

REQUEST FOR SELECTION

DOCUMENT

FOR

**NEW GRID CONNECTED
SOLAR THERMAL PROJECTS
UNDER PHASE 1 OF JNNSM**

ISSUED BY

NTPC Vidyut Vyapar Nigam Limited

**7th Floor , Core-3, Scope Complex, 7 Institutional Area, Lodi Road, New Delhi -110003
(Tel No. 011-24364578, Fax. No. 01124362009, Email - nvvn solar@gmail.com)**

August 2010

This RfS document along with Annexure as per Index is issued to -

M/s. _____

NOTES:

1. This document is not transferable.
2. Though adequate care has been taken while preparing the RfS document, the Bidder shall satisfy himself that the document is complete in all respects. Intimation of any discrepancy shall be given to this office immediately. If no intimation is received from any Bidder within ten days from the date of issue of the RfS documents, it shall be considered that the RfS document is complete in all respects and has been received by the Bidder.
3. The NTPC Vidyut Vyapar Nigam Limited (NVVN) reserves the right to modify, amend or supplement this RfS document including PPA.
4. While this RfS has been prepared in good faith, neither the NVVN nor their employees or advisors make any representation or warranty, express or implied, or accept any responsibility or liability, whatsoever, in respect of any statements or omissions herein, or the accuracy, completeness or reliability of information, and shall incur no liability under any law, statute, rules or regulations as to the accuracy, reliability or completeness of this RfS, even if any loss or damage is caused by any act or omission on their part.

Authorised Person

Name: A. Chatterjee

Designation: Additional General Manager (Contracts & Materials)

Address: 7th Floor, Core-3, Scope Complex, 7 Institutional Area, Lodi Road, New Delhi - 110003

Tel: 011 - 24364578

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Email: nvvnsolar@gmail.com

Place: Delhi

Date: 18.08.2010

Section 1

INTRODUCTION & BACKGROUND

Section 1

1.0 INTRODUCTION & BACKGROUND

1.1 NTPC Vidyut Vyapar Nigam Limited (NVVN), the nodal agency wishes to invite proposals for setting up of grid connected Solar Thermal Projects (total aggregate capacity of 500 MW less capacity of migrated projects) for purchase of power for a period of 25 years.

1.2 The objective of the Jawaharlal Nehru National Solar Mission (JNNSM) under the brand 'Solar India' is to establish India as a global leader in solar energy by creating the policy conditions for its diffusion across the country as quickly as possible. The Mission has set a target of 20,000 MW and stipulates implementation and achievement of the target in 3 phases (first phase upto 2012-13, second phase from 2013 - 2017 and third phase from 2017 - 2022) for various components including utility grid connected solar power. JNNSM recognizes that indigenous manufacturing capacity for solar power equipment is vital, if the goal of 20,000 MW of solar power is to be met by 2022. Therefore, it becomes necessary to introduce a criteria for ensuring domestic content for Projects in first phase.

1.3 In order to facilitate grid connected solar power generation under the first phase, JNNSM provides for a scheme of "bundling" relatively expensive solar power with cheaper power from the unallocated quota of the Government of India (Ministry of Power) out of the capacity of the NTPC coal based stations. The provisions of JNNSM in this regard stipulates as follows:

"In order to enable the early launch of "Solar India" and encourage rapid scale up, a scheme is being introduced in cooperation with the Ministry of Power, the NTPC and the Central Electricity Authority, which would simplify the off-take of solar power and minimize the financial burden on Government".

1.4 Many investors are willing to set up solar based power plants. However, sale of power by the IPPs may be an issue due to the high cost of power and realization of tariff for the same from the distribution companies.

In order to incentivise setting up of a large number of Solar Power Projects, while minimizing the impact on tariff various alternatives were explored. One of the options is to bundle solar power along with cheaper power out of the unallocated quota of Central stations and selling this bundled power to state distribution utilities at the CERC regulated price. This will bring down the gap between average cost of power and sale price of power. For the purpose of bundling, power has to be purchased by an entity and re-sold to the state power distribution utilities. Such function can be done only by a trading Company/Discoms, as per the existing statutory provisions.

- 1.5 NTPC Vidyut Vyapar Nigam Ltd. (NVVN) a company engaged in the business of trading of power has been designated as nodal agency by the Ministry of Power (MoP) for entering into a Power Purchase Agreement (PPA) with Solar Power Developers. The PPAs shall be signed with the Developers who will be setting up Solar Projects within next three years (i.e. upto March 2013) and are connected to the grid at voltage level of 33 KV and above. The PPAs will be valid for a period of 25 years. For each MW of solar power installed capacity for which PPA is signed by NVVN, MOP shall allocate to NVVN an equal MW capacity from the unallocated quota of NTPC stations. NVVN will bundle this power and sell this bundled power at a rate fixed as per CERC regulations.

Note: - “The NVVN has been designated the Nodal Agency for implementing this scheme by Government. NVVN, in consultaion with Ministry of Power and Ministry of New and Renewable Energy, is in the process of working out an appropriate mechanism which would enable it to provide Payment Security to Solar Power Developers”.

Considering the fact that some of the grid connected solar power projects were at advanced stage of development, the guidelines for migration of projects from their respective existing arrangements to the ones envisaged under JNNSM have already been issued by Ministry of New and Renewable Energy (MNRE) (“Migration Guidelines”).

1.6 Total Capacity and Portfolio of Solar PV and Solar Thermal Projects

The total aggregated capacity of the grid connected solar projects to be developed under bundling scheme of JNNSM shall be 1000 MW. This capacity is inclusive of the capacity, which may come up under Migration Guidelines, which have been already issued. The projects will be selected under this scheme in such a manner so as to provide for deployment of both Solar PV Projects and Solar Thermal Projects in a ratio of 50:50, in MW terms. However, within these two broad technology groups, the selection of projects would be technology agnostic. For the purpose of calculation of the ratio as mentioned above, projects selected under Migration Guidelines from their existing arrangement to JNNSM would also be taken into account.

Any demonstration projects as may be approved by MNRE from time to time shall not be considered for bundling with unallocated quota of NTPC power, under this scheme.

Under the Phase I of the JNNSM, it is proposed to promote only commercially established and operational technologies to minimize the technology risk and to achieve the commissioning of the Projects.

- 1.7** Ministry of New and Renewable Energy has issued guidelines for selection of new grid connected solar power projects of PV and Thermal and are available in the web sites of MNRE and NVVN at www.mnre.gov.in and www.nvvn.co.in respectively. These guidelines shall form the basis for selection of new projects under 1st batch of JNNSM. The RfS document has been prepared in line with these guidelines.

Section 2

Definitions

Section 2

2.0 Definitions

“Affiliate” shall mean a Company that, directly or indirectly,

i) controls, or

ii) is controlled by, or

iii) is under common control with, a Company developing a Project or a Member in a Consortium developing the Project and control means ownership by one Company of at least 26% (twenty six percent) of the voting rights of the other Company;

“Bidder” shall mean Bidding Company or a Bidding Consortium submitting the Bid. Any reference to the Bidder includes Bidding Company / Bidding Consortium/ Consortium, Member of a Bidding Consortium including its successors, executors and permitted assigns and Lead Member of the Bidding Consortium jointly and severally, as the context may require”;

“Bidding Company” shall refer to such single company that has submitted the response in accordance with the provisions of this RfS;

“Bidding Consortium” or “Consortium” shall refer to a group of companies that has collectively submitted the response in accordance with the provisions of this RfS;

“CERC Approved Applicable Tariff” shall mean the Tariff as approved by Central Electricity Regulatory Commission (CERC) for Solar PV Project and Solar Thermal Project, as applicable, based on the year of signing the PPA and the year of commissioning of the Project. In case Solar Thermal Project seeks to avail accelerated depreciation, the net applicable tariff as approved by CERC after adjusting accelerated depreciation shall be considered as Applicable Approved Tariff for such Project;

“Company” shall mean a body corporate incorporated in India under the Companies Act, 1956;

“Financial Closure or Financial Close” shall mean the execution of all the Financing Agreements required for the Project and fulfilment of conditions precedents and waiver, if any, of the conditions precedent for the initial draw down of funds for the Project. The same is also applicable for Project being developed based on Balance Sheet financing.

“Group Company” of a Company means (i) a Company which, directly or indirectly, holds 10% (ten percent) or more of the share capital of the Company or

(ii) a Company in which the Company, directly or indirectly, holds 10% (ten percent) or more of the share capital of such Company or (iii) a Company in which the Company, directly or indirectly, has the power to direct or cause to be directed the management and policies of such Company whether through the ownership of securities or agreement or any other arrangement or otherwise or (iv) a Company which, directly or indirectly, has the power to direct or cause to be directed the management and policies of the Company whether through the ownership of securities or agreement or any other arrangement or otherwise or (v) a Company which is under common control with the Company, and control means ownership by one Company of at least 10% (ten percent) of the share capital of the other Company or power to direct or cause to be directed the management and policies of such Company whether through the ownership of securities or agreement or any other arrangement or otherwise.

