



National Programme on ACC Battery Storage

REQUEST FOR PROPOSAL

For

**Selection of Manufacturers for Setting Up 10 GWh
Manufacturing Capacities for Advance Chemistry Cell
(ACC) under the Production Linked Incentive (PLI)
Scheme**

Government of India

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 Government or any of its 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 Government 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 making their financial offers (Bids) pursuant to this RFP. This RFP includes statements, which reflect various assumptions and assessments arrived at by the Government 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 Government, 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 the Bidding Documents 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 may depend upon interpretation of law. The information given is not intended to be an exhaustive account of statutory requirements and should not be regarded as a complete or authoritative statement of law. The Government accepts no responsibility for the accuracy or otherwise for any interpretation or opinion on law expressed herein.

The Government and its advisors make no representation or warranty and shall have no liability to any person, including any Bidder(s) 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 for participation in this Bid.

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

The Government 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 Government is bound to select a Bidder(s) or to appoint the Selected Bidder(s), as the case may be, for the Project and the Government reserves the right to reject all or any of the Bidders or Bids without assigning any reason whatsoever.

The Bidder(s) 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 Government, or any other costs incurred in connection with or relating to its Bid. All such costs and expenses will remain with the Bidder(s) and the Government shall not be liable in any manner whatsoever for the same or for any other costs or other expenses incurred by a Bidder(s) in preparation or submission of the Bid, regardless of the conduct or outcome of the Bidding Process.

GLOSSARY

Advance Chemistry Cell / ACC	It shall have the definition as prescribed under the Programme Agreement.
AIF	An alternative investment fund as defined in Regulation 2(1)(b) of the Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012, as may be amended from time to time.
Appointed Date	As defined in the Programme Agreement.
Associate	As defined in Clause 2.2.1(d)
Bank Guarantee	As defined in Clause 2.23.1
Beneficiary Firm	As defined in the Programme Agreement.
Bid	As defined in Clause 1.1.2
Bid Due Date	As defined in Clause 1.1.5
Bid Security	As defined in Clause 1.2.2
Bidder(s)	As defined in Clause 1.1.2
Bidding Documents	As defined in Clause 1.1.5
Bidding Process	As defined in Clause 1.2.1
Central Public Procurement Portal	Shall mean the electronic portal of the Government of India that facilitates all the central government organisations to publish their tenders.
Conflict of Interest	As defined in Clause 2.2.1(c)
Consortium	As defined in Clause 2.2.1(a)
Eligible Bidder	As defined in Clause 1.2.5
Financial Bid	As defined in Clause 1.2.1
Foreign Investment Fund	means any appropriately regulated investment fund which is set up in any country outside India but excludes entities that fall within the ‘Negative List’. In this context, the expression “appropriately regulated” means regulation or supervision by the securities market regulator or the banking regulator or other relevant statutory authority of the concerned foreign jurisdiction.
GFR Order	As defined in Clause 2.2.17
GoI	Government of India.
Government	Ministry of Heavy Industries, Government of India.
GWh	Gigawatt hours.
IFRS	As defined in Clause 2.2.5 (a)
Lead Member	As defined in Clause 2.2.10 (b)
LOA	As defined in Clause 2.30.3

Member	Member of a Consortium.
Net Worth	As defined in Clause 2.2.5 (b)
Parent Company	Shall mean a company that holds at least 26% (twenty six percent) of the paid - up equity capital directly or indirectly in the Bidder or in the Member in a Consortium, as the case may be.
Performance Security	As defined in the Programme Agreement.
Price Bid	As defined in Clause 3.3
Programme Agreement	As defined in Clause 2.2.11
Project	As defined in Clause 1.1.3
RFP	Shall mean this request for proposal issued by the Government to the Bidders.
Rs. or INR	Indian Rupee.
Selected Bidder	As defined in Clause 2.30.1
SPV	As defined in Clause 2.2.10
State Government	Shall mean the state governments extending support for the implementation of the Project.
Subject Person	As defined in Clause 2.2.1 (c) (i)
Subsidy	As defined in Clause 1.2.5
Technical Bid	As defined in Clause 1.2.1
Technical Capacity	As defined in Clause 3.2.1
Tie Bidder	As defined in Clause 2.30.2
Tripartite Agreement	As defined in Clause 1.1.3
Ultimate Parent Company	Shall mean a company which owns at least 26% (twenty six percent) equity in the Bidder or Member of a Consortium, (as the case may be) and such Bidder or Member of a Consortium, (as the case may be) shall be under the direct control or indirectly under the common control of such company.

