

Section 3: Bid Information and Instructions to Bidders

3.1 Obtaining RfS Document, Cost of documents & Processing Fees

- 3.1.1** The RfS document can be downloaded from the website of (<https://www.bharat-electronictender.com>). A link of the same is also available at www.mahadiscom.in. Interested bidders have to download official copy of RfS & other documents after logging into website of <https://www.bharat-electronictender.com> by using Login ID & Password provided by Bharat portal during registration (Refer Annexure C).
- 3.1.2** The bidders shall be eligible to submit / upload the bid document only after logging into (<https://www.bharat-electronictender.com>) and downloading official copy of RfS.
- 3.1.3** Prospective Bidders interested to participate in the bidding process are required to submit their proposals in response to this RfS document along with a non-refundable processing fee and cost of RfS documents as mentioned in the Bid Information Sheet. The bids submitted without cost of RfS document and/or Processing Fee and/or Bank Guarantee against EMD, shall not be considered for bidding and such bids shall not be opened by MSEDCL.

3.2 Total Capacity Offered:

3.2.1 Total Capacity

The selection of Grid-connected Wind-Solar Wind-Solar Hybrid Power Projects for total capacity of 500MW will be carried out through e-bidding followed by e-Reverse Auction process.

3.2.2 Total capacity offered:

- I. The Wind-Solar Hybrid Power Projects are required to be designed for inter-connection with transmission network of STU/CTU. Following points are to be noted

in this regard:

- a) The minimum Project size of a single Hybrid Power Project for intra-state project shall be 25 MW wind solar hybrid power projects with at least 10 MW project at one site and for inter-state projects shall be 50 MW at one site to be interconnected at a single Delivery Point.
- b) Under this RfS, a Wind-Solar Hybrid Power Project shall mean a Project comprising two 'Resources' - one Solar and one Wind Power Project. The rated Project capacity of one resource (wind or solar) shall be at least 33% of the total contracted capacity. (For e.g, if the total contracted capacity comprises of 200 MW then the minimum rated project capacity of any of the resource (wind or solar) shall be at least 66 MW).

Note: In the interest of utilizing the optimization potential offered by Wind-Solar Hybridization of the two resources, the HPD is free to declare the Project capacity of the Wind-Solar Hybrid Power Project at the STU/CTU Substation, which shall be considered as the Contracted capacity of the Wind-Solar Hybrid Power Project. The same Project capacity shall be entered in the Covering Letter and shall be considered as the Contracted Capacity under the PPA.

For avoidance of any doubt, it is hereby reiterated that the Project capacity of the Wind-Solar Hybrid Project does not necessarily have to be the arithmetic sum of the installed capacity of the two resources. However, the requirements as indicated above, regarding the minimum installed rated capacity of each of the components shall be strictly adhered to, failing which, the Project shall not be eligible for commissioning under the RfS.

- II. The HPDs shall demonstrate the rated capacities of each component separately at the input side of the STU/CTU Substation as per the standard commissioning procedures.

The HPD shall also maintain records of generation of electrical energy from wind and solar resource of the Wind-Solar Hybrid Project separately. The same shall be made available by the HPD to MSEDCL as and when required by MSEDCL.

3.3 Project Scope:

The successful bidder shall set up Wind-Solar Hybrid Power Project including the transmission/Distribution network up to the Delivery Point in line with Section 3.7, at its own cost (including but not limited to open access charges till the delivery point) and in accordance to the provisions of this RfS document. All approvals, permits and clearances required for setting up of the Project (including connectivity) and those required from Government and local bodies shall be in the scope of the successful bidder. However, the selection of Projects would be technology agnostic.

In order to ensure quality of wind turbines installed, only type certified wind turbines models listed in Revised List of Models and Manufactures (RLMM) as published by MNRE from time to time and as on the date of commission of the project, shall be allowed for deployment of Country.

For solar modules and balance of systems, the technology to be adopted shall be commercially established technology or in accordance with MNRE's Approved Models and Manufacturers of Solar PV Modules (Requirements for Compulsory Registration) Order, 2019 as amended from time to time, whichever is applicable. Final details of the same shall be submitted prior to commissioning of project.

3.4 Eligibility for Project capacity allocation

Following conditions shall be applicable to the Bidders for submission of bids against this RfS:

- I. A bidder including its Parent, Affiliate or Ultimate Parent or any Group Company can only submit a single bid, subject to maximum bid capacity of 500 MW or minimum

bidding capacity as per Section 3.2.

