousand only) per MW of the capacity for which the respective Bids were submitted towards the processing fee. The Demand Drafts shall be from a Nationalized Bank or a Scheduled Bank<sup>4</sup> in India drawn in favour of “Managing Director, Karnataka Renewable Energy Development Limited”.
- b. Scanned copy of the Letter of Bid in the prescribed format provided in **Appendix - I** along with Annexes and supporting documents;
- c. Scanned copy of the Power of Attorney for signing of Bid in the prescribed format (**Appendix – II**);
- d. If applicable, the scanned copy of Power of Attorney for Lead Member of Consortium in the prescribed format (**Appendix – III**);
- e. Scanned copy of the part of Bid Security as Bank Guarantee in the prescribed format (**Appendix - IV**). Apart from this the Bidder shall also submit the remaining part of the Bid Security in the manner provided in Clause 1.2.4;
- f. Scanned copy of Certificate of Incorporation and a copy of Memorandum and Articles of Association of the Bidder;
- g. In case the Bidder is bidding for Solar Thermal Project, scanned copy of the documentary evidence in the form of approval from the Irrigation Department, Government of Karnataka in case the water is proposed to be used from irrigation sources;
- h. If applicable, scanned copy of the certificate from the Statutory Auditor/ Independent Auditor for Group Business Entity (format provided as Annex IV of Appendix I);

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<sup>4</sup> excluding Co-operative Banks

- i. Copies of Bidder's or each Consortium Member's duly audited annual reports and financial statements (balance sheets and profit and loss account) for the financial year 2012-13.
- j. In case the Bidder is bidding for Solar Thermal Project, copy of the documentary evidence in the form of approval from the Irrigation Department, Government of Karnataka in case the water is proposed to be used from irrigation sources;
- k. Scanned copy of the Jt. Bidding Agreement, in case of a Consortium in the format provided in "**Appendix V**";
- l. Scanned copy of the Anti Collusion Certificate in the format provided in Annex VI of Appendix -I;
- m. Scanned copy of the Anti Blacklisting Affidavit in the format provided in Annex VII of Appendix -I; and
- n. A copy of the draft Power Purchase Agreement with each page **initialed** by the person signing the Bid in pursuance of the Power of Attorney's referred to in sub-clause (b) and sub-clause (c) hereinabove. No change whatsoever to the financial and commercial conditions will be made after accepting the Bid.

2.11.3. The Financial Bid of the Bidder shall be submitted only through E-Procurement Website. Specimen of the Financial Bid is provided at **Appendix – VI**.

2.11.4. The Demand Draft/Bank Guarantee shall be submitted prior to Due Date as set out in Clause 1.3. These documents shall be placed in an envelope and sealed and marked as "**Bid for Development of Solar Power Projects in the State of Karnataka**".

2.11.5. The envelopes shall be addressed to:

ATTN. OF:	Managing Director
ADDRESS:	Karnataka Renewable Energy Development Ltd. No.39, "Shanthigruha" Bharath Scots & Guides Building, Palace Road. Bangalore-560 001

2.11.6. If the envelopes are not sealed and marked as instructed above, Authority assumes no responsibility for the misplacement or premature opening of the contents of the Bid submitted and consequent losses, if any, suffered by the Bidder.

## **2.12. Bid Due Date and Due Date**

2.12.1. Bids through electronic mode in E-Procurement Website should be submitted up to the Bid Due Date in the manner and form as detailed in this RFP. The demand drafts towards cost of the RFP document and the processing fee and the original Bank Guarantee towards Bid Security should be submitted up to the due date ("**Due Date**") and not earlier than the Bid Due Date, as per the Schedule of

Bidding Process provided in Clause 1.3, at the address provided in Clause 2.11.5 in the manner and form as detailed in this RFP and an acknowledgement / proof of delivery shall be obtained.

- 2.12.2. The Authority may, in its sole discretion, extend the Bid Due Date and/or Due Date for hard copy submission of the Original Bank Guarantee towards Bid Security by issuing an Addendum in accordance with Clause 2.9 uniformly for all Bidders.
- 2.12.3. The Authority reserves the right to seek original documents for verification of any of the documents or any other additional documents upon opening of the Bidding Documents.

### **2.13. Late Bids**

Bids received by KREDL after the specified time on the Bid Due Date and/or Due Date for submission of Demand Draft towards cost of RFP and Original Bank Guarantee towards Bid Security shall not be eligible for consideration and shall be summarily rejected.

### **2.14. Financial Bid**

- 2.14.1. The Financial Bid submission shall be submitted only electronically on the e-procurement website and furnished in the format at Appendix – VI.
- 2.14.2. The Financial Bid shall consist of Effective Tariff to be quoted by the Bidder. The Effective Tariff shall be payable by the ESCOM to the Developer in accordance with this RFP and the provisions of the Power Purchase Agreement.
- 2.14.3. The Project will be awarded to the Bidders on the basis of lowest Effective Tariff in ascending order in accordance with the procedure described in the Clause 3.4.
- 2.14.4. The opening of Bids and acceptance thereof shall be substantially in accordance with this RFP.

### **2.15. Withdrawal of Bids**

- 2.15.1. The Bidder may withdraw its Bid after submission of the Bids electronically prior to Bid Due Date. No Bid can be withdrawn by the Bidder after the Bid Due Date.
- 2.15.2. Any alteration/ modification in the Bid or additional information supplied subsequent to the Bid Due Date or Due Date, as the case may be, unless the same has been expressly sought for by Authority, shall be disregarded.
- 2.15.3. No Bid may be withdrawn during the period after Bid Due Date or Due Date, as the case may be and during Bid Validity Period. Withdrawal of a Bid during this period may result in the forfeiture of its Bid security, pursuant to Clause 2.20.5.

### **2.16. Rejection of Bids**

- 2.16.1. The Authority reserves the right to accept or reject all or any of the Bids without assigning any reason whatsoever. It is not obligatory for the Authority to accept any Bid or to give any reasons for their decision.
- 2.16.2. The Authority reserves the right not to proceed with the Bidding Process at any time, without notice or liability, and to reject any Bid without assigning any reasons.

## **2.17. Validity of Bids**

The Bids shall be valid for a period of not less than 365 (Three Hundred and Sixty Five) days from the Bid Due Date (the “**Bid Validity Period**”). The Bid Validity Period may be extended by mutual consent of the respective Bidders and the Authority.

## **2.18. Confidentiality**

Information relating to the examination, clarification, evaluation and recommendation for the Bidders 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 Bidding Process. The Authority will treat all information, submitted as part of the Bid, 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.

## **2.19. Correspondence with the Bidder**

The Authority shall not entertain any correspondence with any Bidder in relation to acceptance or rejection of any Bid.

## **D. BID SECURITY**

### **2.20. Bid Security**

- 2.20.1. The part of Bid Security to be submitted in the form of a bank guarantee referred in Clause 1.2.4 hereinabove shall be issued by a Nationalized Bank, or a Scheduled Bank<sup>5</sup> in India, in favour of “Managing Director, Karnataka Renewable Energy Development Limited” in the format at Appendix IV (the “Bank Guarantee”) and having a validity period of not less than 365 (Three Hundred and Sixty Five) days from the Bid Due Date, inclusive of a claim period of 60 (sixty) days and may be extended by the Bidder from time to time. In case the Bank Guarantee is issued by a foreign bank outside India, confirmation of the same by any nationalized bank in India is required. For the avoidance of doubt, Scheduled Bank shall mean a bank as defined under Section 2(e) of the Reserve Bank of India Act, 1934.
- 2.20.2. Any Bid not accompanied by the Bid Security shall be rejected by the Authority as non responsive.

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<sup>5</sup> Excluding Co-operative Banks

- 2.20.3. Save and except as provided in Clause 1.2.4, the Bid Security of unsuccessful Bidders will be returned by the Authority, without any interest, as promptly as possible on acceptance of the Bid of the Selected Bidder and successful completion of the Bidding Process or when the Bidding process is cancelled by the Authority. With respect to Bid Security paid through e-payment, the refund shall be made through electronic transfer. The Bidders shall furnish the information regarding RTGS, Account number etc details as may be required by KREDL.
- 2.20.4. The Selected Bidder's Bid Security will be returned, without any interest, upon the Bidder signing the Power Purchase Agreement and furnishing the Performance Security in accordance with the provisions thereof.
- 2.20.5. The Authority shall be entitled to forfeit and appropriate the Bid Security as genuine compensation / damages to the Authority in any of the events specified in Clause 2.21.6 herein below. The Bidder, by submitting its Bid pursuant to this RFP, shall be deemed to have acknowledged and confirmed that the Authority will suffer loss and damage on account of withdrawal of its Bid or for any other default by the Bidder during the Bid Validity Period. No relaxation of any kind on Bid Security shall be given to any Bidder.
- 2.20.6. The Bid Security shall be forfeited and appropriated by the Authority as genuine compensation and damages payable to the Authority for, inter alia, time, cost and effort of the Authority without prejudice to any other right or remedy that may be available to the Authority hereunder or otherwise, under the following conditions:
- I. If a Bidder engages in a corrupt practice, fraudulent practice, coercive practice, undesirable practice or restrictive practice as specified in Section 4 of this RFP;
  - II. If a Bidder withdraws its Bid after opening of the Financial Bid during the period of Bid validity as specified in this RFP and as extended by the Bidder from time to time;
  - III. In case the Bidder fails to acknowledge the Letter of Award and/or Allotment Letter, and fails to fulfil conditions of the Letter of Award and/or Allotment Letter.
  - IV. In the case of Selected Bidder, if it fails within the specified time limit -
    - i) to sign the Power Purchase Agreement and/or
    - ii) to furnish the Performance Security

### 3. EVALUATION OF BIDS

#### 3.1. Opening and Evaluation of Bids

- 3.1.1. The Authority shall open the Bids as per the Schedule of Bidding process specified in Clause 1.3, at the place specified in Clause 2.11.5 and in the presence of the Bidders who choose to attend.
- 3.1.2. The Authority will examine and evaluate the Bids in the manner set out in Clause 1.2.4 (B) and in accordance with the provisions set out in this Section 2.
- 3.1.3. To facilitate evaluation of Bids, the Authority may, at its sole discretion, seek clarifications in writing from any Bidder regarding its Bid.
- 3.1.4. Any information contained in the Bid shall not in anyway be construed as binding on the Authority, its agents, successors or assigns, but shall be binding against the Bidder if the Project is subsequently awarded to it under the Bidding Process on the basis of such information.
- 3.1.5. The Authority reserves the right not to proceed with the Bidding Process at any time without notice or liability and to reject any Bid without assigning any reasons.

#### 3.2. Tests of responsiveness

- 3.2.1. Prior to evaluation of Bids, the Authority shall determine whether each Bid is responsive to the requirements of RFP. A Bid shall be considered responsive only if:
  - a. it is received as per the format at Appendix – I to Appendix VI along with its Annexes;
  - b. it is received by the Bid Due Date and/or the Due Date including any extension thereof pursuant to Clause 2.12;
  - c. it is submitted electronically on the E-Procurement Website in the manner stipulated in Clause 2.11.2;
  - d. it is signed and submitted as stipulated in Clause 2.10;
  - e. copy of Certificate of Incorporation and a Copy of Memorandum and Articles of Association of the Bidder;
  - f. Copies of Bidder's or each Consortium Member's duly audited annual reports and financial statements (balance sheets and profit and loss account) for the financial year 2012-13.;
  - g. it contains all the information (complete in all respects) as requested in this RFP and/or Bidding Documents (in formats same as those specified);
  - h. it provides information in reasonable detail. ("Reasonable Detail" means that, but for minor deviations, non material non – conformities, the information can be reviewed and evaluated by Authority without communication with the Bidder). Authority reserves the right to determine whether the information has been provided in reasonable detail;
  - i. In case the Bidder is bidding for Solar Thermal Project, it is accompanied by documentary evidence in the form of approval from the Irrigation Department, Government of Karnataka in case the water is proposed to be used from irrigation sources.
  - j. A copy of the draft Power Purchase Agreement with each page initialled by the person signing

the Bid in pursuance of the Power of Attorney's referred to in sub-clause (b) and sub-clause (c) hereinabove. No change whatsoever to the financial and commercial conditions will be made after accepting the Bid;

- k. it does not contain any condition or qualification; and
- l. it is not non-responsive in terms hereof.

3.2.2. The Authority reserves the right to reject any Bid which is non-responsive and no request for alteration, modification, substitution or withdrawal shall be entertained by the Authority in respect of such Bid.

### **3.3. Evaluation of Eligibility Criteria**

3.3.1. Only those Bidders whose Bids are responsive in accordance with provisions of Clause 3.2.1 above shall be considered for evaluation under this Section 3.

3.3.2. The Bidders' competence and capacity is proposed to be established by following parameters:

- I. Technical Capacity; and
- II. Financial Capacity.

#### **(a) Technical Capacity**

The Bidder shall deploy commercially established technology wherein there is at least one project successfully operational of the proposed technology, for at least one year, anywhere in the world ("**Technical Capacity**"). The Bidder is required to undertake to furnish evidence of meeting the Technical Capacity in line with the provision of Clause 3.7. The Bidders must provide an undertaking for fulfilment of Technical Capacity in the format provided in Annex-II of Appendix – I.

The Bidder shall provide following technology for Solar Thermal or Solar PV Project, as the case may be, which is approved as per the Ministry of New and Renewable Energy, Government of India (MNRE) or any other technology approved by MNRE prior to Bid Due Date.