The words and expressions beginning with capital letters and defined in this document shall, unless repugnant to the context, have the meaning ascribed thereto herein above.

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1. INTRODUCTION

1.1 Background

- 1.1.1 The Government of India (“**GoI**”) through the Ministry of Heavy Industries (“**Government**”) intends to develop greenfield giga-scale advance cell manufacturing for various end use applications and promotion of diverse energy sources, to ensure overall energy security for the nation in the long run. The Government has launched and intends to implement the National Programme on Advance Chemistry Cell Battery Storage (“**Programme**”). To achieve this, the Government wishes to select eligible entities to set-up greenfield manufacturing facilities that produce Advance Chemistry Cell (“**ACC / Advance Chemistry Cell**”) as defined under the Programme Agreement.
- 1.1.2 The Government is carrying out a Bidding Process (*defined hereinafter*) and seeks bids (“**Bid**”) as response to this RFP from individuals, LLPs, funds, private entities, public entities or other international entities (hereinafter referred to as “**Bidder(s)**”).
- 1.1.3 The Selected Bidders (*defined hereinafter*) would be entitled to receive fiscal benefits in the form of a cash Subsidy in accordance with the Programme. A Bidder selected through this RFP, to be eligible for this Subsidy, would have to commit to set-up an Advance Chemistry Cell manufacturing facility with Value-Addition (*as defined in the Programme Agreement*) of minimum 25% (twenty-five percent) within 2 (two) years from the Appointed Date and minimum 5 (five) GWh capacity with minimum 60% (sixty percent) Value Addition within 5 (five) years from the Appointed Date, overall at the mother unit level in case of an integrated unit, or at the project level through indigenous manufacturers, in a hub and spoke structure, in accordance with the Programme Agreement (“**Project**”).

The Government shall execute a Programme Agreement with the SPV (as provided in Clause 2.2.11), substantially in the format specified at Appendix XIV hereto. State Governments shall also extend support and provide additional incentives for implementation of the Project, through the execution of a tripartite agreement between the SPV, State Government and the Government (“**Tripartite Agreement**”). The template of the model Tripartite Agreement has been annexed to this RFP at Appendix XV and the Bidders may revise the model Tripartite Agreement (including to seek additional incentives) through direct negotiation with the respective State Government, subject to and in accordance with the provisions of the model Tripartite Agreement. It is clarified that the Government shall have the right to seek amendment to such Tripartite Agreement, agreed to be executed between the Beneficiary Firm and the respective State Government.

- 1.1.4 The statements and explanations contained in this RFP are intended to provide a better 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 or the Government’s right to amend, alter, change, supplement or clarify the scope of work. Consequently, any omissions, conflicts or contradictions in this 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 Government.
- 1.1.5 The Government shall receive all documents pursuant to this RFP in accordance with the terms set forth herein, as modified, altered, amended and clarified from time to time by the Government (collectively the “**Bidding Documents**”), and all documents shall be prepared and submitted in accordance with such terms on or before the date specified in Clause 1.3 for submission of Bid (the “**Bid Due Date**”).