Provided that a financial institution, scheduled bank, foreign institutional investor, non banking financial Company, and any mutual fund shall not be deemed to be Group Company, and its shareholding and the power to direct or cause to be directed the management and policies of a Company shall not be considered for the purposes of this definition unless it is the Project Company or a Member of the Consortium developing the Project.

“Lead Member of the Bidding Consortium” or “Lead Member”: There shall be only one Lead Member, who commits at least 26% equity stake in the Bidding Consortium and cannot be changed till 1 year of the Commercial Operation Date (COD) of the Project;

“Letter of Intent” or “LOI” shall mean the letter issued by NTPC Vidyut Vyapar Nigam Ltd (NVVN) to the Selected Bidder for award of the Project.

“Member in a Bidding Consortium” or “Member” shall mean each Company in a Bidding Consortium. In case of a Technology Partner being a member in the Consortium, it could be any entity;

“Parent” shall mean a Company, which holds at least 26% equity either directly or indirectly in the Bidding Company or a Member in a Bidding Consortium;

“Project” shall mean a Solar Thermal Project with single point of injection into the STU grid substation of 33 kV or above voltage level;

“Project Company” shall mean the Company incorporated by the Bidder as per Indian Laws in accordance with Clause 3.6;

“Selected Bidder or Successful Bidder” shall mean the Bidder selected pursuant to this RfS to set up the Project and supply electrical output as per the terms of PPA;

“Solar PV Project” shall mean the Solar Photo Voltaic power project that uses sunlight for direct conversion into electricity through Photo Voltaic technology;

“Solar Thermal Project” means the Solar Thermal power project that uses sunlight through Concentrated Solar Power technology (based on either line focus or point focus principle) for conversion into heat/steam which can be used for producing electricity;

“Technology Partner” shall mean an entity from which the Bidder proposes to take technology support. However for a Consortium, Technology Partner has to be a company with equity participation less than 10%;

“Effective Date” shall mean the date of execution of Power Purchase Agreement (PPA) by both the parties

“Chartered Accountant” shall mean a person practicing in India or a firm whereof all the partners practicing in India as a Chartered Accountant(s) within the meaning of the Chartered Accountants Act, 1949;

Section 3

INFORMATION AND INSTRUCTION TO BIDDERS

Section 3

3.0 INFORMATION AND INSTRUCTIONS TO BIDDERS

3.1 Total Capacity Offered

Selection of Solar Thermal Projects for capacity upto 500 MW shall be done in 1st batch of JNNSM.

3.2 Capacity of each Project

The minimum capacity of the Solar Thermal Project shall be 5 MW and the maximum capacity of the Project shall be 100 MW.

3.3 Obtaining RfS Document & Processing Fees

a) RfS document is available for download free of cost from the web site www.nvvn.co.in. However RfS document can also be obtained from NVVN office at the address mentioned in cover page, on all working days i.e. from Monday to Friday between 10:00 Hrs to 16.30 Hrs, against payment of Rs 5000/- in the form of DD/ pay order, payable to NTPC Vidyut Vyapar Nigam Limited at New Delhi.

b) Prospective bidders interested to participate in the bidding process are required to submit their RfS document along with a non-refundable processing fee of Rs.1.00 Lakh for each project in the form of DD / Pay Order payable in favour of NTPC Vidyut Vyapar Nigam Limited, at New Delhi. A bidding company / Consortium will be eligible to participate in the bidding process only on submission of RfS along with the processing fee.

3.4 Proposal for Short-listing of Projects

Bidders may submit response to Request for Selection (RfS) for development of Solar Thermal Projects under this scheme. Response to RfS has to be submitted as per the terms & conditions of this RfS.

3.5 Number of Response to RfS by a Company

The Bidder, including its Parent, Affiliate or Ultimate Parent-or any Group Company may submit response to RfS for multiple projects at different locations subject to total maximum of 100 MW. The Bidder shall submit only one response to RfS in the prescribed format detailing all Projects at multiple locations for which the Bidder is submitting the response to RfS. The total capacity to be allocated to a Bidder including its Parent, Affiliate or Ultimate Parent-or any Group Company shall be limited to 100 MW. The Bidder has to furnish a disclosure as per Format for Disclosure (Format – 6.9)

3.6 **Qualification Requirements**

The Bidder should be a Company (Bidding Company) or a Consortium of Companies (Bidding Consortium) with one of the Companies acting as the Lead Member of the Bidding Consortium. Short-listing of Bidder will be based on meeting the Qualification Requirements specified below:

A. Financial Criteria

(i) Net Worth

The “Net Worth” of the Bidder should be equal to or greater than the value calculated at the rate of Rs. 3 Crore or equivalent US\$ per MW of the total installed capacity of the Project(s) upto 20 MW. For every MW additional capacity, beyond 20 MW, additional “Net Worth” of Rs. 2 crore or equivalent US\$ per MW shall be required.

The computation of Net Worth shall be based on unconsolidated audited annual accounts of the Company. For the purpose of the computation of Net Worth, the last four financial years shall be considered. The Bidder would thus be required to submit annual audited accounts for the financial years 2006-07, 2007-08, 2008-09 and 2009-10 (if available), while indicating the year, which should be considered for evaluation, along with a certificate from the chartered accountant to demonstrate the fulfilment of the criteria.

{Note: (a)} Companies formed after 1st April 2006 would be required to submit annual audited accounts starting from the financial year in which the company was incorporated till the financial year ended on 31st March’09 and financial year 2009-10 (if available), while indicating the year which should be considered for evaluation along with a certificate from chartered accountant to demonstrate the fulfilment of the criteria.

(b) For the Qualification Requirements, if data is provided by the Bidder in foreign currency, equivalent rupees of Net Worth will be calculated using bills selling exchange rates (card rate) USD / INR of State Bank of India prevailing on the date of closing of the accounts for the respective financial year as certified by the Bidder’s banker.

For currency other than USD, Bidder shall convert such currency into USD as per the exchange rates certified by their banker prevailing on the relevant date and used for such conversion.}

Net Worth

=	Paid up share capital
Add:	Reserves
Subtract:	Revaluation Reserves
Subtract:	Intangible Assets
Subtract:	Miscellaneous Expenditures to the extent not written off and carry forward losses

- (ii) For the purposes of meeting financial requirements, only unconsolidated audited annual accounts shall be used. However, audited consolidated annual accounts of the Bidder may be used for the purpose of financial requirements provided the Bidder has at least twenty six percent (26%) equity in each Company whose accounts are merged in the audited consolidated account and provided further that the financial capability of such companies (of which accounts are being merged in the consolidated accounts) shall not be considered again for the purpose of evaluation of any other Bid.
- (iii) For a newly incorporated Company relying solely on its own credentials, where the annual account has not been prepared, the Net Worth criteria should be met not more than seven days prior to the last date of submission of response to RfS. To demonstrate fulfilment of the criteria, the Bidder shall submit a certificate from a Chartered Accountant certifying the Net Worth on the date seven days prior to submission of response to RfS. Further, the Bidder shall submit the un-audited financial statements of the Company duly certified by Chartered Accountant for the date on which the certificate of Net Worth has been obtained.
- (iv) If the response to RfS is submitted by a Consortium the financial requirement shall be met individually and collectively by all the Members in the Bidding Consortium. The financial requirement to be met by each Member of the Consortium shall be computed in proportion to the equity commitment made by each of them in the Project Company. . For computation of Net Worth of members methodology as provided in para (i) above shall be followed. Any Consortium, if selected, shall, for the purpose of supply of power to NVVN, incorporate a Project Company with equity participation by the Members in line with consortium agreement before signing the PPA with NVVN.

Note: - Technology Partner in a Bidding Consortium has to be a Company with equity participation less than 10%.

The Bidder may seek qualification on the basis of financial capability of its Parent and / or it's Affiliate(s) for the purpose of meeting the Qualification Requirements.

In case any Bidder is selected for developing both Solar Thermal Project as well as Solar PV Project, the Bidder will have to meet the total Net Worth requirement for all the Projects and submit the proof for the same within one month from the date of issue of Letter of Intent.

B. Technical Criteria

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. The bidder is required to undertake to furnish evidence of meeting the above eligibility criteria in line with provisions of clause 3.21 under the title “Financial Closure”. The undertaking shall be as per enclosed Format – 6.7.

Detailed technical parameters for Solar Thermal Projects are at Annexure - 1.

C. Connectivity with the Grid

The plant should be designed for interconnection with the nearest substation of STU at the voltage level of 33 kV or above. The Project developer shall be responsible for entering into transmission evacuation agreement with STU. The responsibility of constructing the transmission line from power plant upto 132/33 kv substation would be of STU. In this regard, the Bidder shall submit a letter along with the response to RfS from the STU confirming technical feasibility of the connectivity of the plant to grid substation at the indicated location for each project as per Format – 6.8.

D. Water availability

The Bidder should have made arrangements for the water required for the Project. The Bidder shall submit calculation and documentary evidence in the form of approval from the State/local authority for the quantity of water required for the Project, along with the response to the RfS

E. Domestic Content

It will be mandatory for the Bidders to ensure atleast 30% of local content excluding land in the plants/installations of the Projects.

