



(Harnessing the Power of the Heavens)

**ABRIDGED REQUEST FOR QUALIFICATION**  
**For**  
**PARTICIPATION OF PRIVATE SECTOR IN**  
**DEVELOPMENT OF HYDRO ELECTRIC PROJECTS**  
**ON BOOT BASIS IN J&K**

**JAMMU & KASHMIR**  
**STATE POWER DEVELOPMENT CORPORATION LIMITED**

NOTE: This is an abridged version of RfQ and is for general information and is not to be used for submission of response. RfQ document purchased from JKSPDC alone can be used for bidding purposes.

Jammu & Kashmir State Power Development Corporation Limited  
("Nodal Agency")

Corporate Office Hotel Shaw INN, Boulevard, Srinagar, Kashmir, J&K- 190001

**Request for Qualification (RFQ) for development of Hydro Electric Projects in J&K in Private participation on BOOT basis.**

NOTES:

1. This RfQ document is not transferable.
2. Though adequate care has been taken while preparing this RfQ 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 RfQ document, it shall be considered that the bid document is complete in all respects and has been received by the Bidder.
3. JKSPDC may modify, amend or supplement this RfQ document including Annexures in accordance with the Guidelines/ Policies/ rules/ regulations governing Private sector investment in the State and also on the directions of the Appropriate Commission given during the approval process as required under law.
4. While this RfQ document has been prepared in good faith, neither JKSPDC nor its 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 document, even if any loss or damage is caused by any act or omission on their part.

Name, address and contact details of the Authorized Person:



Iftikhar Ahmad Kakroo,  
Deputy General Manager,  
Corporate Office ,JKSPDC

Place: Srinagar

Date:31-10-2011



## 1. INTRODUCTION

**1.1** Jammu & Kashmir State Power Development Corporation (JKSPDC) invites sealed responses from eligible Bidders to this RFQ for implementation of the below mentioned hydroelectric projects on BOOT basis. The entire bidding process comprising of Request for Qualification followed by Request for Proposal (RfP) shall be subject to the terms and conditions contained in the detailed bid document to be issued separately. The bidding is based on "J&K State Hydroelectric Projects Development Policy 2011" notified vide Govt. order No. 205-PDD of 2011 dated 07-7-2011 and in case of need of any clarification, the provision of the Policy shall prevail and be final and binding.

S No	Name of the project	Location		District	Source	Installed Capacity in MW
		Latitude	Longitude			
1	Ans I	33°-10'-45" N	75°- 02'-40" E	Reasi	Ans river (Tributary of Chenab)	40.00
2	Bichlari	33°-21'-22" N	75°- 10'-18" E	Ramban	Bichlari Nallah (Tributary of Chenab)	45.00
3	Girjan- Ki-Gali	33°-15" N	74°- 20' E	Poonch	Girjan Nallah (Tributary of Suran)	12.00
4	Chenani IV	32°-50' N	74°- 55" E	Udhampur	Tawi River (Tributary of Chenab)	7.00
5	Sewa I	32°-41'-45" N	75°- 49'-55" E	Kathua	Sewa River (Tributary of Ravi)	8.00
6	Kanzil Wangath	34°-21'-49" N	74°- 59'-20" E	Ganderbal	Wangath nallah (Tributary of Jehlum)	27.00
7	Chandanwari Uri	34°-09'-37" N	74°- 05'-58" E	Baramulla	Bijhama nallah (Tributary of Jehlum)	7.00
8	Erin	34°-24'-16" N	74°- 45'-14" E	Bandipora	Erin Nallah (Tributary of Jehlum)	10.00
9	Mawar	34°-19'-42" N	74°- 07'-56" E	Kupwara	Mawar Nallah (Tributary of Jehlum)	10.00
10	Boniyar	34°-06'-0" N	74°- 10'-50" E	Baramulla	Hapathkhai Nallah (Tributary of Jehlum)	6.00

JKSPDCL has taken the initiative for development of these projects by identifying them and preparing their pre-feasibility reports (PFRs):-

**1.2** JKSPDCL wishes to invite Bids for setting up the Projects on the terms & conditions contained hereinafter.

### 1.3 Definitions

The capitalized terms used in this RfQ, shall have the meaning given hereunder:

**"Affiliate"** shall mean a company that, directly or indirectly,

i) controls, or

ii) is controlled by, or

iii) is under common control with,

a Bidding Company (in case of a single company) or a Member in a Bidding Consortium (in the case of a Consortium) and control means ownership by one company of at least 26% (twenty six percent) of the voting rights of the other company. As an illustration a chart is annexed hereto as Annexure 8.

"Bid" shall mean the response submitted by the Bidders in accordance with the terms and conditions of this RfQ.