- II. Multiple bids from same company including its Parent/Ultimate Parent /Affiliates/Group Companies shall make all the bids submitted by the group invalid.
- III. The evaluation of bids shall be carried out as described in Section 4. The methodology of allocation of projects is elaborated in Section 4.
- IV. In case the bidder wishes to set up the Project at more than one location, there needs to be physically identifiable with separate injection points, control systems and metering arrangements.

3.5 Qualification Requirements

3.5.1 Bidder as defined in Section 2 is eligible to participate under this RfS.

3.5.2 The Bidding Entity should be incorporated in India under the Companies Act 1956 or Companies Act, 2013 or co-operative societies act 1912 as applicable.

3.5.3 Any consortium, if selected as successful bidder for the purpose of supply of power to MSEDCL, shall incorporate a Project Company/ Special Purpose Vehicle (SPV) with equity participation by the Members in line with consortium agreement (to be submitted along with the response to RfS) before signing of PPA with MSEDCL, i.e. the Project Company incorporated shall have the same shareholding pattern at the time of signing of PPA as given at the time of submission of response to RfS in consortium agreement.

A bidder which has been selected as successful Bidder based on this RfS shall execute the Project through a Special Purpose Vehicle (SPV) i.e. a Project company especially incorporated as a fully owned subsidiary Company (100% subsidiary) of the successful bidder for setting up of the Project which has to be registered under the Indian Companies Act, 2013, before signing of PPA. It is also clarified that the SPV shall be only for the purpose of the Project under this RfS and shall not engage in any other activities that are not directly related to the Project.

3.5.4 Foreign Companies are allowed to participate and foreign companies participating in the bidding process shall be registered as companies as per the rules of their country of origin. A foreign company can also participate on standalone basis or as a member of consortium at the RfS stage. In case of foreign company participating on standalone basis and on its selection as successful bidder, it has to form an Indian Company registered under the Companies Act, 2013 as its fully owned subsidiary Company (i.e. 100% subsidiary) before

signing of PPA. In case the foreign company participating as a member of consortium, the Clause 3.5(3) shall be applicable. Foreign company participating in RFS shall also comply with the applicable rules on foreign direct investments as specified by Government of India time to time.

3.5.5 Limited Liability Companies (LLC) shall be eligible to participate. Further, if such Limited Liability Companies are selected as successful Bidders, they will have to register as a Company under the Indian Companies Act, 1956 or Companies Act, 2013, as applicable, before signing of PPA, keeping the original shareholding of LLC unchanged. In such cases, it will also be mandatory on the part of such Limited Liability Companies to either demonstrate or infuse the capital in form of his own equity in line with the requirement stipulated in Clause 3.6 given below. In case LLC fails to incorporate as an Indian company before signing of PPA or unable to demonstrate/ infusion of capital in form of his own equity in to the Company registered in India or not able to sign PPA with MSEDCL, EMD of such Bidders shall be forfeited. Note: Limited Liability Companies (LLC) shall be eligible only for those LLCs which are formed by companies.

3.5.6 Limited Liability Partnership (LLPs) are not eligible for participation.

3.5.7 For avoidance of doubt, it is clarified that the fully owned subsidiary Company as mentioned in Clauses 3.5 (3) and 3.5 (4) above should be an immediate 100 % subsidiary of the Bidder, without any intermediaries involved.

3.6 Eligibility Criteria

3.6.1 Net Worth:

- a) The Net-Worth of the Bidder for the financial year ended on 31.03.2020 shall not be less than INR 1.00 Crores per MW (of the capacity quoted in bid).
- b) Bidders shall have to furnish a Certificate from Chartered Accountants/Appropriate Authority, certifying the Net worth per MW of quoted capacity as on 31st March, 2020 or as on the date at least 7 days prior to the due date of bid submission
- c) For avoidance of doubt 'net worth' as per section 2(57) of the Companies Act, 2013

means the aggregate value of the paid-up share capital and all reserves created out of the profits and securities premium account, after deducting the aggregate value of the accumulated losses, deferred expenditure and miscellaneous expenditure not written off, as per the audited balance sheet, but does not include reserves created out of revaluation of assets, write-back of depreciation and amalgamation.