3.7 Short-listing of Projects

NVVN shall evaluate only those responses to RfS, which are received by the due date and time at the office of NVVN. The responses will be evaluated based on the qualification requirement and all the responses meeting the qualification requirements shall be short-listed. If the total aggregate capacity of the Solar Thermal Projects short-listed is lower than or equal to 500 MW less capacity of projects migrated from their existing arrangement to JNNSM, all the short-listed

Bidders would be selected and Letter of Intent (LOI) will be issued to all the short-listed Bidders on CERC Approved Applicable Tariff.

3.8 In the event, the total aggregate capacity of the Solar Thermal Projects short-listed is higher than 500 MW less capacity of projects migrated from their existing arrangement to JNNSM, the final selection of the Bidders from the list of short-listed Bidders shall be done on the basis of discount to be offered by Bidders on CERC Approved Tariff as detailed in the next sub-section 3.8.1.

3.8.1 Selection of Projects based on Discount in Tariff

- a) Request for Proposal (RfP) document containing the format and detailed mechanism for indicating discount on CERC Approved Tariff will be issued to the short-listed Bidders.
- b) The Bidders will be required to submit RfP indicating the discount in Paisa/kWh on CERC Approved Applicable Tariff.
- c) The Bidders offering the maximum discount will be selected first and so on till the total aggregate capacity of 500 MW less capacity of projects migrated from their existing arrangement to JNNSM is reached.
- d) In case a Bidder submits response to RfS for multiple Projects and such Projects are shortlisted, then the developer has to offer discount separately on each such shortlisted Project.
- e) In case the capacity of last Project selected is higher than the capacity to be selected for meeting the total aggregate capacity of all the Projects as at c) above, the capacity of last Project selected shall be limited so as to meet the total aggregate capacity.
- f) The Bidders will be required to furnish Bid Bond on graded scale along with the RfP bid as provided hereunder:

Sl. No.	Discount offered on CERC Approved Tariff	Amount of Bid Bond applicable for every paise of discount on CERC Approved Tariff (per MW)
1.	Upto 10%	Rs. 10,000/=
2.	More than 10% & Upto 15%	Rs. 20,000/=
3.	More than 15% & Upto 20%	Rs. 30,000/=
4.	More than 20% & Upto 25%	Rs. 40,000/=
5.	More than 25%	Rs. 50,000/=

Note: - A Sample Bid Bond calculation attached.

- g) In the eventuality of a tie in the bidding process, the applicant would be selected by draw of lots.

At the end of selection process, a LOI will be issued to all the selected Bidders.

Note: - The Selected Project Developers will be required to submit a copy of the audited annual accounts along with tax audit report supplemented with calculation of Depreciation and a copy of Income Tax return for the first 05 years from Commercial Operation Date (COD) of the 1st Unit of the Solar Power Project Company. If at any stage after COD it is found that in place of Normal Rate of Depreciation (based on which the Solar Power Project Company was selected) the Solar Power Project Company is claiming Accelerated Rate of Depreciation as per the Income Tax Act 1961, the applicable Tariff of the Solar Power Project shall stand changed to CERC Tariff for Accelerated Rate of Depreciation from the COD with applicable discount.

3.9 Power Purchase Agreement

A copy of Draft Power Purchase Agreement to be executed between NVVN and the Selected Bidder(s) is enclosed at Annexure-2. The PPA shall be executed within one month of the date of issue of Letter of Intent.

Note: - “The NVVN has been designated the Nodal Agency for implementing this scheme by Government. NVVN, in consultaion with Ministry of Power and Ministry of New and Renewable Energy, is in the process of working out an appropriate mechanism which would enable it to provide Payment Security to Solar Power Developers”.

3.10 Submission of Response to RfS by the Bidder

The response to RfS shall contain the following:

1. Covering Letter as per **Format 6.1**;
2. In case of a Bidding Consortium, a Power of Attorney in favour of the Lead Member issued by the other Members of the Consortium shall be provided in original as per format attached hereto as **Format 6.2**.

In the event any Member of the Bidding Consortium (other than Lead Member) is a foreign entity, it may submit Board Resolutions in place of Power of Attorney for the purpose of fulfilling the requirements under this Clause. Provided that such Board Resolutions shall be supported by an unqualified opinion issued by the legal counsel of such foreign entity stating that the Board Resolutions are in compliance with the applicable laws of the respective jurisdictions of the issuing Company and the authorizations granted therein are true and valid.

3. Earnest Money Deposit (EMD) in the form as per **Format 6.3 A**;

4. Performance Guarantee (to be submitted at the time of signing of PPA) in the form as per **Format 6.3 B**;
5. Board Resolutions, as per prescribed formats enclosed as **Format 6.4** duly certified by the Company Secretary or the Director of the relevant Bidder, as applicable to the Bidder and mentioned hereunder:
 - a. Board resolution from the Bidding Company or the Lead Member of the Consortium, as the case may be, in favour of the person signing the response to RfS,.
 - b. Board Resolution from the Bidding Company committing one hundred percent (100%) of the equity requirement for the Project / Board Resolutions from each of the Consortium Members together in aggregate committing to one hundred percent (100%) of equity requirement for the Project (in case of Bidding Consortium); and
 - c. Board Resolutions from Parent and /or Affiliate (whose credentials were used in the response to RfS), of the Bidding Company / any Member of the Bidding Consortium, undertaking to invest the entire amount as committed by Bidding Company / Member of the Bidding Consortium, in event of failure of the same to make such investment.
6. In case of a Consortium, the Consortium Agreement between the Members in the Consortium as per **Format 6.5** along with Board resolution from each Member of the Consortium for participating in consortium;
7. Format for Financial Requirements as per **Format 6.6**, as applicable;
8. Format for Technical Criteria wherein Bidder shall certify that the technology to be adopted shall have plants which have been in operation for a period of atleast one year or a Technology for which Financial Closure of a commercial plant has already been obtained. Final details of same shall be submitted within 180 days of signing of PPA as per **Format 6.7**;
9. A letter from the STU confirming connectivity of the Project as per **Format 6.8**;
10. Approval from the State/local authority for the quantity of water required for the project in line with Clause 3.6 D;
11. A disclosure statement as per **Format 6.9** regarding participation of any related companies in this bidding process;

12. Submission of Form in Annexure -3 in print and a soft copy in CD may be submitted along with other Documents mentioned in Section 6.
 13. Memorandum & Article of Association, Certificate of Incorporation (if applicable) of Bidding Company/ all member companies of Bidding Consortium.
- 3.11 Wherever information has been sought in specified formats, the Bidders shall fill in the details as per the prescribed formats and shall refrain from referring to any other document for providing any information required in the prescribed format.
- 3.12 **The Bidder should note that:**
- a. If the Bidder/ Member in a Bidding Consortium conceals any material information or makes a wrong statement or misrepresents facts or makes a misleading statement in its response to RfS, in any manner whatsoever, the NVVN reserves the right to reject such response to RfS and/or cancel the Letter of Intent, if issued and the Bank Guarantee provided upto that stage shall be encashed.
 - b. If the event specified at (a) is discovered after the Effective Date, consequences specified in PPA shall apply.
 - c. Response submitted by the Bidder shall become the property of the NVVN and the NVVN shall have no obligation to return the same to the Bidder.
 - d. All pages of the response to RfS submitted must be initialed by the person authorised by the board as per Format 6.4, on behalf of the Bidder.
 - e. The response to RfS shall be submitted as mentioned in clause 3.14. No change or supplemental information to a response to RfS will be accepted after the scheduled date and time of submission of response to RfS. NVVN reserves the right to seek additional information from the Bidders, if found necessary, during the course of evaluation of the response to RfS.
 - f. All the information should be submitted in English language only.
 - g. Bidders shall mention the name of the contact person and complete address of the Bidder in the covering letter.
 - h. Response to RfS that are incomplete, which do not substantially meet the requirements prescribed in this RfS, will be liable for rejection by NVVN.
 - i. Response to RfS not submitted in the specified formats will be liable for rejection by NVVN.
 - j. Bidders delaying in submission of additional information or clarifications sought will be liable for rejection.

- k. Non submission and/or submission of incomplete data/ information required under the provisions of RfS shall not be construed as waiver on the part of NVVN of the obligation of the Bidder to furnish the said data/information unless the waiver is in writing.

3.13 **Due Date**

The Bidders should submit the response to RfS so as to reach the address specified at **Clause 3.14** below by 17:00 Hrs (IST) on 17.09.2010.

3.14 **Method of Submission**

The response to RfS is to be submitted in a sealed envelope in the following manner;

- i. **1st Envelop** –Superscribed as **1st Envelop** and to contain Filled up format at Annexure -3, DD/Pay order of Rs.1,00,000/- for **each project** towards Processing Fee and Bank Guarantee towards EMD @ Rs.20 Lakh/MW for **each project**
- ii. **2nd Envelop** – Superscribed as **2nd Envelop** and to contain covering letter & all other documents and Formats for each project as specified in Section 6.0 of this RfS document.
- iii. **3rd Envelop** – The Main envelop containing the 1st & 2nd Envelop mentioned above addressed to NVVN, superscribing “Response to RfS for supply of Solar Thermal power” **on top left**, Name & Address of the Bidder on **left hand side bottom**, “EMD and Processing Fee contained in 1st Envelop inside” **on right hand side top**.