**"Bidder"** shall mean the Bidding Company or Bidding Consortium as the context may require

**"Bidding Company"** shall mean the reference to the single company, if the Bid for the proposed Project has been made by a single company.

**"Bidding Consortium"** or **"Consortium"** shall mean the reference to the group of companies, each being a Member in a Bidding Consortium, if the Bid for the proposed Project has been made jointly by more than one company.

**"Change in Ownership"** shall mean change of ownership of the Bidder/Member in a Bidding Consortium by way of merger/ acquisition/ amalgamation/ reorganisation/ consolidation/ demerger.

**"Conflict of Interest"** A Bidder may be considered to be in a conflict of interest with one or more Bidders in the same bidding process if they have a relationship with each other, directly or through a common entity, that puts them in a position to have access to information about or influence the Bid of another Bidder.

**"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, meets the technical requirement as per Clause 2.1.3 and cannot be changed till 5 years of the Commercial Operation Date (COD) of the Power Station.

**"Letter of Intent"** or **"LOI"** shall mean the letter issued by the Authorised Representative to the Selected Bidder for award of the Project.

**"Member in a Bidding Consortium"** or **"Member"** shall mean each company in a Bidding Consortium.

**"Nodal Agency /Authorised Representative"** shall mean Jammu & Kashmir State Power Development Corporation Limited (JKSPDCL); the body corporate authorised by the Government of Jammu & Kashmir to carry out the bid process for the selection of the Successful Bidder to develop the Project.

**"Nodal Officer/ Authorised Person"** shall mean the person designated by Nodal Agency/Authorised Representative to represent it in its dealings with the Bidder or the Bidding Consortium. The authorised person shall be authorized to perform all tasks such as providing information, responding to enquiries, issuing clarifications, calling pre-bid conference, issue advertisements for RfQ and RfP, coordination with the Procurer etc.

**"Parent"** shall mean a company which holds at least 26% equity either directly or indirectly in the Bidding Company or in the Member in a Bidding Consortium.

**"Policy"** shall mean J&K State Hydroelectric Projects Development Policy,2011.

**"RfQ"** shall mean the Request for Qualification document including the Annexures thereof issued by Jammu & Kashmir State Power Development Corporation Limited on 31-10-2011 for development of the Project advertised by it vide NIT No: JKSPDC/Tech/P-202/5332-55 dated 12-10-2011 and shall include any modifications, amendments or alterations or clarifications thereto; RfQ Bid document shall comprise of RfQ, Prefeasibility Report and the "J&K State Hydroelectric Projects Development Policy 2011".

**"Statutory Auditor"** shall mean the auditor appointed under the provisions of the Companies Act, 1956 or under the provisions of any other applicable governing law.

**"Ultimate Parent"** shall mean a company which owns at least twenty six percent (26%) equity either directly or indirectly in the Parent and Affiliates.

**Note:** Any capitalized term, used but not defined in this RfQ, shall have the meaning ascribed to such term in the Request for Proposal, Power Purchase Agreement. In the absence of availability of definitions in the foregoing references, the capitalized term shall be interpreted only for reference/guidance in accordance with "J&K State Hydroelectric Projects Development Policy, 2011" or the J&K Electricity Act, 2010 or any other relevant electricity

and other laws, rules or regulations prevalent in the state of Jammu and Kashmir and India.

**1.4** Projects upto 10 MWs are reserved for execution by IPPs that are permanent residents of Jammu & Kashmir. This would include such IPPs in which permanent residents of J&K hold majority stake.

**1.5** The projects shall be offered for the Concession Period of 35 years from the scheduled Commercial Operation Date (COD) which shall be fixed while according of Techno Economic Clearance (TEC) by JKSPDCL after allowing for suitable construction period from the date of award of the project. JKSPDCL may however, extend the Concession Period due to Force Majeure or reasons beyond the control of IPP.

**1.6** JKSPDCL will acquire land strictly as per component wise project requirement and lease the same to the IPPs till the expiry of Concession Period on payment of premium/rentals to be determined by the Government..

**1.7** Construction of project infrastructure including approach roads, arrangement for water supply, power for construction purposes, etc. shall be the responsibility of the IPP and the cost thereof shall be borne entirely by the IPP.

**1.8** Since potential sites are being notified on the basis of preliminary reconnaissance and PFRs only, the IPPs are expected to verify various project related parameters viz. discharge, head, water availability, habitation, etc. The information contained in the PFR is only indicative and JKSPDCL shall not be responsible for the accuracy of the information contained therein. IPPs shall also ensure that the Project components do not fall in wild life sanctuaries, National parks, eco protection zones, etc. and also do not interfere / overlap with the existing/ ongoing Hydel Projects.