#### **In case of Solar Thermal Project**

Solar Power (CSP) technology, such as,

- a. Parabolic Trough Collectors,
- b. Solar Dish Stirling (or any other prime mover),
- c. Linear Fresnel Reflector,
- d. Central Tower with heliostats

or their any other combination could be used.

#### **In case of Solar PV Project**

- |   |           |
|---|-----------|
| a. Crystalline Silicon Solar Cell Modules | IEC 61215 |
| b. Thin Film Modules                      | IEC 61646 |
| c. Concentrator PV modules                | IEC 62108 |

In case the technology proposed is not as per the approved list of technologies by MNRE, a Certificate from Electronics Test and Development Centre (ETDC) Bangalore, shall be allowed which shall certify the following:

- a. Technology
- b. Energy Produced per hour/square feet
- c. Period for which it is operational
- d. Proof of existing Project

**(b) Financial Capacity:**

The Bidder shall have a minimum net worth equivalent of Rs. 2 crore (Rupees Two crore) or equivalent US\$ per MW of the proposed capacity (the “**Financial Capacity**”) as on March 31, 2013 or March 31, 2014 for companies incorporated after March 31, 2013.

The Bidder shall submit a certificate as provided in Annex-III A along with the audited annual accounts for the financial year 2012-13 or 2013-14<sup>6</sup>.

In case of a Consortium, for the computation of Financial Capacity, the net worth of all the members of the Consortium would be aggregated. In computing the net worth of the Single Business Entity/ Consortium Members, the net worth of their respective Group Business Entities would also be eligible hereunder.

In case a Bidder is found not having the minimum Financial Capacity for the Project(s) for which the Bid(s) have been submitted, the Authority shall have the right to reject such Bid(s).

For the purpose of ascertaining qualification, Financial Capacity of group business entity (“**Group Business Entities**”) can also be submitted by the Bidder in addition to its own Financial Capacity. The Financial Capacity would be summation of the Financial Capacity of the Bidder and the Group Business Entities. For the purpose of this RFP, a Group Business Entity shall mean;

- (a) A Business Entity, which directly or indirectly holds not less than 26% of voting securities in the Bidder; or
- (b) A Business Entity in which the Bidder directly or indirectly holds not less than 26% of voting securities.

The Group Business Entity shall be a Company incorporated under the Companies Act 1956 or under an equivalent law abroad, if it is a foreign company.

The details of Group Business Entities must also be provided as per Annex-I of the RFP.

### **3.4. Selection of Bidder**

3.4.1. The Financial Bid of the Bidders adjudged as responsive in terms of Clause 3.2.1, and who meet the Eligibility Criteria shall be opened.

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<sup>6</sup> Only for companies incorporated after March 31, 2013

- 3.4.2. All the Financial Bids received for the Projects would be opened in no specific order and the Effective Tariff to be paid by ESCOMS under each of the Bids would be determined. The Bids offering the lowest Effective Tariff payable by ESCOMS will be selected first and so on till the aggregate capacity of 50 MW is reached (the “**Selected Bidders**”). Where the Effective Tariff offered by two or more Bidders are same, then the Bidder proposing higher capacity would be given priority in the selection. In the event where two or more Bidders have same Effective Tariff and have offered the same capacity, the Authority shall by draw of lots, which shall be conducted, with prior notice, in the presence of the tie Bidders who choose to attend, select the priority of Bidder for selection.
- 3.4.3. In case the capacity of the last Project selected is higher than the capacity required for meeting the aggregate capacity of 50 MW for the Project, then the capacity to be awarded to the Bidder of the last Project shall be the residual capacity.

*Illustration: If the aggregate capacity of the Projects selected reaches 50 MW, then the residual capacity is 5MW. If the proposed capacity of the Project offering the next lowest Effective Tariff is 10 MW, such Bidder will be awarded 5 MW for development of Project at the same Discount in Tariff offered in its Bid.*

Where the residual capacity offered to the Bidder quoting the Effective Tariff for the last Project is lesser than the capacity offered by it, than such Bidder may refuse to undertake the residual capacity without forfeiting its Bid Security. In such event, the Authority may offer the residual capacity to the Bidder which has offered the lowest Effective Tariff of all the Bidders and so on till any Bidder in order of lowest Effective Tariff is willing to take up the residual capacity.

In the process of offering the residual capacity, if two or more Bidders have the same Effective Tariff, then the Bidder proposing higher capacity would be given priority in accepting the residual capacity. In the event where two or more Bidders have same Effective Tariff and have offered same capacity, the Authority shall offer the residual capacity by draw of lots, which shall be conducted, with prior notice, in the presence of the tie Bidders who choose to attend.

- 3.4.4. In the event that the Selected Bidder(s) withdraws or is not selected for any reason in the first instance, the Authority may shortlist the remaining Bidders in the order of lowest Effective Tariff, in order to meet the total aggregate capacity of 50 MW.
- 3.4.5. In the event that the remaining Bidders want to withdraw from the process, the Authority may, in its discretion annul the Bidding Process.
- 3.4.6. After selection, a Letter of Award (the “**LOA**”), shall be issued, by the Authority to the Selected Bidders and the Selected Bidders shall acknowledge receipt of LOA within 7 (seven) days of such receipt of LOA. In the event of non-acknowledgement of the LOA by the Selected Bidders within the stipulated date, the Authority may, unless it consents to extension of time for submission thereof, appropriate the Bid Security of such Bidder as genuine loss and damage suffered by the Authority on account of failure of the Selected Bidder to acknowledge the LOA. The Authority may indicate the name of ESCOM with which the Selected Bidder is required to enter into a Power Purchase Agreement. Where, this information about the ESCOM is not provided in LOA, the Authority shall

issue an allotment letter (the “Allotment Letter”), informing the name of ESCOM with which the Selected Bidder is required to enter into a Power Purchase Agreement. The procedure for acknowledgement of LOA and the consequence of failure thereof shall *mutatis mutandis* applicable for Allotment Letter.

- 3.4.7. After acknowledgement of the LOA or the Allotment Letter, as the case may be, the Selected Bidder shall execute the Power Purchase Agreement within 30 (thirty) days of such acknowledgement and within the aforementioned period, shall furnish to the Authority details about the SPV incorporated for the purpose of signing the Power Purchase Agreement. The Selected Bidder shall not be entitled to seek any deviation in the Power Purchase Agreement.
- 3.4.8. Failure of the Selected Bidder to comply with the requirements of Clause 3.4.6 shall constitute sufficient grounds for the annulment of the LOA and/or the Allotment Letter, as the case may be, and forfeiture of the Bid Security. In such an event, the Authority reserves the right to take any such measure as may be deemed fit in the sole discretion of the Authority.

The processing fee submitted by the remaining Bidders shall be returned along with the Bid Security on successful completion of the Bidding Process or when the Bidding Process is cancelled by the Authority.

### **3.5. Contacts during Bid Evaluation**

Bids shall be deemed to be under consideration from the time immediately after they are opened until such time the Authority makes official intimation of award/ rejection to the Bidders. While the Bids are under consideration, Bidders and/ or their representatives or other interested parties are advised to refrain from contacting by any means, the Authority and/or their employees/ representatives on matters related to the Bids under consideration.

### **3.6. Financial Close**

The Selected Bidder shall within 270 (Two Hundred and Seventy) days from the date of signing of the Power Purchase Agreement shall

- i. Achieve Financial Closure
- ii. furnish documentary evidence that the requisite technical criteria has been fulfilled as per the format provided in Schedule 1A in case of Solar PV Projects and Schedule 1B in case of Solar Thermal Projects and
- iii. Documentary evidence for the required land for project development as per the details set out in Appendix – I Annex- II.

### **3.7. Sharing of Clean Development Mechanism (CDM) Benefits**

The Project shall be compatible to CDM claims and all such CDM claims shall be reported to the Authority periodically. The proceeds of carbon credit from approved CDM project shall be shared between Developer and concerned ESCOM in the following manner:

- a. 100% of the gross proceeds on account of CDM benefit to be retained by the Developer in the year after the date of commercial operation of the generating station
- b. In the second year, the share of the concerned ESCOM shall be 10% which shall be progressively increased by 10% every year till it reaches 50%, where after the proceeds shall be shared in equal proportion, by the Developer and concerned ESCOM.

### 3.8. Commission of Project

The commercial operation date ("**Commercial Operations Date**" / "**COD**") for the Project shall be achieved by the Developer within 18 (eighteen)/30 (thirty)<sup>7</sup> months from the date of signing of the Power Purchase Agreement.

Failure to achieve the said milestone the following provision would apply.

ESCOM shall encash and invoke the Performance Security in the following manner: -

Delay upto one month	20% of the total Performance Security
Delay of more than one month and upto two months	40% of the total Performance Security
Delay of more than two months and up to three months	40% of the Performance Security

In case the achievement of COD is delayed beyond 3 (three) months, the Developer shall pay to ESCOM the Liquidated Damages (LD) in a sum calculated at the rate of Rs. 50,000 (Rupees Fifty Thousand Only)/ MW per day of delay and the same payable in weekly basis. The maximum time period allowed for achieving COD with encashment of Performance Security and payment of Liquidated Damages shall be limited to 24 (twenty four) / 34 (thirty four)<sup>8</sup> months from the date of signing of PPA. In case of delay beyond 24 (twenty four) / 34 (thirty four)<sup>9</sup> from the date of signing PPA would amount to termination of Power Purchase Agreement.

### 3.9. Performance Security

- 3.9.1. Performance Security shall be submitted by the Selected Bidder in favour of the concerned ESCOM in the form of Bank Guarantee. The Performance Security shall be valid for a period of 12 (twelve) months from Scheduled Commissioning Date. The Performance Security shall be calculated at the rate of 10% of the estimated project cost. The estimated project cost shall be calculated as indicated below:

Estimated Project Cost = Capital Cost/MW × Proposed Capacity in MW

<sup>7</sup> 18 months in case of Solar PV and 30 months in case of Solar Thermal

<sup>8</sup> 24 months in case of Solar PV and 34 months in case of Solar Thermal

<sup>9</sup> 24 months in case of Solar PV and 34 months in case of Solar Thermal

Capital Cost/MW as per the KERC Tariff Order dated October 10, 2013 is:

Solar PV – Rs. 8.30 Crores/MW

Solar Thermal – Rs. 12.00 Crores/MW

**Illustration:**

If a Bidder is proposing to develop a 5 MW Solar PV power plant the corresponding estimated project cost would be

Estimated Project Cost = Rs. 41.50 Crores (5×8.3)

In this case, the amount of Performance Security to be provided by the Bidder shall be calculated as follows:

Performance Security = 10%×41.50 =Rs. 4.15 Crores.

i.e., Rs. 0.415 crore per MW.

- 3.9.2. At the time of signing of Power Purchase Agreement the Bidder shall submit three bank guarantees towards the Performance Security and the same shall be submitted in the ratio of 20%, 40% & 40%. (Example - If total Performance Security value is Rs.4, 00,00,000/- (Rupees Four Crores), then three bank guarantees of value Rs.0.80 crores, Rs.1.60 crores & Rs.1.60 crores are to be submitted). The bank guarantees shall be procured by the Bidder from a single bank.

#### 4 FRAUD AND CORRUPT PRACTICES

- 4.1 The Bidders and their respective officers, employees, agents and advisers shall observe the highest standard of ethics during the Bidding Process and subsequent to the issue of the LOA and during the subsistence of the Power Purchase Agreement. Notwithstanding anything to the contrary contained herein, or in the LOA or the Power Purchase Agreement, the Authority shall reject a Bid or withdraw the LOA, as the case may be, without being liable in any manner whatsoever to the Bidder if it determines that the Bidder has directly or indirectly or through an agent, engaged in corrupt practice, fraudulent practice, coercive practice, undesirable practice or restrictive practice in the Bidding Process. In such an event, the Authority shall forfeit and appropriate the Bid Security as genuine compensation and damages payable to the Authority towards, inter alia, time, cost and effort of the Authority, without prejudice to any other right or remedy that may be available to the Authority hereunder or otherwise.
- 4.2 Without prejudice to the right of the Authority under Clause 4.1 hereinabove and the right and remedies which the Authority may have under the LOA, if a Bidder is found by the Authority to have directly or indirectly or through an agent, engaged or indulged in any corrupt practice, fraudulent practice, coercive practice, undesirable practice or restrictive practice during the Bidding Process, or after the issue of the LOA or the execution of the Power Purchase Agreement, such Bidder or Developer shall not be eligible to participate in any tender or RFP issued by the Authority during a period of 2 (two) years from the date such Bidder or Developer, as the case may be, is found by the Authority to have directly or indirectly or through an agent, engaged or indulged in any corrupt practice, fraudulent practice, coercive practice, undesirable practice or restrictive practices, as the case may be.
- 4.3 For the purposes of this Article 4, the following terms shall have the meaning hereinafter respectively assigned to them:
- a. **“corrupt practice”** means (i) the offering, giving, receiving, or soliciting, directly or indirectly, of anything of value to influence the actions of any person connected with the Bidding Process (for avoidance of doubt, offering of employment to or employing or engaging in any manner whatsoever, directly or indirectly, any official of the Authority who is or has been associated in any manner, directly or indirectly with the Bidding Process or the LOA or has dealt with matters concerning the Power Purchase Agreement or arising therefrom, before or after the execution thereof, at any time prior to the expiry of one year from the date such official resigns or retires from or otherwise ceases to be in the service of the Authority, shall be deemed to constitute influencing the actions of a person connected with the Bidding Process); or (ii) engaging in any manner whatsoever, whether during the Bidding Process or after the issue of the LOA or after the execution of the Power Purchase Agreement, as the case may be, any person in respect of any matter relating to the Project or the LOA or the Power Purchase Agreement, who at any time has been or is a legal, financial or technical adviser of the Authority in relation to any matter concerning the Project;
  - b. **“fraudulent practice”** means a misrepresentation or omission of facts or suppression of facts or disclosure of incomplete facts, in order to influence the Bidding Process ;

- c. “**coercive practice**” means impairing or harming, or threatening to impair or harm, directly or indirectly, any person or property to influence any person’s participation or action in the Bidding Process;
- d. “**undesirable practice**” means (i) establishing contact with any person connected with or employed or engaged by the Authority with the objective of canvassing, lobbying or in any manner influencing or attempting to influence the Bidding Process; or (ii) having a Conflict of Interest; and
- e. “**restrictive practice**” means forming a cartel or arriving at any understanding or arrangement among Bidders with the objective of restricting or manipulating a full and fair competition in the Bidding Process.