- d) Pursuant to evaluation of Net-Worth Criteria as part of technical bid, if it is found by MSEDCL that the Bidder is eligible for lesser quantum than the quantum for which bid has been submitted, then the Bidder shall be qualified for such lesser quantum, provided that such quantum is not less than minimum bid capacity i.e. as per Section 3.2.2.

3.6.2 Liquidity:

In order to ascertain that the Bidder has sufficient means to manage the fund requirements for the Project, the Bidder shall be required to demonstrate at least one of the following parameters:

- a) A minimum annual turnover of Rs. 75 lakhs/MW (Rupees Seventy Five Lakhs per MW) of the quoted capacity during the previous financial year 2019-20 or as on the date at least 7 days prior to the due date of bid submission. It is hereby clarified that at “ Other Income) as indicated in the annual accounts of the Bidder shall not be considered for arriving at the annual turnover.
- b) Internal resource generation capability, in the form of Profit Before Depreciation Interest and Taxes (PBDIT) for a minimum amount of Rs. 15 Lakhs/MW of the quoted capacity, as on the last date of previous financial year, 2019-20.
- c) In-principle sanction letter from the lending institutions/banks of the Bidder, committing a Line of Credit for a minimum amount of Rs. 18.75 Lakhs/MW of the quoted capacity, towards meeting the working capital requirement of the project quoted under this RfS. Such letter can also be obtained by the Affiliate(s) of the Bidder.

3.6.3 The Bidder may seek qualification on the basis of financial capability of its Affiliate(s) for the purpose of meeting the qualification requirements as per 3.6.(1) and 3.6.(2) above. In case of the Bidder being a Bidding Consortium, any Member may seek qualification on the basis of financial capability of its Affiliate(s). In such cases, the Bidder shall be required to submit Board Resolutions from the respective Affiliate(s), undertaking to contribute the required equity funding and performance bank guarantees, in case the Bidder(s) fail to do so in accordance with the RfS. In case of non-availability of the Board Resolution as required above, a letter from the CEO/Managing Director of the respective Affiliate(s), undertaking the above, shall be required to be submitted and the requisite Board Resolution from the Affiliate(s) shall be required to be submitted prior to signing of PPA.

3.7 Connectivity with the Grid

- i) The project should be designed for delivery of energy at CTU/STU periphery as per applicable Delivery Point
- ii) The responsibility of getting the grid connectivity with CTU/STU shall entirely be of the successful bidder and the same shall be in the name of successful bidder/SPV. The successful bidder shall submit documentary evidence for securing its connectivity with grid from CTU/STU within 12 months from the date of signing of PPA.
- iii) The transmission of power up to the Interconnection Point and energy accounting infrastructure shall be the responsibility of the successful bidder at his own cost. The maintenance of Transmission system up to the Interconnection Point shall be responsibility of the Bidder.
- iv) The arrangement of connectivity can be made by the successful bidder through a dedicated line which the successful bidder may construct himself or through any other agency. The entire cost of dedicated line including cost of construction of line, maintenance, losses etc. from the project up to the delivery point will be borne by the successful bidder.
- v) The successful bidder shall not be entitled to deemed generation in case of any delay in grant of connectivity and /or Open Access till the Delivery Point.

- vi) The successful bidder shall comply with CERC/MERC regulations on Forecasting, Scheduling and Deviation Settlement, as applicable and are responsible for all liabilities related to Connectivity.
- vii) The HPD shall be responsible for all transmission charges and losses and any other charges as applicable under the respective regulations till the Delivery Point.
- viii) Government of India from time to time issues order for waiver of inter-state transmission system (ISTS) charges and losses on transmission of wind/solar power till a certain date. In case the commissioning of the Project gets delayed beyond the applicable date of ISTS waiver, arising out of any reasons whatsoever, MSEDCL shall bear no liability with respect to transmission charges and losses levied, if any. Further, in case SCOD of the Project is prior to the above deadline of waiver of ISTS charges and losses, and commissioning of the Project is delayed beyond the above date for the reasons attributable to the HPD, the applicable transmission charges and losses shall be borne by the HPD.

3.8 Clearances required from the Central/State Government and other local bodies

The Bidders are required to obtain necessary clearances and permits as required for setting up the Wind-Solar Hybrid Power Projects.