**1.9** A two stage bidding process will be adopted comprising Request for Qualification (RfQ) followed by Request for Proposal (RfP). Bidders who are declared qualified after submission of RfQ documents and evaluation will be allowed to participate further and bidders who are declared not qualified will not take any further part in the bidding process. The decision of JKSPDC in this regard shall be final and binding.

**1.10** The bidders will be required to provide proof of their qualification viz., balance sheets, annual reports and other reported evidence of financial and technical capacity. While evaluating the financial capacity of the bidders, the projects already under execution by the bidder in the State shall be netted off.

**1.11** The Request for Qualification shall also be accompanied by a non-refundable deposit towards processing fee in the shape of demand draft of Rs. 1.00 lac (Rupees one lac) for Projects upto 10 MWs and Rs 2.00 lacs (Rupees two lacs) for projects

more than 10 MWs drawn in the name of General Manager (Accounts) Jammu & Kashmir State Power Development Corporation Limited (JKSPDCL), payable at Srinagar or/Jammu. This processing fee shall be for each Project for which IPP submits RfQ.

**1.12** The Request for Qualification shall also be accompanied by a refundable Earnest Money Deposit (EMD) of Rs 5.0 lacs for Projects upto 10 MWs and Rs 10.0 lacs for projects more than 10 MWs in the shape of a Demand Draft drawn in favour of General Manager (Accounts) Jammu & Kashmir State Power Development Corporation Limited (JKSPDCL), payable at Srinagar or/Jammu.

**1.13** Soft copy of RfQ bid document can be purchased from Corporate Office of JKSPDC both at Jammu as well as Srinagar on any working day on the dates indicated below on payment of Rs 20,000(per Project) for Projects upto 10 MWs and Rs 30,000 (per project) on Projects above 10 MWs payable in the shape of a Demand Draft drawn in favour of General Manager (Accounts) Jammu & Kashmir State Power Development Corporation Limited (JKSPDCL), payable at Srinagar or/Jammu. RfQ Bid document shall comprise of RfQ, Prefeasibility Report and the "J&K State Hydroelectric Projects Development Policy 2011".

**1.14** The successful bidders would be required to pay an upfront premium of Rs.4.0 lacs per MW for 2-25 MW Projects, Rs.6.0 Lacs per MW for Projects above 25 MW and upto 50 MW and Rs.8.0 Lacs per MW for Projects above 50 MW and upto 100 MW.

**1.15** Proposals shall be invited from the qualified bidders on the basis of the following variables, as may be specified in the detailed RfP document to be issued separately to qualified bidders :-

- i. Free Power to J&K subject to a minimum of 15 % throughout the Concession Period, apart from 1 % for LADF.
- ii. Tariff for Power (only in respect of projects above 25MW projects), to be procured by J&K, the quantum of which shall be not less than 30% (after netting off free power and LADF).
- iii. Terminal value to be paid to the IPP at the time of transfer of the project to the State, which shall be not more than 10% of the estimated cost of the project indicated in the bidding document.

**1.16** The IPP shall, after allowing for J&K's share of power including free power, be free to sell the balance power as it deems fit, within or outside the State after right of refusal has been exercised by GoJK. it's.The supply shall be metered at interconnection pointIn respect of projects upto 25 MW, J&K shall procure 30%

power at the tariff determined by the Regulator. In respect of projects above 25 MW, J&K shall procure quantum of power as indicated in the RfP bid document which shall not be less than 30 % of residual capacity at the tariff determined through competitive bidding process.

**1.17** The Capacity of the Project indicated above is based on pre-feasibility studies/report. In case the capacity is revised on framing of DPR and accord of TEC by JKSPDC, the upfront premium to be paid by IPP shall be as per the revised capacity. Further, all percentages (Free power, LADF, power procured by J&K etc.) shall be as per the revised capacity and not the capacity indicated herein

**1.18** Subject to necessary approvals, Projects awarded under this policy shall be exempted from water usage charges imposed under the "J&K Water Resource Regulation and Management Act 2010" for the first 10 years of operation reckoned from Scheduled Commercial Operation Date. Other incentives shall be as per the Policy.

**1.19** Bidders shall submit their response to the RfQ as per schedule in three sets (one Original plus 02 copies) complete in all respects alongwith supporting documents in support of their financial and technical capabilities. Incomplete bids shall be summarily rejected. Bid submission method is elucidated in the RfQ document. Response to RfQ shall be submitted by or before 1400 Hrs, 20-12-2011 in Corporate Office, Jammu office Ashok Nagar Satwari Jammu.

**1.20** With regard to other aspects, stipulations of the "J&K Hydroelectric projects development policy 2011" notified vide Govt. order No. 205-PDD of 2011 dated 07-7-2011 shall be applicable. ..