## **5 PRE-BID CONFERENCE**

- 5.1 A pre-bid conference of the Bidders shall be convened at the designated date, time and place as mentioned in Clause 1.3. A maximum of three representatives of each Bidder shall be allowed to participate.
- 5.2 During the course of the pre-bid conference, the Bidders will be free to seek clarifications for consideration of the Authority. The Authority shall endeavour to provide clarifications and such further information as it may, in its sole discretion, consider appropriate for facilitating a fair, transparent and competitive Bidding Process. Further, a presentation, to inform the Bidders on submission of Bids on E-Procurement platform would also be arranged by the Authority during the Pre-Bid Conference.

## 6 MISCELLANEOUS

- 6.1 The Bidding Process shall be governed by, and construed in accordance with, the laws of India and the Courts at Bangalore shall have exclusive jurisdiction over all disputes arising under, pursuant to and/ or in connection with the Bidding Process.
- 6.2 The Authority, in its sole discretion and without incurring any obligation or liability, reserves the right, at any time, to;
- a. suspend and/ or cancel the Bidding Process and/ or amend and/ or supplement the Bidding Process or modify the dates or other terms and conditions relating thereto;
  - b. consult with any Bidder in order to receive clarification or further information;
  - c. retain any information and/ or evidence submitted to the Authority by, on behalf of, and/ or in relation to any Bidder; and/ or
  - d. independently verify, disqualify, reject and/ or accept any and all submissions or other information and/ or evidence submitted by or on behalf of any Bidder.
- 6.3 It shall be deemed that by submitting the Bid, the Bidder agrees and releases the Authority, its employees, agents and advisers, irrevocably, unconditionally, fully and finally from any and all liability for claims, losses, damages, costs, expenses or liabilities in any way related to or arising from the exercise of any right and/ or performance of any obligations hereunder, pursuant hereto and/ or in connection herewith and waives any and all right and/ or claims it may have in this respect, whether actual or contingent, whether present or future.

**APPENDIX – I**  
**Letter of Bid**  
(On the Letterhead of the Bidder)

Dated:

Managing Director  
Karnataka Renewable Energy Development Limited

**Sub: Bid for Development of Solar Power Projects in the State of Karnataka**

Dear Sir,

- 1 With reference to your RFP document dated \*\*\*\*\*, I/we, having examined the Bid Documents and understood their contents, hereby submit my/our Bid for the aforesaid Project. The Bid is unconditional and unqualified.
- 2 I/We intend to participate in the bidding process as single entity/group business entity.
- 3 Following are our Group Business Entity (ies) participating in the Bidding Process:

Sl. No	Name of the Group Business Entity	Capacity for which the Group Business Entity(ies) is Bidding
1.		
2.		
...		

- 4 I/ We propose to develop the following projects:

Sl. No	Proposed Technology (Solar PV/ Solar Thermal)	Proposed Location (Tehsil, District)	Proposed Capacity (in MWs)
1.			
2.			
3.			
<b>Total Capacity</b>			

- 5 All information provided in the Bid and in the Appendices is true and correct.
- 6 This statement is made for the express purpose of qualifying as a Bidder for the design, finance, construction and operation & maintenance of the aforesaid Project.
- 7 I/ We shall make available to the Authority any additional information it may find necessary or require to supplement or authenticate the Bid.

- 8 I/ We acknowledge the right of the Authority to reject our Bid without assigning any reason or otherwise and hereby waive, to the fullest extent permitted by applicable law, our right to challenge the same on any account whatsoever.
- 9 We certify that in the last three years, we/ any of the Consortium Members have neither failed to perform on any contract, as evidenced by imposition of a penalty or a judicial pronouncement or arbitration award, nor been expelled from any project or contract nor have had any contract terminated for breach on our part.
- 10 I/ We declare that:
- a. I/ We have examined and have no reservations to the Bidding Documents, including any Addendum issued by the Authority.
  - b. I/ We do not have any Conflict of Interest in accordance with Clauses 2.1.13 of the RFP document;
  - c. I/We have not directly or indirectly or through an agent engaged or indulged in any corrupt practice, fraudulent practice, coercive practice, undesirable practice or restrictive practice, as defined in Clause 4.3 of the RFP document, in respect of any tender or request for proposal issued by or any agreement entered into with the Authority or any other public sector enterprise or any government, Central or State; and
  - d. I/ We hereby certify that we have taken steps to ensure that in conformity with the provisions of Clause 4 of the RFP, no person acting for us or on our behalf has engaged or will engage in any corrupt practice, fraudulent practice, coercive practice, undesirable practice or restrictive practice.
  - e. I/ We hereby declare that in case any of our Group Business Entity (ies) not mentioned herein above participates in the Bidding Process, our Bid and the Bid of our Group Business Entity (ies) will be rejected and the Bid Security shall be forfeited.
  - f. The undertakings given by us along with the Bid in response to the RFP for the Project were true and correct as on date of making the Bid and are also true and correct as on the Bid Due Date and Due Date and I/We shall continue to abide them.
- 11 I/ We understand that you may cancel the Bidding Process at any time and that you are neither bound to accept any Bid that you may receive nor to invite the Bidders to Bid for the Project, without incurring any liability to the Bidders, in accordance with Clause 2.6 of the RFP document.
- 12 I/ We believe that we/ our Consortium satisfy(ies) the Financial Capacity and meet(s) the requirements as specified in the RFP document and are/ is qualified to submit a Bid in accordance with the RFP document
- 13 I/ We declare that we/ any Member of the Consortium are/ is not a Member of a/ any other Consortium submitting a Bid for the Project.

- 14 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.
- 15 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 Group Business Entity's.
- 16 The Statement of Legal Capacity as per format provided at Annex-V in Appendix-I of the RFP document, and duly signed, is enclosed. The power of attorney for signing of Bid [and the power of attorney for Lead Member of consortium (strike out if not applicable),] as per format provided at Appendix II and III respectively of the RFP, are also enclosed.
- 17 I/ We further certify that we are not barred by the Central/ State Government, or any entity controlled by them, from participating in any project, and the bar subsists as on the date of Bid, would not be eligible to submit a Bid, either individually or as member of a Consortium.
- 18 I/ We further certify that no investigation by a regulatory authority is pending either against us or against our Group Business Entities or against our CEO or any of our Directors/ Managers/ employees.
- 19 I/ We undertake that in case due to any change in facts or circumstances during the Bidding Process, we are attracted by the provisions of disqualification in terms of the guidelines referred to above, we shall intimate the Authority of the same immediately.
- 20 In an event the SPV is incorporated by a Consortium;

We acknowledge that all the members of the Consortium shall collectively hold at least 51% (fifty one per cent) of the subscribed and paid up equity of the SPV at all times until the third anniversary of the commercial operation date of the Project. Lead Member shall hold 26% shareholding of the SPV until third anniversary of the Commercial Operations Date. (Strike out if not applicable)

or, in an event the SPV is incorporated by a Single Business Entity;

I acknowledge that the Selected Bidder shall hold at least 51% (fifty one percent) of subscribed and paid up equity share capital of the SPV to implement the Project, until the third anniversary of the Commercial Operations Date. (Strike out if not applicable)

- 21 We understand that in case Bidder/any of the members of the Consortium is a company as per Clause 2.1.20, the continued eligibility shall be subject to approval of the Authority from national security and public interest perspective. The decision of the Authority in this behalf shall be final and conclusive and binding on the Bidder.
- 22 I/We hereby irrevocably waive any right which we may have at any stage at law or howsoever otherwise arising to challenge or question any decision taken by the Authority in connection with the selection of the Bidder, or in connection with the Bidding Process itself, in respect of the above

mentioned Project and the terms and implementation thereof.

- 23 In the event of my/ our being declared as the Selected Bidder, I/We agree to enter into a Power Purchase Agreement in accordance with the draft that has been provided to me/us prior to the Bid Due Date. We agree not to seek any changes in the aforesaid draft and agree to abide by the same.
- 24 I/We have studied all the Bidding Documents carefully. We understand that except to the extent as expressly set forth in the draft Power Purchase Agreement, we shall have no claim, right or title arising out of any documents or information provided to us by the Authority or in respect of any matter arising out of or concerning or relating to the Bidding Process including the award of Rights.
- 25 The Effective Tariff after discount in Generic Tariff has been quoted by me/us after taking into consideration all the terms and conditions stated in the RFP; draft Power Purchase Agreement, our own estimates of costs and revenues and all the conditions that may affect the Bid.
- 26 I/We offer a Bid Security of Rs. \_\_\_\_\_ (Rupees \_\_\_\_\_) (calculated at Rs. 20,00,000 /- (Rupees Twenty Lakhs only) per MW of the proposed capacity) to the Authority in accordance with the RFP Document.
- 27 I/We agree and understand that the Bid is subject to the provisions of the Bidding Documents. In no case, I/We shall have any claim or right of whatsoever nature if the Project is not awarded to me/us or our Bid is not opened.
- 28 I/We agree to keep this offer valid for 365 (Three Hundred and Sixty Five) days from the Bid Due Date specified in the RFP.
- 29 I/We agree and undertake to abide by all the terms and conditions of the RFP document.

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

Date: \_\_\_\_\_ Yours faithfully,  
(Signature of the Authorised signatory)

Place: \_\_\_\_\_ (Name and designation of the of the Authorised signatory)  
Name and seal of Bidder/Lead Member

**ANNEX-I**  
**Details of Bidder**  
**(On the Letterhead of the Bidder)**

1.
  - (a) Name:
  - (b) Country of incorporation:
  - (c) Address of the corporate headquarters and its branch office(s), if any, in India:
  - (d) Date of incorporation and/ or commencement of business:
  
2. Brief description of the Company including details of its main lines of business and proposed role and responsibilities in [this/ these Project(s)]:
  
3. Details of individual(s) who will serve as the point of contact/ communication for the Authority:
  - (a) Name:
  - (b) Designation:
  - (c) Company:
  - (d) Address:
  - (e) Telephone Number:
  - (f) E-Mail Address:
  - (g) Fax Number:
  
4. Particulars of the Authorised Signatory of the Bidder:
  - (a) Name:
  - (b) Designation:
  - (c) Address:
  - (d) Phone Number:
  - (e) Fax Number:
  
5. In case of a Consortium:
  - (a) The information above (1-4) should be provided for all the Members of the Consortium.
  - (b) A copy of the Jt. Bidding Agreement, as envisaged in Clause 2.1.16 (i) should be attached to the Bid.
  - (c) Information regarding role of each Member should be provided as per table below and the same shall be in accordance with the requirements set out in Clause 2.1.16 of this RFP:

Sl. No.	Name of Member	Status (mention lead or other member)	Percentage of equity in the SPV
1.			
2.			
3.			

- \* The status of each Member, as may be determined by the Bidder, should be indicated.
  
- 6. A statement by the Bidder and each of the Members of its Consortium (where applicable) disclosing material non-performance or contractual non-compliance in past projects, contractual disputes and litigation/ arbitration in the recent past is given below (Attach extra sheets, if necessary).

**ANNEX-II**  
**Undertaking for Technical Capacity**  
**(On the Letterhead of the Bidder/Lead Member)**  
(Refer to Clauses 3.3.2 of the RFP)

To,

Managing Director  
Karnataka Renewable Energy Development Limited

**Dear Sir,**

**Sub: Bid for Development of Solar Power Projects in the State of Karnataka**

I/We hereby undertake to certify in line with Clause 3.7 that the following details shall be furnished within 270 days of signing of PPA for each Project: -

1. That the technology proposed to be used is commercially established technology and at least one project based on this technology is successfully operational for atleast one year.
2. In case I/We decide to implement a technology different from what we have proposed in our Bid and the said technology is not listed in Clause 3.3.2 of the RFP and not as approved by MNRE as on the Bid Due Date, I/we shall submit any of the following documentary proof for the same indicating that the technology proposed is commercially established and at least one project based on this technology is successfully operational for atleast one year:
  - a. Certificate from the manufacturer
  - b. Certificate from ESCOM/ or the company consuming the Power
3. Details of the project with location and the successful operational period of the project utilizing this technology.
4. Evidence of clear possession of the required land for the project along with following documentary evidence: -
  - o Ownership or lease hold rights (for atleast 30 years) in the name of the Developer and possession of 100% of the area of land required for the project.
  - o Certificate by the concerned and competent revenue/registration authority for the acquisition / ownership/ vesting of the land in the name of the Developer.
  - o Sworn affidavit from the authorized person of the Developer listing the details of the land and certifying total land required for the project under clear possession of the Developer
  - o A certified English translation from an approved translator in case above land documents are in other than English and Hindi Languages.
  - o name of the district, taluk, village, total area, location and survey numbers of the land

Failure or delay on our part in achieving the above conditions shall constitute sufficient grounds for encashment of our Performance Security.