Address of NVVN : Additional General Manager (C&M)
NTPC Vidyut Vyapar Nigam Limited
7th Floor, Core 3, Scope Complex,
7 Institutional Area, Lodi Road,
New Delhi- 110003

3.15 **Validity of the Response to RfS**

The Bidder shall submit the response to RfS which shall remain valid up to One Hundred Eighty (180) days from the last date of submission of response to RfS (“Bid Validity”). NVVN reserves the right to reject any response to RfS which does not meet the aforementioned validity requirement.

3.16 **Preparation cost**

The Bidder shall be responsible for all the costs associated with the preparation of the response to RfS and participation in discussions and attending pre-bid

meeting(s), etc. NVVN shall not be responsible in any way for such costs, regardless of the conduct or outcome of the bid process.

3.17 Enquiries/Clarifications

(i) Pre Bid Meeting

Clarifications / Doubts, if any, on RfS document may be addressed to AGM (C&M) at the address mentioned below on or before 17:00 Hrs on 27.08.2010. NVVN will make all efforts to respond to the same in the Pre Bid Meeting to be held on 28.08.2010 at 10:00 Hrs in SCOPE Complex Auditorium, Core – 8, Ground Floor. A compiled list of such questionnaire and NVVN's response will be uploaded in the website of NVVN for information of all concerned i.e. www.nvvn.co.in. All are requested to remain updated with the website. No separate reply/intimation will be given else where.

(ii) Enquiries/ clarifications may be sought by the Bidder from:

<u>Name & Address of the Authorised Person of NVVN:</u> Additional General Manager (C&M) NTPC Vidyut Vyapar Nigam Limited 7 th Floor, Core 3, Scope Complex, 7 Institutional Area, Lodi Road, New Delhi- 110003	Phone (Off): 011- 24364578 Fax : 011-24362009 E-mail: nvvnSolar@gmail.com
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3.18 Right of the Procurer to reject a Bid

NVVN reserves the right to reject all or any of the response to RfS or cancel the RfS without assigning any reasons whatsoever and without any liability.

3.19 Bank Guarantees

The Bidder shall provide the following Bank Guarantees from any of the Banks listed at Format 6.10 to NVVN in a phased manner as detailed hereunder:

- Earnest Money Deposit (EMD) of Rs. 20 Lakh/MW for each project in the form of Bank Guarantee along with RfS as per Format - 6.3 A. (valid for a period of 210 days from last date of submission of the response to RfS)
- Bid Bond for the amount calculated as per Clause 3.8.1 (d) in the form of Bank Guarantee along with RfP bid (if applicable) (valid for a period of 120 days from last date of submission of RfP bid)
- Performance Guarantee of Rs. 30 Lakh/MW for each project at the time of signing of PPA as per Format - 6.3 B. (valid for a period of 34 months from the date of signing of PPA)

In addition to the Performance Guarantee of Rs. 30 Lakh/MW to be provided at the time of signing of PPA, the Selected Bidder will also be required to convert

the Bank Guarantees towards EMD and Bid Bond (if applicable) into Performance Guarantee and shall be valid for a period of 34 months from the date of signing of PPA.

At the time of Signing of PPA the total Bank Guarantee value towards Performance Guarantee (after conversion of EMD @ 20Lakh/MW, Bid Bond & performance guarantee @ Rs.30Lakh/MW) shall be submitted in 03 Nos. of Bank Guarantee in the ratio of 20%, 40% & 40%. (Example - If total Performance Guarantee value including, EMD & Bid Bond (after conversion) is Rs.4.00 Cr. Then 03 BGs of value Rs.0.80Cr, Rs.1.60 Cr & Rs.1.60 Cr are to be submitted).

In case, NVVN offers to execute the PPA with the Selected Bidder and if the Selected Bidder refuses to execute the PPA or is unable to execute the PPA within the stipulated time period, the Bank Guarantees towards EMD and Bid Bond (if applicable) shall be encashed by NVVN.

In case the Bidder is not selected, NVVN shall release the Bank Guarantees towards EMD and Bid Bond (if applicable) within fifteen days of the issue of LOI to Selected Bidders. All the Bank Guarantees shall be valid for a period of 34 months from the date of signing of PPA.

3.20 Minimum Equity to be held by the Promoter

The Company developing the project shall provide the information about the Promoters and their shareholding in the Company to NVVN indicating the controlling shareholding at the stage of submission of RfS to NVVN.

No change in the controlling shareholding of the Bidding Company or Lead Member in a Bidding Consortium developing the Project shall be permitted from the date of response to RfS till the execution of the PPA. However, in case the Project is being developed by a listed company, this condition will not be applicable. The controlling shareholding shall mean at least 26% of the voting rights in the Company

After execution of PPA, the controlling shareholding of the Bidding Company or Lead Member in the Project Company developing the Project shall be maintained for a period of (1) one year after commencement of supply of power. Thereafter, any change can be undertaken under intimation to NVVN.

Note: - Lead Member in the Consortium shall have the Controlling Shareholding in the Company having not less than 26% of Voting Rights in the Company.

3.21 Financial Closure:

The project shall achieve Financial Closure within 180 days from the date of signing Power Purchase Agreement (PPA). No extension shall be granted for

achieving this milestone. In this regard the project developer shall submit a certificate from all financing agencies, certifying that the party has complied with all conditions required for drawal of funds and party can draw down the funds on any date as per their requirement.

At this stage, the project developer would also provide evidence that the requisite technical criteria have been fulfilled and

- (i) Required land for project development @ 2 Hectares / MW is under clear possession of the project developer. In this regard the Project Developer shall be required to furnish the following documentary evidences: -
- Ownership or lease hold rights (for atleast 30 years) in the name of the Project Developer **and** possession of 100% of the area of land required for the project.
 - Certificate by the concerned and competent revenue/registration authority for the acquisition / ownership/ vesting of the land in the name of the Project Developer and the land is suitable for industrial use.
 - 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 Project Developer
 - A certified English translation from an approved translator in case above land documents are in other than English and Hindi Languages.
- (ii) The project developer would also need to specify their plan for meeting the requirement for domestic content excluding land.

3.22 Commissioning

The Project shall be commissioned within 28 months of the date of signing of PPA. In case of failure to achieve this milestone, provisions of PPA as mentioned below shall apply: -

NVVN shall encash the Bank Guarantee in the following manner: -

- a. Delay upto one month – NVVN will encash 20% of the total Performance Bank Guarantee.
- b. Delay of more than one month and upto two months – NVVN will encash 40% of the total Performance Bank Guarantee.
- c. Delay of more than two months and upto three months – NVVN will encash the remaining Performance Bank Guarantee.

In case the commissioning of project is delayed beyond 5 (five) months, the Project Developer shall pay to NVVN the Liquidated Damages (LD) at the rate of Rs.1,00,000 / MW per day of delay. LD shall be payable on weekly basis and in advance before commencement of the week starting on Monday and shall be paid in the form of DD/Pay order payable to NTPC Vidyut Vyapar Nigam Limited

at New Delhi. The maximum time period allowed for commissioning of the project with encashment of Performance Bank Guarantee and payment of Liquidated Damages shall be limited to 36 months from the date of signing of PPA. In case, the commissioning of the project is delayed beyond 36 months from the date of signing of PPA, the PPA will be terminated and the Project shall be removed from the list of selected projects.

However, if as a consequence of delay in commissioning, if the applicable tariff changes for the project, the project shall be paid the agreed tariff / changed tariff, whichever is lower after incorporating the tariff discount.

The Selected Bidder shall be required to adhere to the technical parameters specified in Annexure - 1.

3.23 Time Schedule for Solar Thermal Projects

Selection of Solar THERMAL Projects shall be carried out according to the timeline given below:

Sl.	Event	Date
1	Notice for Request for Selection (RfS)	zero date
2	Submission of response to RfS with documents for Registration	30 days from issue of RfS (zero date+30 days)
3	Short-listing of Bidders based on RfS received and decision on tariff discounting	Within 45 days from receipt of response to RfS (zero date+75 days)
4	Tariff discounting process and submission of proposals by short-listed Bidders	Within 15 days from decision of tariff discounting (zero date+90 days)
5	Evaluation of Tariff discounting proposals	Within 30 days from submission of tariff discounting proposals (zero date+120 days)
6	Issue of letter of intent	Within 15 days from evaluation of tariff discounting proposals (zero date +135 days)
7	PPA Signing	Within 30 days from the date of issue of letter of intent (LOI date +30 days)
8	Financial closure of the project	180 days from the date of signing of PPA (LoI Date +210 days)

Sl.	Event	Date
9	Commissioning of the Project	28 months from the date of signing of PPA

- 3.24 In the event of any conflict of interpretation in terms and conditions between RfS document and Guidelines issued by MNRE, or in case of any ambiguity, the provisions of MNRE guidelines shall prevail.