**1.21** JKSPDC reserves the right to accept, revoke or reject any tender, and to annul the bidding process and reject all bids, at any time prior to allotment of Project. In the event of cancellation/ revocation/ withdrawals etc. the bidder shall not claim any right/claim or any amount (Except the refund of amount of EMD, if any deposited) for any reason whatsoever from JKSPDC or the State. No right or claim shall be deemed to have been accrued in favour of a successful bidder.

**1.22** JKSPDC reserves its right to cancel the allotment of Project even after issuance of Letter of Allotment if it comes to its notice the allotment was obtained by some misrepresentation / suppression/ concoction of facts/profile etc. and also for the reason that the execution/continuation by the IPP is not in the interest of State and the Public.

**1.23** The successful Bidder should not assume that his bid shall automatically be accepted Prior to the expiry of the period of bid process prescribed by JKSPDC in the RfQ document including extensions if any JKSPDC will notify the successful bidder by

telegram or telefax, to be confirmed in writing by registered letter, that his bid has been accepted. No correspondence will be entertained from the unsuccessful bidders.

**1.24** IPP will be responsible for doing all confirmatory survey and investigation including site access, etc at its own cost leading to preparation of DPR.

**1.25** The onus of obtaining all statutory and non-statutory clearances will lie on the IPP. JKSPDC shall facilitate the process. In respect of clearance from Indus Waters Treaty angle, JKSPDC shall provide necessary support to the IPP.

**1.26** The IPP shall be responsible for ensuring submission of documents complete in all respects to concerned authorities. Failure to do so within the stipulated time frame shall be treated as non-compliance of the policy and implementation agreement.

**1.27** IPP shall be responsible for all the R&R activities, including cost of implementation plan, as approved by GoJK.

**1.28** The bidder shall be responsible for carrying out due diligence with regard to his compliance responsibilities under various applicable Central/State/other laws, rules and regulations and ensure compliance with the same.

**1.29** Mere issuance of bidding document to any bidder shall not construe that such bidder is considered to be qualified. Bidders in their own interest are advised to ascertain meeting the qualification criteria before purchasing the RfQ document.

**1.30** JKSPDC reserves the right to accept/reject any or all bids/responses without assigning any reason thereof.

## **2. INFORMATION AND INSTRUCTION TO BIDDERS**

### **2.1 Qualifying Criteria**

Bidders should have technical experience and financial capability to execute the Project as specified in this RfQ. In the case of a Bidding Consortium, the technical experience shall be met by the Lead Member.

**2.1.1 Financial Criteria:-**The Bidder must fulfill following minimum financial requirements

i. **Internal Resource Generation:** Rs. 0.30 Crore per MW of the PFR Capacity or equivalent US\$<sup>1</sup> indicated in the Notice inviting RfQ,

<sup>1</sup> The US\$-Indian Rupee Exchange rate shall be considered as the corresponding TT buying rate specified by the State Bank of India seven days before the last date of submission of Bid as stated in the RfQ document.

computed as five times the maximum internal resources generated during any of the last five years' business operations;

- ii. **Networth:** Rs. 0.50 Crore per MW of the PFR Capacity indicated in the Notice inviting RfQ or equivalent US\$. The above computation shall be derived from any of the past three years audited annual accounts.
- iii. **Annual Turnover:** Rs. 1.20 Crore of the PFR Capacity indicated in the Notice inviting RfQ or equivalent US\$. The above computation shall be derived from any of the past three years' audited annual accounts

The above financial parameters shall be computed as follows:-

- **Internal Resources Generation**

=	Profit After Tax (PAT)
Add:	Depreciation and amortization
Add:	Decrease in net current assets (excluding cash)
Add:	Any other non cash expenditure (including deferred tax)
Subtract:	Scheduled loan repayments and increase in net current assets (excluding cash)

Provided, when an existing loan has been repaid through the proceeds of a new loan, then to the extent the proceeds of the new loan have been used to repay the existing loan, such repayment of existing loan shall not be considered for the purposes of computation of Internal Resource Generation.

- **Networth**

=	Equity share capital
Add:	Reserves
Subtract:	Revaluation reserves
Subtract:	Intangible assets
Subtract:	Miscellaneous expenditures to the extent not written off and carry forward losses

- **Annual Turnover:** Annual gross revenue earned by the Bidder.

**2.1.2 Technical Criteria:-** The Bidder must fulfill following minimum technical requirements.

Bidder must have experience of developing infrastructure projects in the last 10 years, whose aggregate capital costs must not be less than the amount equivalent to Rs. 0.75 Crores per MW or equivalent US\$, out of which minimum Rs.0.225 Crores per MW or equivalent US\$ should be from projects involving hydroelectric project related activities and the capital cost of at least one infrastructure project should be equivalent or more than Rs. 0.125 Crores

per MW or equivalent US\$. For this purpose, capital expenditure incurred on projects that have been completed at least 7 (seven) days before the last date of submission of Bid shall be considered.