**(Signature & Name of the Authorised Signatory)**

**ANNEX - III**  
**Financial Capacity of the Bidder**  
**(On the Letterhead of the Bidder/Lead Member)**  
(Refer to Clauses 3.3.2 of the RFP)

<b>Bidder type</b>	<b>Member Code</b>	<b>Net Worth (Rs. Crores/US \$)</b>
Single Business Entity Bidder		
Lead Member		
Other Member		
<b>TOTAL</b>		

Name & address of Bidder's Bankers:

1. A Bidder consisting of a Single Business Entity should fill in details as per the row titled Single Business Entity Bidder and ignore the rows titled Consortium Members. In case of a Consortium, row titled Single Business Entity Bidder may be ignored.
2. The Bidder should provide the Financial Capacity based on its own or the Group Business Entity's financial statements. For the purpose of Financial Capacity the Bidder may, in addition to its own net worth, provide net worth of any other Group Business entity. The Financial Capacity would be summation of the net worth of the Bidder and the net worth of the Group Business Entity. In case the Bidder claims the net worth of Group Business Entity, it shall submit a certificate from the Statutory Auditor/ Independent Auditor for claiming financial capability of Group Business Entity in the format set out as Annex- IV.
3. Member Code shall indicate NA for Not Applicable in case of a Single Business Entity. For other Members, the following abbreviations are suggested viz. LM means Lead Member, OM means Other Member.
4. For conversion of US Dollars to Rupees, the rate of conversion shall be exchange rate as on the Bid Due Date as issued by Reserve Bank of India. In case of any other currency, the same shall first be converted to US Dollars as on the date 60 (sixty) days prior to the Bid Due Date, and the amount so derived in US Dollars shall be converted into Rupees at the aforesaid rate. The conversion rate of such currencies shall be the daily representative exchange rates published by the International Monetary Fund for the relevant date.

**Instructions:**

1. The Bidder/ its constituent Consortium Members shall attach copies of the balance sheets, financial statements and Annual Reports as on March 31, 2013 or March 31, 2014<sup>10</sup>. The financial statements shall:
  - (a) reflect the financial situation of the Bidder and its Group Business Entity where the Bidder is relying on its Group Business Entity's financials;
  - (b) be audited by a Statutory Auditor/ Independent Auditor;
  - (c) be complete, including all notes to the financial statements; and
  - (d) correspond to accounting periods already completed and audited (no statements for partial periods shall be requested or accepted).
  - (e) In case the annual accounts for the latest financial year are not audited and therefore the Bidder could not make it available, the Bidder shall give an undertaking to this effect and the statutory auditor/ Independent Auditor shall certify the same.
  
2. Net Worth shall mean
  - (a) For company = (Subscribed and Paid-up Capital + Reserves) - (Revaluation reserves + Miscellaneous expenditure not written off)  
  
Paid up share capital will include
    - 1) Paid –up equity share capital, and
    - 2) Fully , compulsorily and mandatory convertible Preference Shares, and
    - 3) Fully , compulsorily and mandatory convertible Debentures
  
3. In the case of a Consortium, a copy of the Jt. Bidding Agreement shall be submitted in accordance with Clause 2.1.16 (i) of the RFP document.
  
4. The Bidder shall also provide the name and address of the Bankers to the Bidder.

The Bidder shall provide a Statutory Auditor's Independent Auditor's certificate specifying the net worth of the Bidder and also specifying the methodology adopted for calculating such net worth

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<sup>10</sup> For companies incorporated after March 31, 2013

**ANNEX – III A**

**Format for Certificate from Statutory Auditor/ Independent Auditor for Financial Capacity of the Bidder**

*(On the Letterhead of the Statutory Auditor/Independent Auditor)*

Date:

We have verified the relevant statutory and other records of M/s \_\_\_\_\_ [Name of the Single Business Entity/Consortium Member/Group Business Entity], and certify that the net worth is Rs \_\_\_\_\_ Crores (Rupees \_\_\_\_\_ Crores) as on March, 31, 2013/2014<sup>11</sup>.

This certificate is being issued to be produced before Karnataka Renewable Energy Development Company, for the “**Development of Solar Power Projects in the State of Karnataka**” project.

Signature and Seal  
and registration number  
of Statutory Auditor/ Independent  
Auditor

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<sup>11</sup> Only for companies incorporated after March 31, 2013

**ANNEX IV**

**Format for Certificate from Statutory Auditor/ Independent Auditor for Group Business Entity  
(On the Letterhead of the Statutory Auditor)**

Date

**TO WHOMSOEVER IT MAY CONCERN**

We have verified the relevant statutory and other records of M/s \_\_\_\_\_ -  
(Name of Bidder) and M/s \_\_\_\_\_ and certify that M/s  
\_\_\_\_\_ is a Group Business Entity as defined in the RFP Document issued by  
KREDL for Solar Projects in the State of Karnataka.

The details of the shareholding are as follows:

- 1.
- 2.

This certificate is being issued to be produced before KREDL, Government of Karnataka.

Signature and Seal of the Statutory Auditor/  
Independent Auditor clearly indicating  
his/her membership number

**ANNEX - V**  
**Statement of Legal Capacity**

(To be forwarded on the letterhead of the Bidder/ Lead Member of Consortium)

Ref. Date:

To,

Managing Director

Karnataka Renewable Energy Development Ltd. (KREDL)

Dear Sir,

I/We hereby confirm that we/ our members in the Consortium (constitution of which has been described in the Bid) satisfy the terms and conditions laid out in the RFP document.

We have agreed that ..... (insert member's name) will act as the Lead Member of our consortium.\*

We have agreed that ..... (insert individual's name) will act as our representative/ will act as the representative of the consortium on its behalf\* and has been duly authorized to submit the RFP. Further, the authorised signatory is vested with requisite powers to furnish such letter and authenticate the same.

Thanking you,

Yours faithfully,

(Signature, name and designation of the authorised signatory)

For and behalf of \_\_\_\_\_ (name of the company)

\*Please strike out whichever is not applicable.

**ANNEX - VI**  
**Anti-Collusion Certificate**  
(On the Letterhead of the Bidder)

We hereby certify and confirm that in the preparation and submission of our Bid for the **Development of Solar Power Projects in the State of Karnataka**, we have not acted in concert or in collusion with any other Bidder or other person(s) and also not done any act, deed or thing which is or could be regarded as anti-competitive.

We further confirm that we have not offered nor will offer any illegal gratification in cash or kind to any person or agency in connection with the instant Bid.

Dated this .....Day of ....., (month/year)

.....  
(Name of the Bidder)

.....  
(Signature of the Authorised Person)

.....  
(Name of the Authorised Person)

Note:

1. On the Letterhead of the Bidder  
To be executed by all members in case of a Consortium

**ANNEX VII**

**Format for Affidavit certifying that the Entity/Promoter/s / Director/s of Entity are not blacklisted**

**(On a Stamp Paper of appropriate value)**

**Anti-Blacklisting Affidavit**

I, M/s. .... (Single Business Entity / Lead Member/ Other Member /s), (the names and addresses of the registered office) hereby certify and confirm that we or any of our promoter/s / director/s are not barred by Karnataka Renewable Energy Development Ltd. (KREDL) / any other entity of Government of Karnataka or blacklisted by any state government or central government / department / agency in India from participating in Project/s, either individually or as member of a Consortium as on the \_\_\_\_\_(Bid Due Date).

We further confirm that we are aware that our Bid for the Project would be liable for rejection in case any material misrepresentation is made or discovered with regard to the requirements of this RFP at any stage of the Bidding Process or thereafter during the agreement period.

Dated this .....Day of ....., 20....

Name of the Bidder

Signature of the Authorised person

Name of the Authorised Person

*To be executed separately by all the Members in case of Consortium*

**ANNEX –VIII**  
**Declaration of Shareholding Pattern of the Bidder**

I/We hereby Declare information of all the entities holding 15% or more shareholding in the Bidder, directly/indirectly. The information includes any compulsorily convertible Preference Shares and/or Debentures, a declaration of the likely shareholding after conversion of such instruments. The information provided herein clearly indicates the foreign shareholding and domestic shareholding in the Bidder (Differentiate between Foreign Shareholding and Domestic Shareholding):

(Information on shareholding)

<b>Sl. No</b>	<b>Name of the Shareholder</b>	<b>Percentage of Shareholding</b>
1.		
2.		
...		

Yours faithfully,  
(Signature of the Authorised signatory)

**ANNEX-IX**  
**INFORMATION TO BE FURNISHED BY THE BIDDER IN MS EXCEL FORMAT**

Information and details to be furnished from the bidder is set out in MS Excel Format titled Annex – IX and the same may be downloaded from the website. The details to be provided include the following:

1. Checklist
2. Detail of Bidders including its Group Business Entity(ies) whose Financial Capacity is claimed by the Bidder
3. Technical and Financial Capacity

**APPENDIX – II**  
**Power of Attorney for signing of Bid**  
(To be executed on Stamp paper of appropriate value)

Know all men by these presents, We, \_\_\_\_\_ (name of the firm and address of the registered office) do hereby irrevocably constitute, nominate, appoint and authorise Mr. / Ms (Name), son/daughter/wife of \_\_\_\_\_ and presently residing at \_\_\_\_\_, who is [presently employed with us/ the Lead Member of our Consortium 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 Bid for the **Development of Solar Power Projects in the State of Karnataka**, proposed by the Karnataka Renewable Energy Development Limited (the “Authority”) including but not limited to signing and submission of all applications, Bids and other documents and writings, participate in Bidders' and other conferences and providing information / responses to the Authority, representing us in all matters before the Authority, signing and execution of all contracts including the draft Power Purchase Agreement and undertakings consequent to acceptance of our Bid, and generally dealing with the Authority in all matters in connection with or relating to or arising out of our Bid for the said Project and/or upon award thereof to us and/or till the entering into the Power Purchase Agreement with the ESCOM.

The Project(s) proposed by us are:

Sl.No	Details of Proposed Location (Tehsil, District)	Proposed Technology	Proposed Capacity
1.			
2.			
3.			
4.			
5.			
6.			

AND we hereby agree to ratify and confirm and do hereby ratify and confirm all acts, deeds and things lawfully 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 \_\_\_\_\_, 20\*\*.

For \_\_\_\_\_  
(Signature)  
(Name, Title and Address)

Witnesses:

1

2

Accepted

[Notarised]

(Signature)

(Name, Title and Address of the Attorney)

Notes:

- *The mode of execution of the Power of Attorney should be in accordance with the procedure, if any, laid down by the applicable law and the charter documents of the executant(s) and when it is so required, the same should be under common seal affixed in accordance with the required procedure.*
- *Also, wherever required, the Bidder should submit for verification the extract of the charter documents and documents such as a resolution/power of attorney in favour of the person executing this Power of Attorney for the delegation of power hereunder on behalf of the Bidder.*
- *For a Power of Attorney executed and issued overseas, the document will also have to be legalised by the Indian Embassy and notarised in the jurisdiction where the Power of Attorney is being issued. However, the Power of Attorney provided by Bidders from countries that have signed the Hague Legislation Convention 1961 are not required to be legalised by the Indian Embassy if it carries a conforming Appostille certificate.*

**APPENDIX – III**

**Power of Attorney for Lead Member of Consortium**  
(To be executed on Stamp paper of appropriate value)

Whereas the Karnataka Renewable Energy Development Ltd. (“the Authority”) has invited Bids from qualified parties for the “**Development of Solar Power Projects in the State of Karnataka**” (“the Project”).

Whereas, \_\_\_\_\_, \_\_\_\_\_, and \_\_\_\_\_ (collectively the “Consortium”) being Members of the Consortium are interested in bidding for the Project in accordance with the terms and conditions of the Request for Proposal and other connected documents in respect of the Project, and  
Whereas, it is necessary for the Members of the Consortium to designate one of them as the Lead Member with all necessary power and authority to do for and on behalf of the Consortium, all acts, deeds and things as may be necessary in connection with the Consortium’s Bid for the Project and its execution.

NOW THEREFORE KNOW ALL MEN BY THESE PRESENTS

We, \_\_\_\_\_ having our registered office at \_\_\_\_\_, M/s. \_\_\_\_\_, having our registered office at \_\_\_\_\_, and M/s. \_\_\_\_\_, having our registered office at \_\_\_\_\_, [the respective names and addresses of the registered office] (hereinafter collectively referred to as the “Principals”) do hereby irrevocably designate, nominate, constitute, appoint and authorise M/s \_\_\_\_\_, having its registered office at \_\_\_\_\_, being one of the Members of the Consortium, as the Lead Member and true and lawful attorney of the Consortium (hereinafter referred to as the “Attorney”) and hereby irrevocably authorise the Attorney (with power to sub-delegate) to conduct all business for and on behalf of the Consortium and any one of us during the Bidding Process and, in the event the Consortium is awarded the Right, during the execution of the Project, and in this regard, to do on our behalf and on behalf of the Consortium, all or any of such acts, deeds or things as are necessary or required or incidental to the submission of its Bid for the Project, including but not limited to signing and submission of all applications, Bids and other documents and writings, participate in Bidders’ and other conferences, respond to queries, submit information/ documents, sign and execute contracts and undertakings consequent to acceptance of the Bid of the Consortium and generally to represent the Consortium in all its dealings with the Authority, and/ or any other Government Agency or any person, in all matters in connection with or relating to or arising out of the Consortium’s Bid for the Project and/ or upon award thereof till the Power Purchase Agreement is entered into with the Authority.