Section 4

EVALUATION CRITERIA

Section 4

4.0 EVALUATION CRITERIA

4.1 *The evaluation process comprises of the following two steps:*

1. Step I – Responsiveness check
2. Step II – Bid evaluation

4.2 *Step I - Responsiveness check*

The response to RfS submitted by the Bidder shall be scrutinised to establish “Responsiveness”. Each Bidder’s response to RfS shall be checked for compliance with the submission requirements set forth in this RfS.

Any of the following conditions shall cause the Bid to be “Non-responsive”:

- i) Response to RfS not received by the due date and time
- ii) Response to RfS submitted by a Bidding Consortium not including the Consortium Agreement
- iii) Response to RfS having Conflict of Interest
- iv) Bidder submitting or participating in more than one response either as a Bidding Company or as a Member of Bidding Consortium
- v) Technology Partner holding more than 10% in a Consortium and participating as a Bidding Company / Member in another Consortium
- vi) Non submission of Processing fee or EMD in acceptable form along with RfS document

4.3 *Step II - Bid evaluation*

- 4.3.1 Step II (Bid evaluation) will be carried out considering the information furnished by Bidders as prescribed under Section 6 - Formats. This step would involve evaluation of the response to RfS of the Bidding Company/ Bidding Consortium as per the provisions specified in Section 3 of this RfS.

Section 5

OTHER PROVISIONS

Section 5

5.0 OTHER PROVISIONS

5.1 Role of State Level Agencies

It is envisaged that the State Level Agencies will provide necessary support to facilitate the development of the Projects. This may include facilitation in the following areas:-

- Access to Sites
- Water Allocation for Solar Thermal Projects
- Land acquisition for the project
- Connectivity to the substation of STU at the voltage level of 33 kV or above

5.2 Sharing of CDM Benefits

The proceeds of carbon credit from approved CDM project shall be shared between generating company and concerned beneficiaries in the following manner, namely

- a) 100% of the gross proceeds on account of CDM benefit 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 the 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 company and the beneficiaries.

Section 6

FORMATS FOR BID SUBMISSION

Section 6

6.0 FORMATS FOR BID SUBMISSION

The following formats are required to be submitted as part of the RfS. These formats are designed to demonstrate the Bidder's compliance with the Qualification Requirements set forth in **Clause 3.6** of Section 3 and other submission requirements specified in the RfS.

- i. Format of Covering Letter (Format 6.1)
- ii. Formats for Power of Attorney (Format 6.2)
- iii. Format for Earnest Money Deposit (EMD) (Format 6.3 A)
- iv. Format for Performance Bank Guarantee (Format 6.3 B)
- v. Format for Board Resolutions (Format 6.4)
- vi. Format for the Consortium Agreement (Format 6.5)
- vii. Format for Financial Requirement (Format 6.6)
- viii. Format for Technical Criteria (Format 6.7)
- ix. Letter from STU (Format 6.8)
- x. Approval from the State/local authority for the quantity of water required for the project in line with Clause 3.6 D
- xi. Format for Disclosure (Format 6.9)
- xii. List of Banks for issuance of BGs/ Bid Bond/ Performance Bank Guarantee (Format 6.10)
- xiii. Filled up Annexure – 3 in print form & a soft copy in the form of CD
- xiv. Memorandum & Article of Association, Certificate of Incorporation (if applicable) of Bidding Company/ all member companies of Bidding Consortium.

A Bidder may use additional sheets to submit the information for its detailed response.

6.1 Format of Covering Letter

**(The covering letter should be on the Letter Head of the Bidding Company/
Lead Member of the Bidding Consortium)**

Date: _____
From : _____ **(Insert name and address of Bidding
Company/ Lead Member of the Bidding
Consortium)**

Tel.#:

Fax#:

E-mail address#

To

.....

.....

[Insert name and address of NVVN]

Sub: Response to RfS dated ----- for development of Solar Thermal Project

Dear Sir,

We, the undersigned *[insert name of the 'Bidder']* having read, examined and understood in detail the RfS and PPA for supply of power for 25 years to NVVN, hereby submit our response to RfS. We confirm that neither we nor any of our Parent Company/ Affiliate / Group Company has submitted response to RfS other than this response to RfS, directly or indirectly, in response to the aforesaid RfS.

1. We give our unconditional acceptance to the RfS, dated *[Insert date in dd/mm/yyyy]* and PPA attached thereto, issued by the NVVN. In token of our acceptance to the RfS & PPA, the same have been initialed by us and enclosed with the response to RfS. We shall ensure that the PPA is executed as per the provisions of the RfS and provisions of PPA shall be binding on us. Further, we confirm that the Project shall be commissioned within 28 months of the date of signing of PPA. The details (capacity & location) of the Project(s) are enclosed as **Annexure 1** to this letter.

2. Earnest Money Deposit (EMD)

We have enclosed EMD of Rs. *(Insert Amount)*, in the form of bank guarantee no.....*[Insert bank guarantee number]* dated *[Insert date of bank guarantee]* as per Format 6.3A from *[Insert name of bank providing bank guarantee]* and valid up to.....in terms of Clause 3.19 of this RfS. The capacity of the Solar Thermal Project offered by us is MW *[Insert installed capacity/total installed capacity in case of multiple Projects]*

3. We have submitted our response to RfS strictly as per Section – 6 (Formats) of this RfS, without any deviations, conditions and without mentioning any assumptions or notes in the said Formats.

4. Acceptance

We hereby unconditionally and irrevocably agree and accept that the decision made by the NVVN in respect of any matter regarding or arising out of the RfS shall be binding on us. We hereby expressly waive any and all claims in respect of this process.

5. Familiarity with Relevant Indian Laws & Regulations

We confirm that we have studied the provisions of the relevant Indian laws and regulations as required to enable us to submit this response to RfS and execute the PPA, in the event of our selection as Successful Bidder.

6. We are enclosing herewith our response to the RfS with formats duly signed as desired by you in the RfS for your consideration.
7. It is confirmed that our response to the RfS is consistent with all the requirements of submission as stated in the RfS and subsequent communications from the NVVN.
8. The information submitted in our response to the RfS is correct to the best of our knowledge and understanding. We would be solely responsible for any errors or omissions in our response to the RfS.
9. We confirm that all the terms and conditions of our Bid are valid upto _____ (Insert date in dd/mm/yyyy) for acceptance (i.e. a period of one hundred and eighty (180) days from the last date of submission of response to RfS).

10. Contact Person

Details of the contact person are furnished as under:

Name :
Designation :
Company :
Address :
Phone Nos. :
Fax Nos. :
E-mail address:

11. We have neither made any statement nor provided any information in this Bid, which to the best of our knowledge is materially inaccurate or misleading. Further, all the confirmations, declarations and representations made in our Bid are true and accurate. In case this is found to be incorrect after our selection as Successful

Bidder, we agree that the same would be treated as a Seller's event of default under PPA, and consequent provisions of PPA shall apply.

Dated the _____ day of _____, 20...

Thanking you,

Yours faithfully,

(Name, Designation and Signature of Person Authorized by the board as per Clause 3.10 (5) (a))

6.2 Format for Power of Attorney to be provided by each of the other members of the Consortium in favor of the Lead Member

POWER OF ATTORNEY

(To be on non-judicial stamp paper of appropriate value as per Stamp Act relevant to place of execution.)

KNOW ALL MEN BY THESE PRESENTS THAT M/s.....having its registered office at,.....and M/s having its registered office at , (Insert names and registered offices of all Members of the Consortium) the Members of Consortium have formed a Bidding Consortium named (insert name of the Consortium) (hereinafter called the 'Consortium') vide Consortium Agreement dated..... and having agreed to appoint M/s.....as the Lead Member of the said Consortium do hereby constitute, nominate and appoint M/s.....a company incorporated under the laws ofand having its Registered /Head Office atas our duly constituted lawful Attorney (hereinafter called as Lead Member) to exercise all or any of the powers for and on behalf of the Consortium in regard to submission of the response to RfS and if required, submission of Bid against RfP (in the event of short listing as a qualified Bidder). We also authorize the said Lead Member to undertake the following acts:

- i) To submit on behalf of Consortium Members response to RfS and if required, to submit Bid in response to RfP.
- ii) To do any other act or submit any information and document related to the above response to RfS and RfP Bid, if required.

It is expressly understood that in the event of the Consortium being selected as Successful Bidder, this Power of Attorney shall remain valid, binding and irrevocable until the Bidding Consortium achieves execution of PPA.

We as the Member of the Consortium agree and undertake to ratify and confirm all whatsoever the said Attorney/Lead Member has done on behalf of the Consortium Members pursuant to this Power of Attorney and the same shall bind us and deemed to have been done by us.

IN WITNESS WHEREOF M/s, as the Member of the Consortium have executed these presents on this..... day ofunder the Common Seal of our company.

For and on behalf of Consortium Member

M/s.....