Developing project means successful commissioning of a project in which the Bidder/Parent/Affiliate, as the case may be, held equity stake of not less than 26% from the time of financial closure till the time of commissioning of such project.

For the purposes of technical and financial criteria only unconsolidated audited annual accounts shall be used. However, audited consolidated annual accounts of the Bidder may be used for the purpose of financial criteria provided the Bidder has at least 26% equity in each company whose accounts are merged in the audited consolidated accounts 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 the Bid. Bidders shall furnish documentary evidence duly certified by Managing Director/ Chief Executive Officer, being a full time director on the Board of the Company and the Statutory Auditor in support of their financial capability and technical experience as defined in clauses 2.1.1 and 2.1.2 respectively.

## **2.2 Purchase of power by the Procurer**

As provided under **clause 1.15** above, the bidder is required to provide free power to PDD, GOJK subject to minimum of 15% plus 1 % for LADF. The actual extent of the free power shall however, be as per the quoted free power by successful bidder. Out of the residual capacity, PDD, GoJK shall procure power to the extent of 30% of such capacity and bidder is free to sell balance capacity at its discretion within or outside the state after GoJK has exercised right on refusal. In respect of projects upto 25 MWs, Tariff for the Power to be procured by J&K shall be determined by JKSERC. For above 25 MWs, J&K shall procure 30% power (after netting off free power and LADF) on tariff to be quoted by the bidder at RfP stage.

## **2.3 Collection of RfQ document**

The Bidders can collect the soft copy of RfQ document in person against payment of Rs 0.20 lacs [Rupees Twenty thousand only] per project for Projects upto 10 MWs and beyond 10 MWs @ Rs 0.30 lacs [Rupees Thirty thousand only] per project in the form of a Demand draft payable at Srinagar/Jammu in favour of "Jammu & Kashmir State Power Development Corporation". The draft should be submitted at the Jammu & Kashmir State Power Development Corporation, Hotel Shaw INN, Boulevard, Srinagar, Kashmir, J&K- 190001, India or at Jammu office Ashok Nagar Satwari Jammu and RfQ can be collected. The RfQ document will be available for sale on all working days from 31-10-2011 upto one day before the submission date between 1000 hrs and 1600 hrs.

## **2.4 Information Required**

The information in the Bid will be submitted by the Bidder as per the Annexures attached to this document. The information to be submitted in the Bid is specified in Clause 4 (Formats) of this document.

Strict adherence to the formats wherever specified, is required. Wherever, information has been sought in specified formats, the Bidder shall refrain from referring to brochures/ pamphlets. Non-adherence to formats and/ or submission of incomplete information may be grounds for declaring the Bid non-responsive. Each format has to be duly signed and sealed by the Bidder.

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 the Bid, in any manner whatsoever, in order to create circumstances for the acceptance of its Bid, the JKSPDCL reserves the right to reject such Bid and/ or cancel the Letter of Intent, if issued. Further, in case Letter of Intent is cancelled, consequences as per provisions of the RfP shall follow.
- b) Bid submitted by the Bidder shall become the property of the JKSPDCL / and the JKSPDCL shall have no obligation to return the same to the Bidder.

## **2.5 Submission of Bid by the Bidder**

### **2.5.1 For Bid submitted by Bidding Company/Bidding Consortium:**

2.5.1.1 In case of Bidding Consortium, the Bid must mention the name of the Lead Member. The Bidding Company/ the Lead Member should designate one person to represent the Bidding Company/ Consortium in its dealings with JKSPDCL. The person so designated should be authorized to perform all tasks including, but not limited to providing information, responding to enquiries, entering into contractual commitment on behalf of the Bidding Company/ Consortium, etc as per the format enclosed as Annexure 6.

2.5.1.2 The Bidding Company/Bidding Consortium should submit a power of attorney, authorising the signatory of the Bid to commit the Bidder as per format provided in Annexure 6, alongwith submission of Bid. At the RfP Stage, the Bidder should provide required Board Resolutions committing 100% of equity requirement.

2.5.1.3 The Bidder must furnish the relevant details of financial and technical requirements to meet the qualifying criteria in accordance with clauses 2.1.1 and 2.1.2 in the formats given in Annexure 7.