The Project(s) proposed by us are:

Sl.No	Details of Proposed Location (Tehsil, District)	Proposed Technology	Proposed Capacity
1.			
2.			
3.			
4.			
5.			
6.			

AND hereby agree to ratify and confirm and do hereby ratify and confirm all acts, deeds and things lawfully 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/ Consortium.

IN WITNESS WHEREOF WE THE PRINCIPALS ABOVE NAMED HAVE EXECUTED THIS POWER OF ATTORNEY ON THIS \_\_\_\_\_ DAY OF \_\_\_\_\_ 20\*\*.

For \_\_\_\_\_ (Name & Title)

For \_\_\_\_\_ (Name & Title)

For \_\_\_\_\_ (Name & Title)

Witnesses:

1

2

(Executants)

(To be executed by all the Members of the Consortium)

Notes:

- *The mode of execution of the Power of Attorney should be in accordance with the procedure, if any, laid down by the applicable law and the charter documents of the executant(s) and when it is so required, the same should be under common seal affixed in accordance with the required procedure.*
- *Also, wherever required, the Bidder should submit for verification the extract of the charter documents and documents such as a resolution/ power of attorney in favour of the person executing this Power of Attorney for the delegation of power hereunder on behalf of the Bidder.*
- *For a Power of Attorney executed and issued overseas, the document will also have to be legalised by the Indian Embassy and notarised in the jurisdiction where the Power of Attorney is being issued. However, the Power of Attorney provided by Bidders from countries that have signed the Hague Legislation Convention 1961 are not required to be legalised by the Indian Embassy if it carries a conforming Appostille certificate.*

**APPENDIX – IV**

**Bank Guarantee for Bid Security**

(To be executed on Stamp paper of appropriate value)

B.G. No.

Dated:

- 1 In consideration of you, \_\_\_\_\_, having its office at \_\_\_\_\_, (hereinafter referred to as “Authority”, which expression shall unless it be repugnant to the subject or context thereof include its, successors and assigns) having agreed to receive the Bid of \_\_\_\_\_ [a Company registered under provision of the Companies Act, 1956 or equivalent law abroad] and having its registered office at \_\_\_\_\_ [and acting on behalf of its Consortium] (hereinafter referred to as the “Bidder” which expression shall unless it be repugnant to the subject or context thereof include its/their executors administrators, “**Development of Solar Power Projects in the State of Karnataka**” (hereinafter referred to as “the Project”) pursuant to the RFP Document dated \*\*\*\*\* issued in respect of the Project and other related documents (hereinafter collectively referred to as “Bidding Documents”), we [Name of the Bank] having our registered office at \_\_\_\_\_ and one of its branches at \_\_\_\_\_ (hereinafter referred to as the “Bank”), at the request of the Bidder, do hereby in terms of Clause 2.1.7 read with Clause 2.20 of the RFP, irrevocably, unconditionally and without reservation guarantee the due and faithful fulfilment and compliance of the terms and conditions of the Bidding Documents (including the RFP Document) by the said Bidder and unconditionally and irrevocably undertake to pay forthwith to Authority an amount of Rs. \_\_\_\_\_ (Rupees \_\_\_\_\_) (calculated at Rs. 20,00,000/- (Rupees Twenty Lakhs only) per MW of the proposed capacity less the amount of Bid Security paid through E-payment) as bid security (hereinafter referred to as the “Bid Security”) as our primary obligation without any demur, reservation, recourse, contest or protest and without reference to the Bidder if the Bidder shall fail to fulfill or comply with all or any of the terms and conditions contained in the said Bidding Documents.
- 2 Any such written demand made by Authority stating that the Bidder is in default of the due and faithful fulfilment and compliance with the terms and conditions contained in the Bidding Documents shall be final, conclusive and binding on the Bank.
- 3 We, the Bank, do hereby unconditionally undertake to pay the amounts due and payable under this Guarantee without any demur, reservation, recourse, contest or protest and without any reference to the Bidder or any other person and irrespective of whether the claim of Authority is disputed by the Bidder or not merely on the first demand from Authority stating that the amount claimed is due to Authority by reason of failure of the Bidder to fulfill and comply with the terms and conditions contained in the Bidding Documents including failure of the said Bidder to keep its Bid open during the Bid Validity Period as set forth in the said Bidding Documents for any reason whatsoever. Any such demand made on the Bank shall be conclusive as regards amount due and payable by the Bank under this Guarantee. However, our liability under this Guarantee shall be restricted to an amount not exceeding Rs. \_\_\_\_\_ (Rupees \_\_\_\_\_).
- 4 This Guarantee shall be irrevocable and remain in full force for a period of 365 (Three Hundred and Sixty Five) days from the Bid Due Date inclusive of a claim period of 60 (sixty) days or for such extended period as may be mutually agreed between Authority and the Bidder, and agreed to by the Bank, and shall continue to be enforceable till all amounts under this Guarantee have been paid.

- 5 We, the Bank, further agree that Authority shall be the sole judge to decide as to whether the Bidder is in default of due and faithful fulfilment and compliance with the terms and conditions contained in the Bidding Documents including, inter alia, the failure of the Bidder to keep its Bid open during the Bid Validity Period set forth in the said Bidding Documents, and the decision of Authority that the Bidder is in default as aforesaid shall be final and binding on us, notwithstanding any differences between Authority and the Bidder or any dispute pending before any Court, Tribunal, Arbitrator or any other Authority.
- 6 The Guarantee shall not be affected by any change in the constitution or winding up of the Bidder or the Bank or any absorption, merger or amalgamation of the Bidder or the Bank with any other person.
- 7 In order to give full effect to this Guarantee, Authority shall be entitled to treat the Bank as the principal debtor. Authority shall have the fullest liberty without affecting in any way the liability of the Bank under this Guarantee from time to time to vary any of the terms and conditions contained in the said Bidding Documents or to extend time for submission of the Bids or the Bid validity period or the period for conveying acceptance of Letter of Award by the Bidder or the period for fulfilment and compliance with all or any of the terms and conditions contained in the said Bidding Documents by the said Bidder or to postpone for any time and from time to time any of the powers exercisable by it against the said Bidder and either to enforce or forbear from enforcing any of the terms and conditions contained in the said Bidding Documents or the securities available to Authority, and the Bank shall not be released from its liability under these presents by any exercise by Authority of the liberty with reference to the matters aforesaid or by reason of time being given to the said Bidder or any other forbearance, act or omission on the part of Authority or any indulgence by Authority to the said Bidder or by any change in the constitution of Authority or its absorption, merger or amalgamation with any other person or any other matter or thing whatsoever which under the law relating to sureties would but for this provision have the effect of releasing the Bank from its such liability.
- 8 Any notice by way of request, demand or otherwise hereunder shall be sufficiently given or made if addressed to the Bank and sent by courier or by registered mail to the Bank at the address set forth herein.
- 9 We undertake to make the payment on receipt of your notice of claim on us addressed to [name of Bank along with branch address] and delivered at our above branch that shall be deemed to have been duly authorized to receive the said notice of claim.
- 10 It shall not be necessary for Authority to proceed against the said Bidder before proceeding against the Bank and the guarantee herein contained shall be enforceable against the Bank, notwithstanding any other security which Authority may have obtained from the said Bidder or any other person and which shall, at the time when proceedings are taken against the Bank hereunder, be outstanding or unrealised.
- 11 We, the Bank, further undertake not to revoke this Guarantee during its currency except with the previous express consent of Authority in writing.
- 12 The Bank declares that it has power to issue this Guarantee and discharge the obligations contemplated herein, the undersigned is duly authorized and has full power to execute this Guarantee for and on behalf of the Bank.

Signed and Delivered by \_\_\_\_\_ Bank  
By the hand of Mr./Ms \_\_\_\_\_, its \_\_\_\_\_ and authorized official.  
(Signature of the Authorized Signatory) (Official Seal)

**APPENDIX V**

**Joint Bidding Agreement**

(To be executed on Stamp paper of appropriate value)  
(Refer Clause 2.1.16(i))

THIS JOINT BIDDING AGREEMENT is entered into on this the ..... day of ..... 20...

**AMONGST**

1. {..... } having its registered office at ..... (hereinafter referred to as the “First Part” which expression shall, unless repugnant to the context include its successors and permitted assigns)  
**AND**
2. {..... } having its registered office at ..... (hereinafter referred to as the “Second Part” which expression shall, unless repugnant to the context include its successors and permitted assigns)  
**AND**
3. {.....} having its registered office at ..... (hereinafter referred to as the “Third Part” which expression shall, unless repugnant to the context include its successors and permitted assigns)}\*

The above mentioned parties of the FIRST, SECOND and, THIRD PART are collectively referred to as the “Parties” and each is individually referred to as a “Party”

**WHEREAS,**

- A. \_\_\_\_\_, established under the \_\_\_\_\_, represented by its \_\_\_\_\_ and having its principal offices at \_\_\_\_\_] (hereinafter referred to as “the Authority” which expression shall, unless repugnant to the context or meaning thereof, include its administrators, successors and assigns) has invited Bids (the “Bids”) by its Request for Proposal ..... dated .....(the “RFP”) for selection of bidders for “**Development of Solar Power Projects in the State of Karnataka**” (the “Project”) through public private partnership.
- B. The Parties are interested in jointly bidding for the Project(s) as members of a Consortium and in accordance with the terms and conditions of the RFP document and other bid documents in respect of the Project.

The Project(s) proposed by us are:

Sl.No	Details of Proposed Location (Tehsil, District)	Proposed Technology	Proposed Capacity
1.			
2.			

\* The number of Parties will be shown here, as applicable, subject however to a maximum of 3 (three).

Sl.No	Details of Proposed Location (Tehsil, District)	Proposed Technology	Proposed Capacity
3.			
4.			
5.			
6.			

- C. It is a necessary condition under the RFP document that the members of the Consortium shall enter into a Joint Bidding Agreement and furnish a copy thereof with the Bid.

**NOW IT IS HEREBY AGREED as follows:**

**1. Definitions and Interpretations**

In this Agreement, the capitalised terms shall, unless the context otherwise requires, have the meaning ascribed thereto under the RFP.

**2. Consortium**

The Parties do hereby irrevocably constitute a consortium (the "Consortium") for the purposes of jointly participating in the Bidding Process for the Project.

The Parties hereby undertake to participate in the Bidding Process only through this Consortium and not individually and/ or through any other consortium constituted for this Project, either directly or indirectly or through any of their Group Business Entity.

**3. Covenants**

The Parties hereby undertake that in the event the Consortium is declared the selected Bidder and awarded the Project, it shall incorporate a special purpose vehicle (the "SPV") under the Indian Companies Act 1956 for entering into a Power Purchase Agreement with the Authority and for performing all its obligations as the Developer in terms of the Power Purchase Agreement for the Project.

**4. Role of the Parties**

The Parties hereby undertake to perform the roles and responsibilities as described below:

- a) Party of the First Part shall be the Lead member of the Consortium and shall have the power of attorney from all Parties for conducting all business for and on behalf of the Consortium during the Bidding Process and until the Financial Close is met under the Power Purchase Agreement when all the obligations of the SPV shall become effective;
- b) {Party of the Second Part shall be \_\_\_\_\_ and}
- c) {Party of the Third Part shall be \_\_\_\_\_ }

**5. Joint and Several Liability**

The Parties do hereby undertake to be jointly and severally responsible for all obligations and liabilities relating to the Project and in accordance with the terms of the RFP document.

**6. Shareholding in the SPV**

The Parties agree that the proportion of shareholding among the Parties in the SPV shall be as follows:

First Party:

Second Party:

{Third Party :}

The Parties undertake that the members in the consortium shall hold equity as follows:

- 7.** The Members of the Consortium shall collectively hold at least 51% of subscribed and paid up equity share capital of the SPV at all times until third anniversary of the commercial operations date of the Project. Lead Member shall have 26% shareholding of the SPV until third anniversary of the commercial operations date of the Project.

**8. Representation of the Parties**

Each Party represents to the other Parties as of the date of this Agreement that:

- b. Such Party is duly organised, validly existing and in good standing under the laws of its incorporation and has all requisite power and authority to enter into this Agreement;
- c. The execution, delivery and performance by such Party of this Agreement has been authorised by all necessary and appropriate corporate or governmental action and a copy of the extract of the charter documents and board resolution/ power of attorney in favour of the person executing this Agreement for the delegation of power and authority to execute this Agreement on behalf of the Consortium Member is annexed to this Agreement, and will not, to the best of its knowledge:
  - i. require any consent or approval not already obtained;
  - ii. violate any Applicable Law presently in effect and having applicability to it;
  - iii. violate the memorandum and articles of association, by-laws or other applicable organisational documents thereof;
  - iv. violate any clearance, permit, concession, grant, license or other governmental

authorisation, approval, judgment, order or decree or any mortgage agreement, indenture or any other instrument to which such Party is a party or by which such Party or any of its properties or assets are bound or that is otherwise applicable to such Party; or

- v. create or impose any liens, mortgages, pledges, claims, security interests, charges or Encumbrances or obligations to create a lien, charge, pledge, security interest, encumbrances or mortgage in or on the property of such Party, except for encumbrances that would not, individually or in the aggregate, have a material adverse effect on the financial condition or prospects or business of such Party so as to prevent such Party from fulfilling its obligations under this Agreement;
- d. this Agreement is the legal and binding obligation of such Party, enforceable in accordance with its terms against it; and
- e. there is no litigation pending or, to the best of such Party's knowledge, threatened to which it or any of its Group Business Entities is a party that presently affects or which would have a material adverse effect on the financial condition or prospects or business of such Party in the fulfilment of its obligations under this Agreement.