3.9 Earnest Money Deposit (EMD) and Performance Bank Guarantees (PBG)

The Bidder shall provide the following Bank Guarantees to MSEDCL in a phased manner as follows:

- 3.9.1 Earnest Money Deposit (EMD) of Rs. 5 lakh / MW per Project** in the form of Bank Guarantee along with RfS according to Format 6.3 A and valid for 09 months from the last date of bid submission and shall be submitted by the Bidder along with their bid failing which the bid shall be summarily rejected. The Bank Guarantees towards EMD have to be in the name of the Bidding Company / Lead Member of Bidding Consortium. The Bidder

shall furnish the Bank Guarantees towards EMD from any of the Banks listed at Annexure-B in favor of MSEDCL.

3.9.2 Performance Bank Guarantee (PBG): The bidders selected by MSEDCL, based on this RfS shall submit the Performance Bank Guarantee (PBG) of Rs. 10 Lakh/MW according to the Format 6.3 B, issued in favor of MSEDCL two (2) days prior to signing of PPA, with a validity period upto 7 months from SCOD.

The Bidder shall furnish the Performance Bank Guarantees (PBGs) from any of the Banks listed at Annexure-B to MSEDCL.

3.9.3 The format of the Bank Guarantees prescribed in the Formats 6.3 A (EMD) and 6.3 B (PBG) shall be strictly adhered to and any deviation from the above Formats shall result in rejection of the EMD/PBG and consequently, the bid. In case of deviations in the formats of the Bank Guarantees, the corresponding PPA shall not be signed by MSEDCL.

3.9.4 The successful bidders are required to sign PPA with the MSEDCL within 1 month after the date of issue of LoA. Subsequent extension in this timeline shall be finalized and agreed by MSEDCL. In case, MSEDCL offers to execute the PPA with the Selected Bidder and if the Selected Bidder does not submit the requisite documents as per Section 3.11 or does not meet eligibility criteria upon submission of documents or does not execute the PPA within the stipulated time period, then the Bank Guarantee submitted towards EMD shall be forfeited by MSEDCL and the selected Project(s) shall stand cancelled.

3.9.5 If the Successful Bidder fails to achieve Financial Closure as prescribed in Clause 3.13, the MSEDCL shall encash the Performance Bank Guarantee (PBG) unless the delay caused due to a Force Majeure event. An extension for the attainment of the financial closure can however be considered by MSEDCL, on the sole request of the Wind-Solar Hybrid Power Generator, upon submission of a fresh Performance Bank Guarantee (PBG) with the same conditions, value and validity as stated in Section 3.9(ii) above. This extension will not have any impact on the SCOD. However, such amount of encashed PBG shall be returned to the Wind-Solar Hybrid Power Generator without any interest within a period of 30 days of achievement of successful commissioning provided such commissioning is within the SCOD.

3.9.6 Bank Guarantees have to be executed on non-judicial stamp paper of Rs. 500.

3.9.7 All expenditure towards execution of Bank Guarantees such as stamp duty etc. shall be borne by the bidder.

3.9.8 In order to facilitate the Bidders to submit the Bank Guarantee as per the prescribed format and in line with the requirements, checklist at Annexure-A has been attached. Bidders are advised to take note of the above checklist while submitting the Bank Guarantees.

3.9.9 After the bidding process is over, MSEDCL shall release the Bank Guarantees towards EMD of the unsuccessful Bidders within 30 days after the completion of e- reverse auction. The PBG of the Wind-Solar Hybrid power generator / bidder shall be returned within 30 days of successful commissioning of their projects as per Terms of PPA, after taking into account any liquidated damages due to delays in commissioning as per Clause 3.14 of RfS and Article 3.3 of PPA.

3.9.10 On receipt and after successful verification of the total Performance Bank Guarantee in the acceptable form and execution of the PPA, the BG submitted towards EMD shall be returned by MSEDCL to the successful Bidder.

3.10 Forfeiture of EMD:

The BG towards EMD shall be forfeited by MSEDCL in following cases:

- i) If the bidder withdraws or varies the bid after due date and time of bid submission and during the validity of the bid.
- ii) In case, MSEDCL offers to execute the PPA with the Selected Bidder and if the selected bidder does not submit the requisite documents as per Section 3.11;
- iii) If after date of issue of LOA, it is found that the documents furnished by the bidder during RfS are misleading or misrepresented in any way and that relevant facts have been suppressed.
- iv) If the bidder fails to furnish required Performance Bank Guarantee in accordance with Section 3.9

3.11 Power Purchase Agreement