2.5.1.4 The Lead Member of the Consortium is not allowed to be changed. If the Bidding Company intends to form a Consortium after submission of the RfQ, then the Bidding Company shall be the Lead Member of such Consortium and shall fulfill all the requirements of RfQ, including technical requirements. No change in composition of a Consortium or a change from Bidding Company to Consortium or a Change in Ownership shall be permitted in the period between thirty days prior to Bid submission Deadline and issuance of Letter of Intent. Accordingly, no request for a proposed change in composition of a Consortium or request for approval of the Change in Ownership shall be entertained during this period.

Subject to the above and to the provisions of clause 2.5.1.6 any request for change in the membership of the Consortium or, change from Bidding Company to Bidding Consortium may be considered only upon the Bidder making a prior written application to the JKSPDCL seeking its approval for such change. In case of a Change in Ownership, the Bidding Company or Lead Member in case of a Consortium shall make a request for approval of such change within seven (7) days of such Change in Ownership.

Any such change may be permitted, provided that the Bidder after such change is qualified as required by the provisions of the RfQ, including technical and financial requirements and also meets the provisions of clause 2.5.1.5 and clause 2.5.1.6.

JKSPDCL reserves the right to seek additional information from the Bidder, if considered necessary. The JKSPDCL shall convey its decision on the request within fifteen (15) days from the date of receipt of complete information from the Bidder making the request, as required by the JKSPDCL .

It is clarified that a Bidding Consortium can participate in the bidding process for the Project if any Member of the Consortium has purchased the RfQ document for such Project.

Requirement relating to equity lock-in would be as specified in the RfP.

2.5.1.5 A Change in Ownership may be permitted in the following cases, subject to the condition that after the Change in Ownership the substitutes shall have equal or superior technical and financial capabilities compared to the requirements prescribed under the provisions of the RfQ:

- a. the Bidder with any of its Affiliates
- b. Parent/ Affiliate (whose technical and / or financial credentials were used at the time of RfQ) with any other Affiliate of the Bidder
- c. Parent/ Affiliate/Ultimate Parent / Bidder with any other company provided
  - i. the company is not a Bidder for the Project ,
  - ii. Parent/ Affiliate/Ultimate Parent of the company is not a Bidder for the Project,

- iii. the company is not Parent/ Affiliate/Ultimate Parent of any Bidder for the Project

2.5.1.6 A Bidder shall submit only one Bid, either individually as Bidding Company or as a Member in a Bidding Consortium. It is further clarified that any of the Parent/ Affiliate/Ultimate Parent of the Bidder/ Member in a Bidding Consortium shall not separately participate directly or indirectly in the same bidding process. Further, if any Bidder is having a Conflict of Interest with other Bidders participating in the same bidding process, the Bids of all such Bidders shall be rejected.

**2.5.2 Additional provisions in case of Bids submitted by a Bidding Consortium**

2.5.2.1 The Bid shall contain a Joint Deed Agreement entered into between the Consortium Members (Annexure 5). Each Member of the Consortium shall duly sign the Joint Deed Agreement, making each of the Consortium Members, liable for raising the required funds for their respective equity investment commitment in the format given at Annexure 5. In the absence of such a document, the Bid would not be considered for evaluation and will be rejected. Provided further that the Lead Member of the Bidding Consortium will be required to be liable to the extent of 100% of the total proposed commitment of equity investment of the Bidding Consortium. i.e for both its own liability as well as the liability of other Members . Provided further that the Joint Deed Agreement shall not be amended without the explicit approval of the JKSPDCL.

2.5.2.2 The Bid shall also contain signed letters (“Letter of Consent”) submitted by each Member, stating that the entire Bid has been reviewed and each element of the Bid is agreed to and stating the investment commitment for the envisaged Project.

**2.6 Due dates**

The Bidder shall submit the RfQ Bid so as to reach the following address by 1400 hrs on 20-12—2011.

Jammu & Kashmir State Power Development Corporation Limited  
Corporate Office, Jammu Office Ashok Nagar Satwari Jammu -180004 J&K

Important timelines are mentioned below:

Date	Time	Event
31-10-2011	Between 1100 to 1400 Hrs	Commencement of Sale of RfQ documents
30-11-2011	1400 Hrs	Closure of sale of RfQ documents
Upto 15-11-2011	Upto 1600 Hrs	Submission of RfQ queries
22-11-2011	Time & venue shall be indicated separately	Pre-bid conference

Date	Time	Event
30-11-2011		Reply to Queries including issue of amended RfQ if required.
Upto 20-12-2011	Upto 1400 Hrs	Submission of Responses to RfQ
20-12-2011	1500 Hrs	Opening of RfQ responses.
5-01-2012		Qualifying bidders based on responses to RfQ and issuance of RfP Documents to qualified Bidders.
Upto 21-01-2012		Bid clarification, conferences etc
Upto 6-02-2012		Final clarification and revision of RfP
6-03-2012		Submission of reponse to RfP
7-05-2012		Declaration of Successful Bidder and issue of LOI
17-05-2012		Signing of Agreement

## 2.7 Method of submission

The Bid is to be submitted in a sealed envelope which should be transcribed in the following way;

"Response to RfQ for Development of -----HEP(Insert name of Project) in IPP mode"

Jammu & Kashmir State Power Development Corporation Limited

Jammu Office: Ashok Nagar Satwari Jammu-180004

"Name of the Bidder \_\_\_\_\_"

This envelope should also contain a covering letter as per the format provided in Annexure 3 of this document.