**9. Termination**

This Agreement shall be effective from the date hereof and shall continue in full force and effect until the Financial Close of the Project is achieved under and in accordance with the Power Purchase Agreement, in case the Project is awarded to the Consortium. However, in case the Consortium is either not pre-qualified for the Project or does not get selected for award of the Project, the Agreement will stand terminated in case the Bidder is not pre-qualified or upon return of the Bid Security by the Authority to the Bidder, as the case may be.

**10. Miscellaneous**

This Joint Bidding Agreement shall be governed by laws of India.

The Parties acknowledge and accept that this Agreement shall not be amended by the Parties without the prior written consent of the Authority.

IN WITNESS WHEREOF THE PARTIES ABOVE NAMED HAVE EXECUTED AND DELIVERED THIS AGREEMENT AS OF THE DATE FIRST ABOVE WRITTEN.

SIGNED, SEALED AND DELIVERED

For and on behalf of

LEAD MEMBER by:

(Signature)

(Name)  
(Designation)  
(Address)

SIGNED, SEALED AND DELIVERED  
For and on behalf of

SECOND PART

(Signature)  
(Name)  
(Designation)  
(Address)

SIGNED, SEALED AND DELIVERED  
For and on behalf of

THIRD PART

(Signature)  
(Name)  
(Designation)  
(Address)

In the presence of:

1. \_\_\_\_\_ 2. \_\_\_\_\_

Notes:

1. The mode of the execution of the Joint Bidding Agreement should be in accordance with the procedure, if any, laid down by the Applicable Law and the charter documents of the executant(s) and when it is so required, the same should be under common seal affixed in accordance with the required procedure.
2. Each Joint Bidding Agreement should attach a copy of the extract of the charter documents and documents such as resolution / power of attorney in favour of the person executing this Agreement for the delegation of power and authority to execute this Agreement on behalf of the Consortium Member.
3. For a Joint Bidding Agreement executed and issued overseas, the document shall be legalized by the Indian Embassy and notarized in the jurisdiction where the Power of Attorney has been executed.

**APPENDIX – VI**  
**Format of Financial Bid**

Date:

Managing Director  
Karnataka Renewable Energy Development Ltd.  
No.39, "Shanthigruha" Bharath Scots & Guides Building,  
Palace Road.  
Bangalore-560 001

**Re: Development of Solar Power Projects in the State of Karnataka**

Sir,

We hereby submit our Financial Bid and offer a Effective Tariff in accordance with the Bidding Documents and draft Power Purchase Agreement as per the table given below:

S.I No.	Proposed Location (Tehsil, District)	Proposed Technology	Capacity in MW	Effective Tariff in Rupees <sup>12</sup> per KWh(Unit)	
				(in figures )	(in words)
1					
2					
3					
4					
5					
6					

We have reviewed all the terms and conditions of the RFP and undertake to abide by all the terms and conditions contained therein. We hereby declare that there are, and shall be no deviations from the stated terms in the RFP Document.

Yours faithfully,

For and on behalf of

.....  
(Name of the Bidder<sup>13</sup>)

\_\_\_\_\_  
(Signature of Authorized Signatory)

\_\_\_\_\_  
(Name and designation of the Authorised Person)

<sup>12</sup> Rupees may be quoted upto two decimal points

<sup>13</sup> In case of Consortium, names of all members of Consortium

## Schedule 1A

### Technical Qualification requirement in case of Solar PV Project

The following are some of the technical measures required to ensure quality of the PV modules used in grid connected solar power projects.

#### 1. PV Module Qualification

1.1 The PV modules used in the grid connected solar power projects must qualify to the latest edition of any of the following IEC PV module qualification test or equivalent BIS standards.

Crystalline Silicon Solar Cell Modules	IEC 61215
Thin Film Modules	IEC 61646
Concentrator PV modules	IEC 62108

1.2 In addition, PV modules must qualify to IEC 61730 for safety qualification testing. For the PV modules to be used in a highly corrosive atmosphere throughout their lifetime, they must qualify to IEC 61701.

#### 2. Authorized Test Centers

The PV modules must be tested and approved by one of the IEC authorized test centers. In addition a PV module qualification test certificate as per IEC standard, issued by ETDC, Bangalore or Solar Energy Centre, MNRE, New Delhi will also be valid.

#### 3. Warranty

- The mechanical structures, electrical works and overall workmanship of the grid solar power plants must be warranted for a minimum of 5 years.
- PV modules used in grid connected solar power plants must be warranted for output wattage, which should not be less than 90% at the end of 10 years and 80% at the end of 25 years.

#### 4. Identification and Traceability

Each PV module used in any Solar PV Project must use a RF identification tag (RFID). The following information must be mentioned in the RFID used on each module (This can be inside or outside the laminate, but must be able to withstand harsh environmental conditions.)

- (i) Name of the manufacturer of PV Module
- (ii) Name of the Manufacturer of Solar cells
- (iii) Month and year of the manufacture (separately for solar cells and module)
- (iv) Country of origin (separately for solar cells and module)
- (v) I-V curve for the module
- (vi) Wattage,  $I_m$ ,  $V_m$  and FF for the module
- (vii) Unique Serial No and Model No of the module
- (viii) Date and year of obtaining IEC PV module qualification certificate
- (ix) Name of the test lab issuing IEC certificate
- (x) Other relevant information on traceability of solar cells and module as per ISO 9000

All grid connected Solar PV Projects must install necessary equipment to continuously measure solar radiation, ambient temperature, wind speed and other weather parameters and simultaneously measure the generation of DC power as well as AC power generated from the plant. They will be required to submit this data to KREDL and/ or through a report on regular basis for the entire duration of Power Purchase Agreement.

**Schedule 1B**  
**Technical Qualification requirement in case of Solar Thermal Project**

Technical Qualification Requirements for Eligibility of a Developer to Establish Solar Thermal Project

- a) Only new plant & machinery to be used.
- b) Any of the Concentrated Solar Power (CSP) technology, such as, Parabolic Trough Collectors, Solar Dish Stirling (or any other prime mover), Linear Fresnel Reflector, Central Tower with heliostats, or their any other combination could be used.
- c) Developer must fulfil either of following requirements as listed from (i) to (vi) and also undertake to tie up (wherever applicable) with technology provider fulfilling technology requirements within 180 days from the Effective Date:
  - I. Developer is himself a technology provider who has either experience in design and engineering of at least 1 (one MW capacity solar thermal power plant having been in operation for a period of at least one year on the specified cutoff date, or obtained at least one financial closure of a solar thermal power plant of at least 50% of the proposed capacity based on the proposed technology.
  - II. Developer has a tie-up with a technology provider fulfilling technology requirements at S. No. (i) above.
  - III. Developer is an EPC contractor/power generating company having experience in engineering, erection and commissioning of at least 100 MW capacity conventional thermal power plant and a tie-up with a technology provider fulfilling technology requirements at S. No. (i) above.
  - IV. Developer has a tie-up with an EPC contractor having experience in engineering, erection and commissioning of at least 100 MW capacity conventional thermal power plant and a tie-up with a technology provider fulfilling technology requirements at S. No. (i) above.
  - V. Developer is an EPC contractor having experience in engineering, erection and commissioning of at least 1 (one) MW capacity solar thermal power plant and a tie-up with a technology provider fulfilling technology requirements at S. No. (i) above.
  - VI. Developer has a tie up with an EPC contractor having experience in engineering, erection and commissioning of at least 1 (one) MW capacity solar thermal power plant and a tie-up with a technology provider fulfilling technology requirements at S. No. (i) above.
- d) All grid connected solar thermal power plants will install equipment for regular monitoring of solar irradiance (including DNI), ambient air temperature, wind speed and other weather parameters and simultaneously for monitoring of the amount of electric power generated from the plant. They will submit this data to KREDL and / or through a report on regular basis for the entire duration of Power Purchase Agreement.

**Note:**

Tie up would mean any of a) MoU for Technology Transfer b) Technology or document sale agreement c) EPC Contract d) project specific assurance to support with design and construction of the Plant

For meeting the Technical criteria provisions of financial Close at Clause 3.7 shall be applicable

**Schedule 2**

**Solar Tariff Order issued by KERC**

**KARNATAKA ELECTRICITY REGULATORY COMMISSION**

No.9/2, 6<sup>th</sup>& 7<sup>th</sup> Floor, Mahalaxmi Chambers,  
M.G. Road, Bangalore-560 001

<b>Present:</b>	Shri M.R.Sreenivasa Murthy	Chairman
	Shri Vishvanath Hiremath	Member
	Shri K. Srinivasa Rao	Member

**In the matter of:**

**Determination of Tariff for grid interactive solar power plants including rooftop and small solar Photo voltaic power plants**

**ORDER**

**S/03/1**

Date: **10<sup>th</sup> October 2013**

**1. Preamble:**

- 1.1 Section 86.1(e) of the Electricity Act 2003 (the Act) mandates promotion of co-generation and generation of electricity from renewable sources of energy by providing suitable measures for connectivity with the grid. Section 61(h) of the Act provides that, while specifying the terms and conditions of determination of tariff, the Commission shall be guided by the objective of promotion of co-generation and generation of electricity from renewable sources of energy. Section 62(1)(a) read with Section 64 of the Act provides for determination of tariff for supply of electricity by a generating company to a distribution licensee.
- 1.2 The Commission in its tariff order dated 13<sup>th</sup> July 2010 had determined tariff for grid connected solar photovoltaic, solar thermal power plants and rooftop solar photovoltaic and other small solar power plants. The tariff determined in this order was valid for projects commissioned upto 31<sup>st</sup> March 2013.

- 1.3 The Commission had issued a discussion paper dated 21<sup>st</sup> June 2013 on determination tariff for grid connected solar photovoltaic plants, solar thermal power plants and small rooftop solar systems for the next control period from 1<sup>st</sup> April 2013 to 31<sup>st</sup> March 2015. In response eleven stakeholders have furnished their suggestions/comments on the discussion paper.
- 1.4 The Commission published a notice of public hearing in the newspapers dated 21.08.2013. Further, the Commission held a public hearing in the matter on 4<sup>th</sup> September 2013 in the Court hall of the office of the Commission, Bangalore, in which five stakeholders made their submissions.
- 1.5 The List of the stakeholders who have filed their comments/suggestions and those who have made oral submissions in the public hearing is given in the Annexure to this Order.
- 1.6 After duly considering the written & oral submissions received, the Commission, in exercise of the powers conferred under Section 62(1)(a) read with Section 64 and Section 86(1)(e) and other enabling provisions of the Electricity Act 2003 hereby passes the following Order:**

**2. Scope of the present Tariff determination:**

The Tariff determined in this order is applicable to all grid connected Solar PV generators, Solar Thermal power generators and Rooftop Solar Photovoltaic generators entering into power purchase agreements (PPA) on or after 01.04.2013 and during the control period as specified in this Order. The discussion and decisions on the operational and financial parameters, for determination of tariff for the above plants is given in the following paragraphs.

**3. Determination of Tariff for Solar Photovoltaic, Solar Thermal Power projects and Rooftop solar PV plants:**

**a. Life of the plant:**

The Commission had proposed to consider the useful life of the solar PV / Solar thermal plants at 25 years for the purpose of determination of tariff.

M/s TERI, BESCOM, M/s Astonfield, M/s Welspun Energy Ltd., and M/s Atria Power Corporation Pvt. Ltd., have agreed with the assumption of the useful life of 25 years. M/s TERI has suggested that the performance of thin film modules gradually drops with age and hence a performance warranty of 90% of the rated power in the first ten years and more than 80% in the subsequent 15 years has to be assured by manufacturers / developers. M/s Atria Power Corporation Pvt. Ltd., has suggested to consider 1% of the capital cost for every four years towards overhauling expenditure of solar thermal plants.

**Commission's Decision:**

The Commission notes that as of now there are no grid connected solar PV / Solar thermal plants of MW scale in India which have completed their assumed useful life. However considering the life assured by the manufacturers / developers and the life considered by other Commissions in the country, **the Commission decides that the useful life of the plant shall be taken as 25 years.**

**b. Term and Tariff Design:**

The Commission in its discussion paper had proposed to adopt levelised tariff so as to provide constant revenue streams duly considering the time value of money. M/s National Institute for Advanced Studies has suggested adopting two part tariff. M/s Atria Power Corporation Ltd., has suggested to consider 5% year on year decline for the first five years and a constant tariff thereafter in order to reduce the financial burden of the project in the initial period. M/s Welspun Energy Ltd., have supported the proposal of levelised single part tariff. BESCOM has suggested to adopt a weighted average tariff for a span of 25 years with due consideration to review the tariff after five years.