(Signature of person authorized by the board)

(Name
Designation
Place:
Date:)

Accepted

(Signature, Name, Designation and Address
of the person authorised by the board of the Lead Member)

Attested

(Signature of the executant)

(Signature & stamp of Notary of the place of execution)

Place:-----

Date:-----

Note: - Lead Member in the Consortium shall have the controlling shareholding in the company having not less than 26% of voting rights in the company.

Format 6.3 A – Format for Earnest Money Deposit

(Note: - Separate EMDs in the form of BG to be submitted for each project)

(To be on non-judicial stamp paper of appropriate value as per Stamp Act relevant to place of execution.)

In consideration of the -----[*Insert name of the Bidder*] (hereinafter referred to as 'Bidder') submitting the response to RfS inter alia for selection of the project of the capacity of MW, at[*Insert Capacity of Plant and name of the place*] under Jawaharlal Nehru Solar Mission Phase –I for supply of power there from on long term basis, in response to the RfS dated ____ issued by NRVN and NRVN considering such response to the RfS of[*insert the name of the Bidder*] as per the terms of the RfS, the _____ [*insert name & address of bank*] hereby agrees unequivocally, irrevocably and unconditionally to pay to NRVN at [*Insert Name of the Place from the address of the NRVN*] forthwith on demand in writing from NRVN or any Officer authorised by it in this behalf, any amount upto and not exceeding Rupees----- -- [*Insert amount not less than that derived on the basis of Rs. 20 Lakhs per MW of capacity proposed*] only, on behalf of M/s. _____ [*Insert name of the Bidder*] .

This guarantee shall be valid and binding on this Bank up to and including _____[*insert date of validity in accordance with clause 3.19 of this RfS*] and shall not be terminable by notice or any change in the constitution of the Bank or the term of contract or by any other reasons whatsoever and our liability hereunder shall not be impaired or discharged by any extension of time or variations or alternations made, given, or agreed with or without our knowledge or consent, by or between parties to the respective agreement.

Our liability under this Guarantee is restricted to Rs. _____ (Rs. _____ only). Our Guarantee shall remain in force until _____ [*insert date of validity in accordance with clause 3.19 of this RfS*]. NRVN shall be entitled to invoke this Guarantee till _____ [*Insert date which is 30 days after the date in the preceding sentence*].

The Guarantor Bank hereby agrees and acknowledges that the NRVN shall have a right to invoke this BANK GUARANTEE in part or in full, as it may deem fit.

The Guarantor Bank hereby expressly agrees that it shall not require any proof in addition to the written demand by NRVN, made in any format, raised at the above mentioned address of the Guarantor Bank, in order to make the said payment to NRVN.

The Guarantor Bank shall make payment hereunder on first demand without restriction or conditions and notwithstanding any objection by -----[Insert name of the Bidder] and/or any other person. The Guarantor Bank shall not require NVVN to justify the invocation of this BANK GUARANTEE, nor shall the Guarantor Bank have any recourse against NVVN in respect of any payment made hereunder

This BANK GUARANTEE shall be interpreted in accordance with the laws of India and the courts at Delhi shall have exclusive jurisdiction.

The Guarantor Bank represents that this BANK GUARANTEE has been established in such form and with such content that it is fully enforceable in accordance with its terms as against the Guarantor Bank in the manner provided herein.

This BANK GUARANTEE shall not be affected in any manner by reason of merger, amalgamation, restructuring or any other change in the constitution of the Guarantor Bank.

This BANK GUARANTEE shall be a primary obligation of the Guarantor Bank and accordingly NVVN shall not be obliged before enforcing this BANK GUARANTEE to take any action in any court or arbitral proceedings against the Bidder, to make any claim against or any demand on the Bidder or to give any notice to the Bidder or to enforce any security held by NVVN or to exercise, levy or enforce any distress, diligence or other process against the Bidder.

The Guarantor Bank acknowledges that this BANK GUARANTEE is not personal to NVVN and may be assigned, in whole or in part, (whether absolutely or by way of security) by NVVN to any entity to whom NVVN is entitled to assign its rights and obligations under the PPA.

Notwithstanding anything contained hereinabove, our liability under this Guarantee is restricted to Rs. _____ (Rs. _____ only) and it shall remain in force until _____ [Date to be inserted on the basis of Clause 3.19 of this RfS] with an additional claim period of thirty (30) days thereafter. We are liable to pay the guaranteed amount or any part thereof under this Bank Guarantee only if NVVN serves upon us a written claim or demand.

Signature _____
Name _____
Power of Attorney No. _____

For

_____ [Insert Name of the Bank] _____

Banker's Stamp and Full Address.

Dated this _____ day of _____, 20__

Format 6.3 B – Format for Performance Guarantee

(**Note:** - For each project Total Performance Guarantee (including conversion of EMD @ 20 Lakh/MW, Bid Bond & Performance Guarantee @ Rs.30Lakh/MW) is to be submitted in 3 Nos. of Bank Guarantee in the ratio of 20%, 40% & 40% value.)

(To be on non-judicial stamp paper of appropriate value as per Stamp Act relevant to place of execution.)

In consideration of the -----[Insert name of the Bidder] (hereinafter referred to as 'Bidder') submitting the response to RfS inter alia for selection of the project(s) of the capacity(ies) of MW, at[Insert name of the place/in case of multiple Projects, insert capacity & place of each Project] under Jawaharlal Nehru Solar Mission Phase –I for supply of power there from on long term basis, in response to the RfS dated ____ issued by NVVN and NVVN considering such response to the RfS of[insert the name of the Bidder] as per the terms of the RfS, the _____ [insert name & address of bank] hereby agrees unequivocally, irrevocably and unconditionally to pay to NVVN at [Insert Name of the Place from the address of the NVVN] forthwith on demand in writing from NVVN or any Officer authorised by it in this behalf, any amount upto and not exceeding Rupees -----[Insert amount not less than that derived on the basis of Rs. 30 Lakhs per MW of capacity proposed] only, on behalf of M/s. _____ [Insert name of the Bidder] .

This guarantee shall be valid and binding on this Bank up to and including _____ [insert date of validity in accordance with clause 3.19 of this RfS] and shall not be terminable by notice or any change in the constitution of the Bank or the term of contract or by any other reasons whatsoever and our liability hereunder shall not be impaired or discharged by any extension of time or variations or alternations made, given, or agreed with or without our knowledge or consent, by or between parties to the respective agreement.

Our liability under this Guarantee is restricted to Rs. _____ (Rs. _____ only). Our Guarantee shall remain in force until _____ [insert date of validity in accordance with clause 3.19 of this RfS]. NVVN shall be entitled to invoke this Guarantee till _____ [Insert date which is 30 days after the date in the preceding sentence].

The Guarantor Bank hereby agrees and acknowledges that the NVVN shall have a right to invoke this BANK GUARANTEE in part or in full, as it may deem fit.

The Guarantor Bank hereby expressly agrees that it shall not require any proof in addition to the written demand by NVVN, made in any format, raised at the above mentioned address of the Guarantor Bank, in order to make the said payment to NVVN.

The Guarantor Bank shall make payment hereunder on first demand without restriction or conditions and notwithstanding any objection by -----[*Insert name of the Bidder*] and/or any other person. The Guarantor Bank shall not require NVVN to justify the invocation of this BANK GUARANTEE, nor shall the Guarantor Bank have any recourse against NVVN in respect of any payment made hereunder

This BANK GUARANTEE shall be interpreted in accordance with the laws of India and the courts at Delhi shall have exclusive jurisdiction.

The Guarantor Bank represents that this BANK GUARANTEE has been established in such form and with such content that it is fully enforceable in accordance with its terms as against the Guarantor Bank in the manner provided herein.

This BANK GUARANTEE shall not be affected in any manner by reason of merger, amalgamation, restructuring or any other change in the constitution of the Guarantor Bank.

This BANK GUARANTEE shall be a primary obligation of the Guarantor Bank and accordingly NVVN shall not be obliged before enforcing this BANK GUARANTEE to take any action in any court or arbitral proceedings against the Bidder, to make any claim against or any demand on the Bidder or to give any notice to the Bidder or to enforce any security held by NVVN or to exercise, levy or enforce any distress, diligence or other process against the Bidder.

The Guarantor Bank acknowledges that this BANK GUARANTEE is not personal to NVVN and may be assigned, in whole or in part, (whether absolutely or by way of security) by NVVN to any entity to whom NVVN is entitled to assign its rights and obligations under the PPA.

Notwithstanding anything contained hereinabove, our liability under this Guarantee is restricted to Rs. _____ (Rs. _____ only) and it shall remain in force until _____ [*Date to be inserted on the basis of Clause 3.19 of this RfS*] with an additional claim period of thirty (30) days thereafter. We are liable to pay the guaranteed amount or any part thereof under this Bank Guarantee only if NVVN serves upon us a written claim or demand.

Signature _____

Name _____

Power of Attorney No. _____

For

_____ [Insert Name of the Bank] _____

Banker's Stamp and Full Address.