The Bidder has the option of sending his Bid by registered post or submitting the Bid in person so as to reach the JKSPDCL at the designated address by the time and date stipulated by the JKSPDCL. Bid submitted by telex/ telegram/ fax shall not be considered under any circumstances. The JKSPDCL shall not be responsible for any delay in receipt of the Bids. Any Bid received by the JKSPDCL after the deadline for submission of the Bids stipulated by the JKSPDCL shall not be opened.

All pages of the Bid submitted must be initialed by the authorised signatory on behalf of the Bidder.

The Bid shall be submitted in one original + 2copies (placed in one envelope as mentioned in clause 1.19). No change or supplemental information to a Bid will be

accepted after the scheduled date and time of submission of Bid. The JKSPDCL reserves the right to seek additional information from the Bidders, if found necessary, during the course of evaluation of the Bid.

If the envelope is not sealed and not marked as per the requirement, the JKSPDCL will assume no responsibility for the Bid's misplacement or premature opening.

## 2.8 Bid Preparation

The Bidder shall be responsible for all the costs associated with the preparation of the Bid and participation in discussions. JKSPDCL shall not be responsible in any way for such costs, regardless of the conduct or outcome of this process.

### 2.8.1 Bidders should note that

- i. All the information should be submitted in English language only.
- ii. Bidders shall mention the name of the contact person and complete address of the Bidder in the covering letter.
- iii. Bids that are incomplete, which do not substantially meet the requirements prescribed in this RfQ, will be liable for rejection by the JKSPDCL.
- iv. Bids not submitted in the specified formats will be liable for rejection by the JKSPDCL.
- v. All pages of the Bids submitted must be initialed by the authorised signatories on behalf of the Bidder.
- vi. Bidders delaying in submission of additional information or clarifications sought will be liable for rejection.

## 2.9 Enquiries/Clarifications

Enquiries/ clarifications may be sought by the Bidder from:

<p>Nodal Officer/Authorised Person          Jammu &amp; Kashmir State Power          Development Corporation Limited          Hotel Shaw INN, Boulevard, Srinagar,          Kashmir, J&amp;K- 190001          Jammu Office:- Ashok Nagar Satwari          Jammu</p>	<p>Srinagar Tel. No: +91194 -          2500071, +91194 2500109          Fax No. +91194 – 2500145,          Jammu: +91191-2430548          Fax. No:- +91191-2435403          Email: jkspdcl@gmail.com</p>
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### 2.10 Right of the Authorised Representative (JKSPDCL) to reject a Bid

JKSPDCL reserves the right to reject all or any of the Bids or cancel the RfQ without assigning any reasons whatsoever and without any liability.

### 2.11 Non submission and/or submission of incomplete data/ information required under the provisions of RfQ shall not be construed as waiver on the part of

JKSPDCL of the obligation of the Bidder to furnish the said data/information unless the waiver is in writing.

### **3. EVALUATION CRITERIA**

**3.1** The Bid evaluation process comprises of the following two steps:

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

#### **3.2 Step I - Responsiveness check**

**3.2.1** The Bid submitted by the Bidder shall be scrutinised to establish “Responsiveness”. Any of the following conditions shall cause the Bid to be “Non-responsive”:

- i) Bids not received by the due date and time
- ii) Sufficient information not submitted in the Bid to be evaluated and/or information not submitted in specified formats
- iii) Bid not signed by authorised signatory and / or sealed in the manner and to the extent indicated in this RfQ Document
- iv) Bid not including the covering letter as per format in Annexure 4
- v) Bid submitted by a Bidding Consortium not including the Joint Deed Agreement
- vi) Bids having Conflict of Interest
- vii) The Bidder has not submitted a disclosure as per Annexure 9
- viii) Any request for change in composition of a Consortium or change from Bidding Company to Bidding Consortium or Change in Ownership has not been permitted by the JKSPDCL.
- ix) Bid not accompanied by processing fee.
- x) Bid not accompanied by EMD.