**Commission's Decision:**

Some of the stake holders have suggested adoption of a two part tariff or front loaded tariff. It is to be noted that there is no substantial component of variable charges involved in solar power generation and hence a two part tariff may not be justified. The main objective is to build in certainty of revenue flows to the generator and to enable the investor to recover his costs. The levelised tariff duly considers the time value of money for the period of tariff determination. In order

to provide certainty of annual revenue streams to the investors, **the Commission decides to adopt levelised single part tariff for a period of 25 years.**

**c. Capacity Utilization Factor:**

The Commission had proposed to consider CUF of 19% for Solar PV generation and 23% for solar thermal generation. The CUF for small scale rooftop solar PV plants was also proposed at 19%.

M/s TERI has suggested to adopt 18% CUF, or 20% CUF with 0.5% degradation from 2<sup>nd</sup> year onwards for Solar PV Plants. Further, they have suggested adopting 20% CUF, or 23% CUF with 0.25% degradation from 2<sup>nd</sup> year onwards for Solar Thermal Plants. In case of rooftop SPV CUF of 18% is suggested.

M/s Astonfield has agreed with the Commission's proposal of 19% CUF for solar photovoltaic. M/s First Solar has suggested considering 19% CUF with deration of 0.5% after second year. Sri G.G. Hegde Kadekodi has suggested CUF of 18% for solar photovoltaic and 23% for solar thermal plants with deration of 0.25% after third year for solar thermal plants.

Gadag DCCI has agreed with Commission's proposal of 19% CUF for solar PV and 23% for solar thermal plants. M/s Atria Power Corporation Pvt. Ltd., while agreeing with the proposal of the Commission, has suggested allowing deration of 0.5% per annum. Further they have suggested increasing CUF with provision for storage. They have stated that an additional capital expense of Rs.42.00 Crores / MW on a plant with 23% CUF can have an additional CUF of 69% with 24 x 7 operational capability.

M/s Welspun Energy Ltd., have suggested adoption of CUF at 17-18%. BESCOM and PCKL have agreed with the Commission's proposal of 19% CUF for Solar PV and 23% CUF for Solar thermal. M/s Moserbaer has suggested considering 19% CUF with annual degradation of 1% for solar PV.

**Commission's Decision:**

Many of the stake holders have endorsed the proposals made in the discussion paper for adoption of CUF at 19% for Solar PV and solar rooftop PV plants, and

23% for Solar thermal power plants. However, some of the stakeholders have suggested that adoption of a Capacity Degradation Factor should be considered.

The Commission has not considered the adoption of the capacity degradation factor as suggested by some of the stake holders in the absence of adequate and reliable data. Further the tariff determination is on a generic basis and the CUF has not been considered with reference to any specific technology like concentrated Solar PV with Sun tracking systems.

As per the data published on the website of MNRE, the capacity utilisation factor for solar PV plants considered by CERC and most of the SERCs in the country is 19%. In the case of solar thermal plants the CUF considered by CERC and all the other SERCs in the country is 23%.

**In the light of the above, the Commission decides to adopt a CUF of 19% for Solar PV, 19% for solar rooftop PV and 23% for solar thermal plants.**

d. **Capital Cost:**

The following were the capital cost norms proposed in the discussion paper:

Particulars	Capital cost
Solar PV Plants	Rs.9.40 Crs. to 10.00 Crs. per MW
Solar Thermal Plants	Rs.12.75 Crs. to 14.00 Crs. Per MW
Solar rooftop PV plants	0.80 lakhs to 0.90 lakhs per kW

Further, the views of the stakeholders were also sought on whether separate tariff is required to be determined for projects availing capital subsidy, accelerated depreciation etc.

M/s TERI has suggested adoption of capital cost of Rs.8 Crore per MW for solar PV Plants, Rs.12.00 Crores per MW for solar thermal plants and Rs.1 lakh per KW for solar rooftop PV plants. M/s Atria Power Corporation Ltd., has suggested considering the capital cost based on the project size. They have suggested adoption of benchmark capital cost of Rs.14.00 Crores per MW for a 10 MW solar thermal plant and a reduction of Rs.0.25 Crores for every 10 MW increase in capacity with a limit of Rs.12.50 Crores per MW. M/s Welspun Energy Ltd., have suggested Rs.11.00 Crores per MW for solar PV plants citing steep decline in the

exchange rate of the Rupee. Sri G.G.Hegde Kadekodi has suggested capital cost of Rs.12.75 Crores per MW for solar PV and Rs.14.00 Crores per MW for solar thermal plants. M/s Moserbaer has suggested a capital cost of Rs.10.00 Crores per MW for solar PV. BESCO, citing CERC orders on petition No.242/2012 has suggested a capital cost of Rs.8.00 Crores per MW for solar PV Rs.12.00 Crores per MW for solar thermal plants. M/s Astonfield have suggested adoption of capital cost of Rs.8.00 Crores per MW for solar PV plants.

M/s TERI, Astonfield, Gadag DCCI, PCKL, BESCO and M/s Welspun Energy Ltd., have suggested adoption of separate tariff for projects availing capital subsidy and accelerated depreciation.

**Commission's Decision:**

The capital cost consists of the cost of equipment along with the cost of land and civil works. The Commission, in its earlier tariff order dated 13<sup>th</sup> July 2010 had considered a capital cost of Rs.15.50 Crs. per MW for Solar PV plants and Rs.13 Crs. for Solar thermal plants.

The Commission notes that the Stakeholders have suggested capital cost ranging from Rs.8.00 Crs to Rs.12.75 Crs for Solar PV Plants and Rs.12.00 Crs to Rs.14.00 Crs for Solar thermal plants. However, it is observed that no suggestions are supported with sufficient data.

CERC in its order dated 28<sup>th</sup> February 2013 in suo-moto Petition No.242/SM/2012 has decided a benchmark capital cost of Rs.8.00 Crores per MW for solar PV and Rs.12.00 Crores per MW for solar thermal.

In the absence of any reliable data made available by the stakeholders, the Commission has decided to go by the benchmark cost determined by CERC as the same is derived after a detailed analysis of the market prices of each element of the capital cost.

The cost of the solar PV modules at Rs.325.92 lakhs per MW has been derived by CERC at an exchange rate of Rs.54.32 per US\$ considering the module cost at 0.60 US\$/Wp. The present rate of exchange is Rs.61.405 per US\$ (as on 04.10.2013) and the average exchange rate in the last six months works out to

Rs.59.33 per US\$. Considering an exchange rate of about Rs.60 per US\$ and the module cost at 0.60US\$/Wp, the cost of the module would be Rs.360 lakhs per MW. Further, considering all other costs as per the benchmarked costs by CERC, the capital cost for Solar PV plants at the present rates would be about Rs.8.30 Crores per MW.

Thus, considering the changes in rupee's exchange rate as suggested by some of the stakeholders, the Commission decides to consider a capital cost of Rs.8.30 Crores per MW for Solar PV Plants.

As regards the solar thermal plants, the Commission notes that the benchmark cost derived by CERC indicates decline in capital costs of solar thermal plants to Rs.12.00 Crores per MW. While some stakeholders have suggested adopting CERC benchmark cost, others have suggested adopting 14 Crores per MW or link capital costs with the size of the plant. However, the claims of increased capital cost are not supported by any data. As such, the Commission decides to consider a capital cost of Rs.12.00 Crs per MW for Solar thermal plants

The capital cost of rooftop solar PV plants considered by other SERCs in the Country range from Rs.1.00 lakh to Rs.1.20 lakhs per kW. The Solar Energy Corporation of India, in its proposal for introducing the pilot scheme for large scale grid connected rooftop solar power generation, has estimated the system cost at Rs.0.80 to Rs.0.90 Crores for a 100 kWp solar rooftop PV system. MNRE in its proposal of solar rooftop generation under JNNSM, has stated that the cost of rooftop PV systems could reach 85000 to 90000 per kW when a developer is able to reach a cumulative capacity of 5MW.

Considering the above available data on capital cost, the Commission decides to consider a capital cost of Rs.0.90 lakhs per kW for Solar Rooftop and small kW scale Solar PV plants.

Thus, the Capital cost considered for determination of tariff is as follows:

Type of Solar plant	Capital cost
MW scale Solar PV plant	Rs.8.30 Crores/MW
MW scale Solar Thermal plant	Rs.12.00 Crores/MW
kW scale Solar rooftop and small solar plants	Rs.0.90 lakhs/kW

Further, in cases of projects availing capital subsidy of 30% the tariff with 30% reduction in capital cost as determined in this Order will be applicable.

e. **Debt Equity Ratio (DE Ratio):**

The Commission had proposed to adopt a Debt Equity Ratio of 70:30. Based on the Tariff Policy and the Industry norm, **the Commission decides to allow 70:30 Debt Equity ratio.**

f. **Tenure of Debt:**

The Commission had proposed a tenure of ten years for repayment of loans for capital investment. Only one Stakeholder i.e., M/s Welspun Energy Ltd., has suggested considering a tenure of 15 years for repayment of debt.

**Commission's Decision:**

The Commission is of the view that, considering 10 years as the normative tenure for debt repayment will enable the investor to recover its costs in a reasonable period. Considering a longer period for debt repayment will only increase the interest burden on the investor leading to higher tariff. The Commission is aware that most RE projects obtain loans for capital investment for a tenure of ten years. Therefore, **the Commission decides to adopt loan repayment tenure of ten years.**

g. **Interest on Term Loan:**

The Commission had proposed to arrive at interest rates considering the risk factors involved in the financing of solar power generation plants of different types. Only one of the respondents, i.e., M/s Atria Power Corporation Pvt. Ltd., has suggested considering an interest rate of 14% on the term loans.

**Commission's Decision:**

The Commission notes that the base lending rate of SBI is 9.80% (with effect from 19.09.2013). However, considering the fact that many of the stakeholders will be venturing into solar power generation for the first time and also many small

investor groups are likely to invest in solar rooftop systems, Capital financing at the base lending rate may not be possible. The interest rate considered for similar plants by other Commissions ranges from 12% to 13%. Considering the risk factors involved in financing such new projects, the Commission decides to allow 250 basis points over the base lending rate. However, in case of rooftop solar PV plants, the Commission is of the view that availing loans at 250 basis points over the base lending rate may not be possible and hence higher interest rates needs to be allowed.

**Thus, the Commission decides to adopt an interest rate of 12.30% p.a on long term loans for Solar PV and Solar thermal plants. In case of solar rooftop PV plants and small solar plants, the Commission decides to adopt an interest rate of 12.50% p.a.**

**h. Operation & Maintenance expenses:**

The Commission had proposed to consider O & M costs of Rs.9 lakhs per MW for Solar PV plants and Rs.13 lakhs per MW for solar thermal plants with an annual escalation of 5%. A nominal O & M expense for rooftop solar PV is also to be considered.

M/s TERI has recommended 1.5% of capital cost with an annual escalation factor of 5.72% towards O & M cost for solar PV and solar thermal plants. M/s Astonfield and M/s First Solar have suggested considering O & M expenses of 11.63 lakhs / MW with an escalation of 5.72% for solar PV. Sri G.G. Hegde Kadekodi has suggested adopting 0.7% of capital cost for solar PV and 1.5% of capital cost for solar thermal plants with an annual escalation of 5%.

Gadag DCCI has agreed with the proposal of the Commission. M/s Welspun Energy Ltd., have suggested considering O & M expenses of Rs.12 lakhs/MW. BESCO has suggested 0.75% of capital cost with 5% escalation for Solar PV, 1% of capital cost with 5% escalation for Solar Thermal and 0.5% of capital cost for rooftop plants. PCKL has suggested 1% of capital cost with 5.72% escalation. M/s Moserbaer has suggested considering Rs. 12.30 Lakhs per MW with an escalation of 5.72 %.

**Commission's Decision:**

The proposed O&M expenses of Rs 9 lakhs per MW works out to 1.125% of the capital cost for solar PV plants and Rs.13 lakhs per MW works out to 1% of the capital cost for Solar thermal plants.

While some of the stake holders have agreed with the proposal of the Commission, others have suggested O & M expenses of 0.75% to 1.5% of the capital cost for solar PV, 1.5% of the capital cost for solar thermal plants and 0.5% for solar rooftop PV plants. As regards the rate of annual escalation, some of the stakeholders have suggested adopting 5.72% annual escalation.

It is observed that while many stakeholders have suggested the levels of O&M expenses to be allowed but have not furnished any reliable information/data for such suggestions.

The Commission notes that as suggested by stakeholders, while 1.5% of capital cost would be sufficient for solar PV and solar thermal plants, the O & M cost for rooftop PV plants should be more than 1.5% considering the lower capital cost.

Considering the levels of O&M expenses suggested by the stakeholders, **the Commission decides to adopt O & M expenses of 1.5% of the capital cost for Solar PV plants and solar thermal plants and 2.0% of the capital cost for solar rooftop PV in all cases with an annual escalation of 5.72%.**

i. **Working capital:**

The Commission in its tariff order dated 13<sup>th</sup> July 2010 had considered two month's receivables for determining working capital requirement for both solar thermal and solar PV plants and had proposed to adopt the same norm for the present determination of tariff.

M/s First Solar and M/s Welspun Energy Ltd., have suggested to consider working capital equivalent to two months receivables, one month O & M and 15% of O & M cost towards maintenance spares.

**Commission's Decision:**

Payment security mechanism in the form of Letter of Credit (LC) is available to the generator to recover his monthly claims of fixed and energy charges. In view of this, provision of working capital equivalent to two month's receivables is considered reasonable. Hence, **the Commission decides to allow two month's receivables for determining working capital requirement for solar PV plants, solar rooftop PV and solar thermal plants.**

**J. Interest on working capital:**

The Commission in its tariff order dated 13<sup>th</sup> July 2010 had considered 12.5% as the rate of interest on working capital, and had proposed to adopt the same norm in the present order.