Dated this _____ day of _____, 20__

Format 6.4 - Format for Board Resolutions

(Format for the Board resolution to be passed)

The Board, after discussion, at the duly convened Meeting on (Insert date), with the consent of all the Directors present and in compliance of the provisions of the Companies Act, 1956, passed the following Resolution:

- 1. RESOLVED THAT** Mr/Ms....., be and is hereby authorized to do on our behalf, all such acts, deeds and things necessary in connection with or incidental to our response to RfS for the Project, 'Selection of New Grid Connected Solar Thermal Project' in the country of India, including signing and submission of all documents and providing information / response to RfS to NVVN, representing us in all matters before NVVN, and generally dealing with NVVN in all matters in connection with our bid for the said Project. **(To be provided by the Bidding Company or the Lead Member of the Consortium)**
- 2. FURTHER RESOLVED THAT** pursuant to the provisions of the Companies Act, 1956 and compliance thereof and as permitted under the Memorandum and Articles of Association of the company, approval of the Board be and is hereby accorded to invest total equity in the Project. **(To be provided by the Bidding Company)**

[Note: In the event the Bidder is a Bidding Consortium, in place of the above resolution at Sl. No. 2, the following resolutions are to be provided]

FURTHER RESOLVED THAT pursuant to the provisions of the Companies Act, 1956 and compliance thereof and as permitted under the Memorandum and Articles of Association of the company, approval of the Board be and is hereby accorded to invest (----%) equity [*Insert the % equity commitment as specified in Consortium Agreement*] in the Project. **(To be provided by the each Member of the Bidding Consortium including Lead Member such that total equity is 100%)**

FURTHER RESOLVED THAT approval of the Board be and is hereby accorded to participate in consortium with M/s -----[*Insert the name of other Members in the Consortium*] and Mr/Ms....., be and is hereby authorized to execute the Consortium Agreement. **(To be provided by the each Member of the Bidding Consortium including Lead Member)**

And

FURTHER RESOLVED THAT approval of the Board be and is hereby accorded to contribute such additional amount over and above the percentage limit (specified for the Lead Member in the Consortium Agreement) to the extent becoming necessary towards the total equity share in the Project Company, obligatory on the part of the Consortium pursuant to the terms and conditions contained in the Consortium

Agreement dated executed by the Consortium as per the provisions of the RfS. **[To be passed by the Lead Member of the Bidding Consortium]**

3. **FURTHER RESOLVED THAT** approval of the Board be and is hereby accorded to M/s. (Insert name of Bidding Company/ Consortium Member(s)) to use our financial capability for meeting the Qualification Requirements for the Project 'Selection of New Grid Connected Solar Thermal Project' and confirm that all the equity investment obligations of M/s.....(Insert Name of Bidding Company/ Consortium Member(s)), shall be deemed to be our equity investment obligations and in the event of any default the same shall be met by us. **[To be passed by the entity(s) whose financial credentials have been used.]**

Certified true copy

(Signature, Name and stamp of Company Secretary)

Notes:

- 1) This certified true copy should be submitted on the letterhead of the Company, signed by the Company Secretary.
- 2) The contents of the format may be suitably re-worded indicating the identity of the entity passing the resolution.
- 3) This format may be modified only to the limited extent required to comply with the local regulations and laws applicable to a foreign entity submitting this resolution. For example, reference to Companies Act 1956 may be suitably modified to refer to the law applicable to the entity submitting the resolution. However, in such case, the foreign entity shall submit an unqualified opinion issued by the legal counsel of such foreign entity, stating that the Board resolutions are in compliance with the applicable laws of the respective jurisdictions of the issuing company and the authorizations granted therein are true and valid.

Format 6.5 – Consortium Agreement

(To be on non-judicial stamp paper of appropriate value as per Stamp Act relevant to place of execution)

THIS Consortium Agreement (“Agreement”) executed on this _____ day of _____ Two thousand _____ between M/s [insert name of Lead Member] _____ a Company incorporated under the laws of _____ and having its Registered Office at _____ (hereinafter called the “**Member-1**”, which expression shall include its successors, executors and permitted assigns) and M/s _____ a Company incorporated under the laws of _____ and having its Registered Office at _____ (hereinafter called the “**Member-2**”, which expression shall include its successors, executors and permitted assigns), and M/s _____ a Company incorporated under the laws of _____ and having its Registered Office at _____ (hereinafter called the “**Member-n**”, which expression shall include its successors, executors and permitted assigns), [*The Bidding Consortium should list the details of all the Consortium Members*] for the purpose of submitting response to RfS, and execution of Power Purchase Agreement (in case of award), against RfS dated _____ issued by NVVN a Company incorporated under the [Company’s Act, 1956, and having its Registered Office at _____ or _____ constituted under

WHEREAS, each Member individually shall be referred to as the “**Member**” and all of the Members shall be collectively referred to as the “**Members**” in this Agreement.

WHEREAS the NVVN desire to purchase power under Jawaharlal National Solar Mission Phase I;

WHEREAS, the NVVN had invited response to RfS vide its Request for Selection (RfS) dated _____

WHEREAS the RfS stipulates that in case response to RfS is being submitted by a Bidding Consortium, the Members of the Consortium will have to submit a legally enforceable Consortium Agreement in a format specified by NVVN wherein the Consortium Members have to commit equity investment of a specific percentage for the Project.

NOW THEREFORE, THIS AGREEMENT WITNESSTH AS UNDER:

In consideration of the above premises and agreements all the Members in this Bidding Consortium do hereby mutually agree as follows:

1. We, the Members of the Consortium and Members to the Agreement do hereby unequivocally agree that Member-1 (M/s _____), shall act as the Lead Member as defined in the RfS for self and agent for and on behalf of Member-2, ----, Member-n.
2. The Lead Member is hereby authorised by the Members of the Consortium and Members to the Agreement to bind the Consortium and receive instructions for and on their behalf.
3. Notwithstanding anything contrary contained in this Agreement, the Lead Member shall always be liable for the equity investment obligations of all the Consortium Members i.e. for both its own liability as well as the liability of other Members.
4. The Lead Member shall be liable and responsible for ensuring the individual and collective commitment of each of the Members of the Consortium in discharging all of their respective equity obligations. Each Member further undertakes to be individually liable for the performance of its part of the obligations without in any way limiting the scope of collective liability envisaged in this Agreement.
5. Subject to the terms of this Agreement, the share of each Member of the Consortium in the issued equity share capital of the project Company is/shall be in the following proportion:

Name	Percentage
Member 1	---
Member 2	---
Member n	---
Total	100%

We acknowledge that after execution of PPA, the controlling shareholding (at least 26% of the voting rights) in the Project Company developing the Project shall be maintained for a period of (1) one year after commencement of supply of power.

6. The Lead Member, on behalf of the Consortium, shall *inter alia* undertake full responsibility for liaising with Lenders and mobilising debt resources for the

- Project, and ensuring that the Seller achieves Financial Closure in terms of the PPA.
7. In case of any breach of any equity investment commitment by any of the Consortium Members, the Lead Member shall be liable for the consequences thereof.
 8. Except as specified in the Agreement, it is agreed that sharing of responsibilities as aforesaid and equity investment obligations thereto shall not in any way be a limitation of responsibility of the Lead Member under these presents.
 9. It is further specifically agreed that the financial liability for equity contribution of the Lead Member shall not be limited in any way so as to restrict or limit its liabilities. The Lead Member shall be liable irrespective of its scope of work or financial commitments.
 10. This Agreement shall be construed and interpreted in accordance with the Laws of India and courts at [----] alone shall have the exclusive jurisdiction in all matters relating thereto and arising thereunder.
 11. It is hereby further agreed that in case of being selected as the Successful Bidder, the Members do hereby agree that they shall furnish the Performance Guarantee in favour of NVVN in terms of the RfS.
 12. It is further expressly agreed that the Agreement shall be irrevocable and shall form an integral part of the Power Purchase Agreement (PPA) and shall remain valid until the expiration or early termination of the PPA in terms thereof, unless expressly agreed to the contrary by NVVN.
 13. The Lead Member is authorised and shall be fully responsible for the accuracy and veracity of the representations and information submitted by the Members respectively from time to time in the response to RfS and the RfP Bid.
 14. It is hereby expressly understood between the Members that no Member at any given point of time, may assign or delegate its rights, duties or obligations under the PPA except with prior written consent of NVVN.
 15. This Agreement
 - (a) has been duly executed and delivered on behalf of each Member hereto and constitutes the legal, valid, binding and enforceable obligation of each such Member;

- (b) sets forth the entire understanding of the Members hereto with respect to the subject matter hereof; and
- (c) may not be amended or modified except in writing signed by each of the Members and with prior written consent of NVVN.

16. All the terms used in capitals in this Agreement but not defined herein shall have the meaning as per the RfS & PPA.

IN WITNESS WHEREOF, the Members have, through their authorised representatives, executed these present on the Day, Month and Year first mentioned above.