#### **3.3 Step II - Bid evaluation**

Step II (Bid evaluation) will be carried out considering the information furnished by Bidders as prescribed under clause 4 - Formats. This step would involve evaluation of the Bid of the Bidding Company/ Bidding Consortium.

The Bidding Company or Bidding Consortium must fulfill the minimum financial and technical requirement mentioned in clauses 2.1.1 and 2.1.2

If a Bid is submitted by Bidding Company, technical experience and financial parameters of Bidding Company only shall be considered. If the Bid is submitted by a Bidding Consortium, then

**3.3.1.1** The financial requirement to be met by each Member in Bidding Consortium shall be in proportion to the equity commitment by each of them;

3.3.1.2 The technical experience criteria shall be met by the Lead Member of the Consortium;

3.3.1.3 The technical and financial capability of a particular company shall not be used by more than one Member of a Bidding Consortium;

**3.3.2** The Bidding Company or a Consortium Member (including Lead Member) can take 100% benefit of the technical (mentioned in clause 2.1.2) and financial capability (mentioned in clause 2.1.1) of a Parent or its Affiliates for the purpose of Bid Evaluation. If a Bidding Company or a Member in a Bidding Consortium wishes to take benefit of the technical and financial capability of its Parent or its Affiliates, it will have to submit legally binding undertaking supported by a Board Resolution in the RfP stage from its Parent or its Affiliates that all the equity investment obligations of the Bidding Company or the Member of the Consortium shall be deemed to be equity investment obligations of the Parent or its Affiliates and in the event of any default, the same shall be met by the Parent or its Affiliates. Moreover, the Bidding Company or the Consortium Member shall have to provide a certificate stating the exact relationship with such Parent / Affiliate including exact details about the equity shareholding. Such certificate shall be certified by the Company Secretary and one of the Directors of the Bidding Company / Consortium Member.

#### **4. FORMATS OF RESPONSE TO RfQ**

**4.1** This clause prescribes the formats for submission of information to ensure that information and data collected from each Bidder is interpreted in a consistent manner. Hence it is required that all Bidders submit information as per the formats indicated below.

#### **4.2 BIDDER INFORMATION**

The formats required to be submitted by the Bidder under Bidder information are attached to this document. Attention of the Bidders is specifically drawn to the requirement that each format relating to Financial and Technical requirement as given in Annexure 7 has to be duly signed by the Managing Director/ Chief Executive Officer, being a full time Director on the Board of the Company and the Statutory Auditor. In case of a Bidding Consortium each Member shall submit information about its financial and the Lead Member, about its technical requirement in separate formats as prescribed:

Information about the Bidder:

Following documents/information shall be submitted by the Bidder along with its Bid

4.2.1.1 For a Bidding Company

Last five years unconsolidated/consolidated audited annual accounts (in accordance with Clause 2.1.1) for the calculation of Internal Resource

Generation, Net Worth and Annual Turnover from business operations (consisting of unabridged Balance Sheet, P&L account, profit appropriation, auditors report).

#### 4.2.1.2 For a Bidding Consortium

- i. Name of the Lead Member of the consortium {as per Annexure 3}
- ii. The role of each Member in Bidding Consortium {as per Annexure 3}
- iii. A letter of consent from each Member committing a specific investment.
- iv. A signed Joint Deed Agreement between the Members in a Bidding Consortium {as per Annexure 5}
- v. For each Member in Bidding Consortium,
  - i. Last five years unconsolidated/consolidated audited annual Accounts (in accordance with clause 2.1.1) for the calculation of Internal Resource Generation, Networth and Annual Turnover from business operations (consisting of unabridged Balance Sheet, P&L account, profit appropriation, auditors report).

## 5. Checklist for Bidders

The Bidder may use the following checklist to ensure that the Bid is complete:

- i) Covering Letter (Annexure 4)
- ii) Joint Deed Agreement between Members in a Bidding Consortium (Annexure 5)
- iii) Power of Attorney in favour of authorised signatory (Annexure 6)
- iv) Letter of consent from all Members in a Bidding Consortium.
- v) Initialing of all pages of Bid by authorised signatory of the Bidder
- vi) Executive Summary (Annexure 3)
- vii) Last five years Annual Reports containing unconsolidated/ consolidated audited accounts (in accordance with Clause 2.1.1), directors' report, etc. of Bidding Company or each of the Member in case of a Bidding Consortium and/or Parent/Affiliates if their technical and/or financial credentials have been taken into consideration for meeting qualification requirements
- viii) Formats relating to financial and technical requirements (Annexure 7).
- ix) Disclosure regarding participation of any related company in this bid process (Annexure 9)
- x) Any other necessary information and documents as required under the RfQ.

Please note that the information requirement prescribed above is the minimum information required from the Bidders. The Bidder may provide additional information to support and supplement the above.