**Commission's Decision:**

As discussed under the para pertaining to interest on loans, the existing SBI base lending rate is 9.80% w.e.f. 19.09.2013. Allowing a cushion of 250 basis points, the Commission has decided to allow an interest rate of 12.30% for long term loans for solar PV and solar thermal plants. In case of solar rooftop PV plants, the Commission has decided to allow an interest rate of 12.50%. For financing working capital requirements which is on a short term basis, a marginally higher rate of interest would be necessary. Hence, **the Commission decides to allow 13% towards interest on working capital for solar PV, solar thermal plants and solar rooftop PV plants.**

**k. Return on Equity (RoE):**

The Commission had proposed to provide a RoE of 16% and to allow actual tax as a pass through. There have been no suggestions for adopting a different RoE received from any stakeholders.

**Commission's Decision:**

The Commission **decides to allow 16% Return on Equity.** Further, the Commission decides not to consider grossing up the RoE to include the tax element as the tax liability changes from time to time and between different generating companies. **Therefore, the Commission decides to allow the actual tax paid**

**annually as a pass through without factoring in the same for tariff computations. Thus, the tax paid will be claimed by the generators directly from the procurer (Distribution Licensees).**

**l. Depreciation:**

The Commission had proposed to allow 70% of the capital cost to be financed by debt component with a tenure of debt at 10 years. Considering this, the Commission had proposed to provide adequate depreciation to meet the loan repayment.

**Commission's Decision:**

Considering 70% of the capital cost to be financed by debt with loan repayment tenure of ten years, the Commission decides to allow depreciation of 7% for the first ten years and 1.33% for the remaining fifteen years on straight-line method on the capital cost of the asset.

**m. Discount Factor:**

A discount factor is required to be adopted to compute the time value of money. Since the financing of the capital cost is based on 70% debt and 30% equity. The Commission had in the discussion paper proposed to consider the weighted average cost of capital (WACC) as the discount factor.

**Commission's Decision:**

Considering the approved rate of interest on loan @ 12.30% and Return on Equity @ 16%, with normative debt equity ratio of 70:30, the discount factor works out to 13.41% **and the Commission decides to adopt a discount factor of 13.41% for determination of levelised tariff for 25 years.**

**n. Auxiliary Consumption:**

In its tariff order dated 13<sup>th</sup> July 2010, the Commission had considered nil auxiliary consumption for solar PV plants and 8% of generation as auxiliary consumption for solar thermal plants.

M/s TERI has suggested to allow auxiliary consumption of 10% for solar thermal and 0.25% for solar PV plants. M/s First Solar has suggested considering auxiliary consumption of 0.25% for solar PV plants towards power required for air conditioning of inverters and control room, cleaning, water softening and pumping system, security and yard lighting.

**Commission's Decision:**

Considering the suggestions of the stakeholders, the Commission agrees that the solar PV plants also require auxiliary power for air conditioning of inverters and control room, cleaning, water pumping system, security and yard lighting. Hence the Commission decides to allow auxiliary consumption of 0.25% of the generation.

As regards solar thermal PV plants, the Commission decides to continue with the auxiliary consumption of 8% of the gross energy generated.

Further the Commission decides not to allow any auxiliary consumption for rooftop solar PV systems.

**o. Other issues:**

**(i) Sharing of Clean Development Mechanism (CDM) benefits-**

The Commission decides to continue with the following mechanism for sharing of the CDM benefits between the generating company and the beneficiaries:

- a) 100% of gross proceeds on account of CDM benefit are to be retained by the project developer in the first year, after the date of commercial operation of the generating station,

b) In the second year, the share of beneficiaries shall be 10%, which shall be progressively increased by 10% every year till it reaches 50%, where after, the proceeds shall be shared in equal proportion by the generating companies and the beneficiaries.

**(ii) Grid Connectivity:**

The Commission decides that, the STU shall arrange necessary facilities to evacuate power from the interconnection point. Further, STU/ESCOs shall not collect any network augmentation charges towards system augmentation beyond the interconnection point. The developer shall be responsible for providing evacuation facility upto the interconnection point.

In the case of solar rooftop PV of kilowatt scale, the evacuation from 1 kW upto 5 kW installed capacity of solar rooftop PV shall be at single phase 230 volts, the evacuation from 5 kW upto 50 kW installed capacity shall be at 3 phase 415 volts level. Further, solar rooftop PV systems with installed capacity of 50 kW and above shall be connected at 11 kV distribution system. The maximum installed capacity of solar rooftop PV plant at any single location shall be limited upto 1 MW, for the purpose of applying the solar rooftop PV tariff.

The grid connectivity shall be arranged by the distribution licensee in accordance with the prevailing CEA (Technical Standards for Connectivity to the Grid) Regulations 2007, CEA (Technical Standards for Connectivity of the Distributed Generation Resources) Regulations 2012 to be notified by CEA and KERC grid code as amended from time to time. Further, the distribution licensee shall take adequate measures to install necessary protective devices to prevent the possibility of any feedback to the grid in the event of failure of grid power supply to ensure safety of personnel working on the distribution system. Further, safety precautions as stipulated in the CEA (Measures Relating to Safety and Electricity Supply) Regulations 2010 shall be complied with.

**(iii) Metering:**

Metering shall be in compliance with the CEA (Installation and Operation of Meters) Regulations 2006 as amended from time to time.

In the case of solar rooftop PV systems connected to LT grid of a distribution company, the concept of net metering shall be adopted and the net energy pumped into the grid shall be billed.

In the event of energy generated exceeding the energy consumed during a billing period, the ESCOMs shall pay the rooftop consumer for the surplus energy injected into the grid at the tariff determined in this Order.

In the event of energy consumed by rooftop consumer exceeding the energy generated during a billing period, the rooftop consumer shall pay the ESCOM for energy consumed at the retail supply tariff applicable for that category as per the prevailing Tariff Orders of the Commission. Further, there shall be no change in billing the demand charges.

**(iv) Applicability of Merit Order dispatch:**

All grid connected solar power plants inclusive of Kw scale rooftop plants and small solar plants shall be considered as 'Must Run' and shall not be subjected to Merit Order Dispatch principles.

**(v) Applicability of Wheeling and Banking Charges and Cross Subsidy Surcharge :**

During the course of the hearing, it was submitted that as the cost of power to be generated is high, if the generators are made to pay Wheeling and Banking charges and the Cross-Subsidy Surcharge, they will not be able to sell the electricity generated in the open market as the rates to be realized in the market will not be adequate to cover the cost incurred in setting up of the Plant and its operation. Thus, the solar power generators will be able to sell power only to ESCOMs within the limited scope of solar power to be purchased to fulfil their RPO.

The Commission has considered the above submission. It is observed from the prevailing market that the power sold by the RE generators to consumers directly can fetch them only rates comparable to the retail tariff applicable to such consumers. Retail tariff applicable to consumers is generally lower than the solar tariff. If the wheeling and banking charges and the cross-subsidy surcharge is deducted from the rates realized from the third party sales, the net price realized by the generators is not adequate to make solar generation financially viable.

As noticed above, the Commission under Section 86(1)(e) of the Electricity Act, 2003 has a mandate to promote the RE generation by providing suitable measures for connectivity and sale of electricity (emphasis supplied). Therefore, as a promotional measure, considering the high cost of generation of Solar power and to enable Solar power generators to sell the electricity generated in the market, the Commission decides not to levy any Wheeling and Banking charges, or Cross-Subsidy Surcharge on the Solar generators who sell electricity on open access within the State.

**(vi) Control Period:**

In its tariff order dated 13<sup>th</sup> July 2010, the Commission had considered control period beginning from 13.07.2010 to 31.03.2013. In the present discussion paper, the Commission had proposed a control period of two years beginning from 01.04.2013 to 31.03.2015.

It is observed that though the gestation period for solar power plants is less than a year, a longer time would be required for an investor to identify and acquire land, achieve financial closure of the proposed project and enter into contract for procurement and commissioning of the plant. Further, sufficient time is also required for creation of infrastructure for evacuation of power. As such, the Commission decides to adopt a control period of five years beginning from 01.04.2013 upto 31.03.2018.

#### 4. Abstract of cost parameters approved by the Commission:

Based on the above decisions of the Commission, the following is the abstract of the parameters considered for determination of tariff:

Particulars	Approved Parameters			
	Solar PV	Solar Thermal	Solar Rooftop PV/Small Solar Plants	Solar Rooftop PV/Small Solar Plants (with 30% capital subsidy)
Capital Cost/MW- Rs. Lakhs	830	1200	0.90/kW	0.63/kW
Debt: Equity Ratio	70:30	70:30	70:30	70:30
Debt-Rs. Lakhs/MW	581	840	0.63/kW	0.441/kW
Equity- Rs. Lakhs/MW	249	360	0.27/kW	0.189/kW
Debt Repayment Tenure in Yrs.	10	10	10	10
Interest charges on Debt-%	12.30%	12.30%	12.50%	12.50%
Capacity Utilisation Factor (CUF)	19%	23%	19%	19%
ROE-%	16%	16%	16%	16%
Discount Factor -%	13.41%	13.41%	13.41%	13.41%
Auxiliary consumption-%	0.25%	8%	0.00	0.00
O & M expenses in Rs. Lakhs per MW	1.5% of CC (12.00)	1.5% of CC (18.00)	2% of CC (0.018/kW)	2% of CC (0.018/kW)
O & M Escalation p.a.	5.72%	5.72%	5.72%	5.72%
Working Capital	2 months receivables	2 months receivables	2 months receivables	2 months receivables
Interest on Working Capital-%	13.00%	13.00%	13.00%	13.00%
Depreciation for first 10 yrs	7.00%	7.00%	7.00%	7.00%
Depreciation for next 15 yrs	1.33%	1.33%	1.33%	1.33%

**5. Tariff for grid connected Solar PV, Solar Thermal power plants and Roof top Solar Photovoltaic plants:**

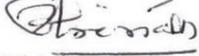
On the basis of the approved parameters, the following is the approved tariff:

Type of Solar Plant	Approved Tariff in Rs/Unit
Solar PV Power Plants	8.40
Solar Thermal Power Plants	10.92
Rooftop and Small Solar PV Plants	9.56
Rooftop and Small Solar PV Plants with 30% capital subsidy	7.20

The above approved tariff is applicable to solar power generators entering into power purchase agreements (PPA) on or after 01.04.2013 and upto 31.03.2018 other than those where the tariff is discovered through bidding process.

This order is signed and issued by Karnataka Electricity Regulatory Commission on this 10<sup>th</sup> day of October 2013.

  
M.R. Sreenivasa Murthy  
Chairman

  
Vishvanath Hiremath  
Member

  
K. Srinivasa Rao  
Member

**Annexure to Tariff Order on Solar Power Generation FY14-18****LIST OF MEMBERS WHO HAVE FURNISHED WRITTEN COMMENTS / SUGGESTIONS**

<b>SL.NO.</b>	<b>NAME &amp; ADDRESS OF THE STAKEHOLDERS</b>
1	Sri P.R.Dasgupta, IAS (Retd.) Distinguished Fellow & Director Southern Regional Centre The Energy and Resource Institute Darbari Seth Block, IHC Complex Lodhi Road NEW DELHI – 110 003.
2	Astonfield 29, Free Press House 215, Free Press Journal Marg Nariman Point MUMBAI -400 021
3	First Solar Power India (P) Ltd., 902, Eros Corporate Towers, Nehru Place NEW DELHI – 110 019.
4	Sri D.P.Sen Gupta National Institute of Advanced Studies Indian Institute of Science Campus BAGNALORE – 560 012.
5	Sri G.G.Hegde Kadekodi President Balakedarara HitarakshakSangha C.P.Bazar SIRSI – 581 401.
6	The Honorary Secretary Gadag District Chamber of Commerce & Industry A.P.M.C. Road GADAG – 581 101.
7	Atria Power Corporation Pvt. Ltd., No.1, Palace Rod BANGALORE – 560 001.
8	The Manager Welspun Energy Ltd., PTI Building, 3 <sup>rd</sup> Floor 4, Parliament Street, Connaught Place NEW DELHI – 110 001.
9	Sri Dinesh J Kagathi All Green Energy India Pvt. Ltd., 15, Theme House, Krishnanagar Industrial Area Off Hosur Main Road BANGALORE – 560 029.
10	The General Manager Bangalore Electricity Supply Company Ltd., Corporate office, K.R.Circle BANGALORE – 560 001.
11	Moser Baer Engineering & Constructions Ltd., 235, Okhla Industrial Estate Phase-III, NEW DELHI – 110 020.
12	The Managing Director Power Company of Karnataka Ltd., Room No.501, 5 <sup>th</sup> Floor, KPTCL Building Kaveri Bhavan BANGALORE – 560 009.

**LIST OF MEMBERS WHO HAVE PARTICIPATED IN THE PUBLIC HEARING HELD ON 4<sup>TH</sup>  
SEPTEMBER 2013**

<b>SL.NO.</b>	<b>NAME &amp; ADDRESS OF THE STAKEHOLDERS</b>
1	Balakishore, Astonfield Renewables
2	R.Shan Raj, Suntrack Solutions
3	D.P.Sengupta, NIAS
4	Prakash Magal
5	Ananth Rao,Welspun