1.2 Brief description of Bidding Process

1.2.1 The Government has adopted a two-envelope single stage selection process (the “**Bidding Process**”) for selection of the Bidder for entitlement to receive Subsidy on the basis of capacity sold by the Beneficiary Firm (including Committed Capacity and Value Addition of Advance Chemistry Cell (*as defined in the Programme Agreement*) in India). The process for evaluating the Bids comprises of evaluation of a technical bid wherein the Bidder shall state its Technical Capacity as specified in Clause 3.2 (“**Technical Bid**”) and a financial bid which shall include the Subsidy (*as defined hereinafter*) quoted by the Bidder (“**Financial Bid**”). Prior to submission of the Bid, the Bidder shall pay to the Government a non-refundable sum of INR 4,50,000 (Rupees four lakh fifty thousand) as the cost of the RFP process. Such payments shall be made to the bank account of the Government, the details of which are set out in Appendix – XII. After the Bidder satisfies the qualification criteria as specified in Clause 2.2.3, in the first stage, a technical evaluation will be carried out as specified in Clause 3.2. Based on this technical evaluation, a list of short-listed Bidders shall be prepared as specified in Clause 3.3.1. In the second stage, a financial evaluation will be carried out as specified in Clause 3.3. Bids will finally be ranked according to their combined technical and financial scores as specified in Clause 3.4. For the purposes of evaluation, in case of a Consortium, only the credentials of the Lead Member (*as defined hereinafter*) shall be considered for satisfying the qualification criteria specified in Clause 2.2.3. The Bidders shall be selected through a transparent short-listing process as provided for under Clause 3 of this RFP. The Bidders are required to submit their Bids on the Central Public Procurement Portal <https://eprocure.gov.in/eprocure/app>. Accordingly, the Selected Bidders will be awarded incentives by Government for carrying out its obligations in relation to the Project in accordance with and under the terms of the Programme Agreement. The Subsidy disbursement shall commence once the proposed Committed Capacity and Value Addition is achieved and sale of the Advance Chemistry Cell begins. It shall be phased-out over a 5 (five) year window, payable quarterly, in accordance with the terms of the Programme Agreement.

1.2.2 A Bidder is required to deposit, along with its Bid, a bid security of INR 10,00,00,000 (Rupees ten crore) (the “**Bid Security**”), refundable no later than 90 (ninety) days from the Bid Due Date, except in the case of the Selected Bidder whose Bid Security shall be retained till it has provided a Performance Security under the Programme Agreement.

The Bidders shall provide Bid Security in the form of a Bank Guarantee acceptable to the Government, with a validity period of not less than 270 (two hundred and seventy) 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 Government and the Bidder from time to time. The Bid shall be summarily rejected if it is not accompanied by the Bid Security.

1.2.3 Details of the process to be followed and the terms thereof are spelt out in this RFP.

1.2.4 In terms of this RFP, a Bidder is required to deposit originals of the following at the address given at Clause 2.15.4:

- (a) A Bid Security in accordance with Clause 1.2.2; and
- (b) A power of attorney for signing the Bid in accordance with Clause 2.2.8.

1.2.5 Bids are invited for the subsidy provided by the Government for implementing the Project (the

“Subsidy”). In this RFP, the term “Eligible Bidder” shall mean the Bidder(s) who has the highest score as provided in Clause 3. Subject to the provisions of Clause 2.6, the Project will be awarded to the Eligible Bidder(s). The Bidder shall specify the amount of Subsidy in its Bid.

1.3 Schedule of Bidding Process

The Government shall endeavour to adhere to the following schedule:

S. No	Event Description	Date
1.	Release of RFP	24-01-2024
2.	Pre-Bid Conference	12-02-2024
3.	Last date for receiving queries from Bidders	04-03-2024
4.	Government response to queries	22-03-2024
5.	Bid Due Date	22-04-2024
6.	Opening of Technical Bid	23-04-2024
7.	Opening of Financial Bid	27-05-2024
8.	Validity of Bid	19-10-2024
9.	Signing of the Programme Agreement	18-10-2024

1.4 Pre-bid Conference:

The date, time and venue of the Pre-bid Conference shall be:

Date: 12.02.2024

Time: 03:00 PM

Venue: Auditorium, 2nd Floor IFCI Tower, Nehru Place, New Delhi 110019