For M/s-----[Member 1]

(signature, Name & Designation of the person authorized vide Board Resolution Dated [●])

Witnesses:

1) Signature-----
Name:
Address:

2) Signature -----
Name:
Address:

For M/s-----[Member 2]

(signature, Name & Designation of the person authorized vide Board Resolution Dated [●])

Witnesses:

1) Signature -----
Name:
Address:

2) Signature -----
Name:
Address:

For M/s-----[Member n]

(signature, Name & Designation of the person authorized vide Board Resolution Dated [●])

Witnesses:

1) Signature -----

Name:

Address:

(2) Signature -----

Name:

Address:

Signature and stamp of Notary of the place of execution

Note: - Technology Partner in a Consortium shall be a company with equity participation less than 10%.

**Format 6.6- FORMAT FOR FINANCIAL REQUIREMENT – NET WORTH
[on the letter head of Bidder]**

To,

[Insert name and address of NVVN]

Dear Sir,

Sub: Response to RfS for Selection of New Grid connected Solar Thermal Projects under Phase 1 of JNNSM

We certify that the Bidding Company/Member in a Bidding Consortium had a minimum Net Worth of Rs.----- crore (Rupees ---- Crore) or equivalent US\$ [*to be calculated at the rate of Rs. 3 Crore or equivalent US\$ per MW of the total installed capacity of the Project(s) upto 20 MW. For every MW additional capacity, beyond 20 MW, additional “Net Worth” of Rs. 2 crore or equivalent US\$ per MW*] based on audited annual accounts of any of the last four (4) financial years 2006-07, 2007-08, 2008-09 and 2009-10 [*Strike out the financial years not applicable*]. This Net Worth has been calculated in accordance with instructions provided in clause 3.6 A of the RfS.

Exhibit (i): Applicable in case of Bidding Company

For the above calculations, we have considered the Net worth by Bidding Company and/ or its Parent/ Affiliates/Group Company as per following details:

Name of Company / Parent/ Affiliate/ Group Company	Name of Company / Parent/ Ultimate Parent/ Affiliate/ Group Company/ Consortium Member whose network is to be considered	Relationship with Bidding Company*	Financial Year to be considered for Net Worth of the respective Company	Net Worth (in Rs. Crore) of the Member Company	Equity Commitment (in %age) in Bidding Company	Committed Net Worth (in Rs. Crore)
Company 1						

Total						

** The column for “Relationship with Bidding Company” is to be filled only in case the financial capability of Parent/Affiliate has been used for meeting Qualification Requirements. Further, documentary evidence to establish the relationship, duly certified by the company secretary/chartered accountant is required to be attached with the format.*

Exhibit (ii): Applicable in case of Bidding Consortium

(To be filled by each Member in a Bidding Consortium separately)

Name of Member: [Insert name of the Member]

Net Worth Requirement to be met by Member in Proportion to the Equity Commitment:
Rs.-----Crore (Equity Commitment (%) * Rs. [] Crore)

For the above calculations, we have considered Net Worth by Member in Bidding Consortium and/ or Parent/ Affiliate/Group Company as per following details:

Name of Consortium Member Company	Name of Company / Parent/ Ultimate Parent/ Affiliate/ Group Company/ Consortium Member whose networth is to be considered	Relationship with Bidding Company* (if any)	Financial Year to be considered for Net Worth of the respective Company	Net Worth (in Rs. Crore) of the Consortium Member Company	Equity Commitment (in %age) in Bidding Consortium	Committed Net Worth (in Rs. Crore)
Company 1						

Total						

** The column for "Relationship with Bidding Company" is to be filled only in case the financial capability of Parent/Affiliate has been used for meeting Qualification Requirements. Further, documentary evidence to establish the relationship, duly certified by the company secretary/chartered accountant is required to be attached with the format.*

**(Signature & Name of the person Authorised
By the board)**

**(Signature and Stamp of
Statutory Auditor)**

Date:

Note:

Along with the above format, in a separate sheet, provide details of computation of Net Worth duly certified by Statutory Auditor.

**Format 6.7- FORMAT FOR TECHNICAL CRITERIA
[on the letter head of Bidder]**

**(In case of multiple Projects at different locations, this format is to be provided
for each Project)**

To,

[Insert name and address of NVVN]

Dear Sir,

**Sub: Response to RfS for Selection of New Grid connected Solar Thermal
Projects under Phase 1 of JNNSM**

We hereby undertake to certify in line with clause 3.21 under the title “Financial Closure” that the following details shall be furnished within 180 days of signing of PPA: -

- 1.0 That the technology proposed to be used has plants which have been in operation for a period of atleast one year and details of such project with location and the successful operational period of the project utilizing this technology; or a technology for which financial closure of a commercial plant has already been obtained.
- 2.0 Evidence of clear possession of the required land for the project.
 - Ownership or lease hold rights (for atleast 30 years) in the name of the Project Developer **and** possession of 100% of the area of land required for the project.
 - Certificate by the concerned and competent revenue/registration authority for the acquisition / ownership/ vesting of the land in the name of the Project Developer and the land is suitable for industrial use.
 - 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 Project Developer
 - A certified English translation from an approved translator in case above land documents are in other than English and Hindi Languages.

3.0 Specific plan for meeting the requirement of domestic content excluding land.

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

(Signature & Name of the person Authorised By the board)

Format 6.8- Format for Letter from STU

(on the letter head of the STU)

(In case of multiple Projects at different locations, this format is to be provided for each Project)

To,

[Insert name and address of NVVN]

Dear Sir,

Sub: Response to RfS for Selection of New Grid connected Solar Projects under Phase 1 of JNNSM

1. M/s -----[*Insert name of the Bidding Company/ Lead Member of Bidding Consortium*] has approached us for providing connectivity for a Solar THERMAL Project of 5 MW, proposed to be located at -----[*Insert location of the Project*], with the State grid at a voltage level of 33 kV & above.
2. We confirm the Technical feasibility of the connectivity of the plant with the State grid from -----[*Insert name & location of the sub-station of voltage level of 33 kV & above*].
3. We further undertake that the connectivity with the grid will be provided with in a period of 28 (Twenty Eight) months from signing of PPA between M/s ----- [*Insert name of the Bidding Company/ Lead Member of Bidding Consortium*] and NVVN or any further period as intimated by M/s -----[*Insert name of the Bidding Company/ Lead Member of Bidding Consortium*] along with confirmation from NVVN for such extended period.

For and on behalf of -----[*Insert name of STU*]

(Signature, Name & Designation of the authorised signatory of STU)

Format 6.9 - Format for Disclosure

[On the letter head of Bidding Company/Each Member in a Bidding Consortium]

Disclosure

We hereby declare that our Parent, Affiliate or Ultimate Parent-or any Group Company with which we have direct or indirect relationship are not separately participating in this selection process.

We further declare that the above statement is true & correct. We are aware that if at any stage it is found to be incorrect, our response to RfS & RfP bid will be rejected and if LOI has been issued, the same will be cancelled and the bank guarantees will be encashed.

(Signature & Name of the person Authorised By the board)

Format 6.10 – List of Banks

SCHEDULED COMMERCIAL BANKS

A SBI AND ASSOCIATES

1. State Bank of India
2. State Bank of Bikaner & Jaipur
3. State Bank of Hyderabad
4. State Bank of Indore
5. State Bank of Mysore
6. State Bank of Patiala
7. State Bank of Travancore

B NATIONALISED BANKS

1. Allahabad Bank
2. Andhra Bank
3. Bank of India
4. Bank of Maharashtra
5. Canara Bank
6. Central Bank of India'
7. Corporation Bank
8. Dena Bank
9. Indian Bank
10. Indian Overseas Bank
11. Oriental Bank of Commerce
12. Punjab National Bank
13. Punjab & Sind Bank
14. Syndicate Bank
15. Union Bank of India
16. United Bank of India
17. UCO Bank
18. Vijaya Bank
19. Bank of Baroda

C. SCHEDULED FOREIGN BANKS

1. Bank of America NA
2. Bank of Tokyo Mitsubishi UFJ Ltd.
3. BNP Paribas
4. Calyon Bank
5. Citi Bank N.A.
6. Deutsche Bank A.G
7. The Hongkong and Shanghai Banking Corpn. Ltd.
8. Standard Chartered Bank
9. Societe Generale
10. Barclays Bank
11. ABN Amro Bank N.V.
12. Bank of Nova Scotia
13. Development Bank of Singapore (DBS, Bank Ltd.)

D Scheduled Private Bank List

1. Federal Bank Ltd.
2. ING Vysya Bank Ltd.
3. Axis Bank Ltd.
4. ICICI Bank Ltd.
5. HDFC Bank Ltd.
6. Yes Bank Ltd.

Annexure 1

Technical Qualification Requirements for Eligibility of a Solar Thermal Power Developer to Establish Solar Power Plant under JNNSM

- 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) Solar Power 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 of signing of PPA:
 - i. Solar Power 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 cut off 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. Solar power Developer has a tie-up with a technology provider fulfilling technology requirements at S. No. (i) above.
 - iii. Solar Power 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. Solar power 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. Solar Power 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. Solar Power 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

the Ministry on line and /or through a report on regular basis for the entire duration of PPA.

Note:

- (i) 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
- (ii) For meeting the Technical criteria provisions of Financial Closure at 3.21 shall be applicable.