

SHORT TERM TENDER FOR DEVELOPMENT OF 860 MW (AC) SOLAR POWER PROJECTS IN KARNATAKA TO BE IMPLEMENTED IN 43
TALUKAS/ CONSTITUENCIES
RFP dated 07 Dec 2017

Addendum – 1, dated 16 December 2017

Request for proposal (RFP)

Sl. No	Clause No.	Page No.	Original Clause	Read As
1.	1.1	5	GoK intends to undertake development of a 860 MW (Eight Hundred and Sixty MW) (AC) solar PV ground mount power plants in Karnataka to be implemented in 43 Talukas/ Constituencies (hereinafter referred to individually as the “Project” implemented in one Taluka/ Constituency and collectively referred as the “Projects” implemented in multiple Talukas/ Constituencies). GoK, through KREDL, has decided to carry out the bidding process for selection of the Bidders to whom the Project(s) may be awarded.	GoK intends to undertake development of 860 MW (Eight Hundred and Sixty MW) (AC) <u>Grid Interactive Megawatt scale Solar Power Plants across forty three (43) Talukas/ Legislative Constituencies in Karnataka to be implemented at a location within the geographical boundary of the respective Talukas/ Legislative Constituencies of Karnataka on either land or rooftop or floating area or canal top or combination of either of the above, subjected to approval from the concerned appropriate authority for setting up the Project on the abovementioned locations</u> (hereinafter referred to individually as the “Project” implemented in one Taluka/ <u>Legislative</u> Constituency and collectively referred as the “Projects” implemented in multiple Talukas/ <u>Legislative</u> Constituencies). GoK, through KREDL, has decided to carry out the bidding process for selection of the Bidders to whom the Project(s) may be awarded.

2.	1.1.1.	5	<p>The developer (hereinafter referred to as “Developer”) shall be responsible for design, finance, procurement of land, engineering, procurement, construction, operation and maintenance of the Project(s) under and in accordance with the provisions of the PPA to be entered into between the Developer and the concerned ESCOM, and shall be vetted by KERC.</p>	<p>The developer (hereinafter referred to as “Developer”) shall be responsible for design, finance, ‘acquisition’ or ‘leasing and sub-leasing’ of land or rooftop or floating area or canal top or combination of either of the above, engineering, procurement, construction, operation and maintenance of the Project(s) under and in accordance with the provisions of the PPA to be entered into between the Developer and the concerned ESCOM, and shall be vetted by KERC.</p> <p><u>KREDL may facilitate, based on the request of the Developer and at its own discretion, for leasing and sub-leasing of the private land required for the Project. In this regard, Developer shall submit letter of willingness provided by the land owners to KREDL for sub-leasing of land to Developers towards implementation of the Project.</u></p> <p><u>The responsibility of the successful Bidders shall include but not limited to identification of such land owners, conducting a legal due diligence up to the Bidder’s satisfaction, negotiation of the land lease price with the land owners as per the direction of Deputy Commissioner of the concerned district, as mentioned in the Government Order EN66 VSE 2016 Bangalore dated 5/10/2016 (refer KREDL website). KREDL may help the successful Bidders in writing the letter of facilitation to the concerned Deputy Commissioner and other concerned authorities for arranging the meetings.</u></p>
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				<p><u>KREDL may execute the land lease agreement with the land owners and further sub-lease to the concerned Developer through a land sub-lease agreement. In this regard, the Developer shall submit a bank guarantee for an amount equivalent to the respective annual land lease, in advance, for every year to KREDL till the end of land lease period. Further, the successful Bidder shall pay handling charges for an amount calculated as 2% (two percent) of such annual land lease amount for every year till expiry of land lease period.</u></p> <p><u>It is clarified that in no case KREDL shall be held responsible for extending such support towards the above facilitation for leasing/ sub-leasing of the land.</u></p>

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3.	1.1.2	5	A Bidder may submit Bids for developing the Project(s) under solar PV technology (Solar PV ground mount Project).	A Bidder may submit Bids for developing the Project(s) under solar PV technology <u>to be implemented at a location within the geographical boundary of the respective Talukas/ Legislative Constituencies of Karnataka on either land or rooftop or floating area or canal top or combination of either of the above, subjected to approval from the concerned appropriate authority for setting up the Project on the above mentioned locations.</u>
4.	1.1.3	6	The Developer shall be responsible for power evacuation from the power plant to the nearest substation/delivery point. It is pertinent to mention that the metering shall be done at the inter-connection point at the end of the nearest substation/delivery point.	The Developer shall be responsible for power evacuation from the power plant to the nearest substation/delivery point <u>as mentioned in the PPA. Bidders shall be solely responsible for identification of suitable grid substation and carrying out any evacuation assessment study with respect to the connectivity of the Project to the grid substation. Also, the physical location of the Project shall be within the Taluka/ Legislative Constituency for which the Bidder is submitting its Bid. However, the evacuation of the Project may be made to any nearby grid substation of KPTCL or concerned ESCOMS, as the case may be, irrespective of the allotted Taluka/Legislative Constituency for the Project.</u> It is pertinent to mention that the metering shall be done at the inter-connection point at the end of the nearest substation/delivery point.

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5.	1.1.3	6	The Selected Bidder shall obtain power evacuation approval from KPTCL/ESCOM, as the case may be, within eight (8) months from the date of obtaining concurrence from KERC on the PPA.	The selected Bidder shall obtain power evacuation approval from KPTCL/concerned ESCOM, as the case may be, after <u>signing of PPA. In this regard, the successful Bidder shall be solely responsible for obtaining the power evacuation approval from KPTCL/ concerned ESCOM, as the case may be. In no case, KREDL/ KPTCL/ concerned ESCOMs shall be held responsible for the non-performance of the successful Bidder in obtaining the above mentioned approval from KPTCL/ concerned ESCOM, as the case may be.</u>
6.	1.1.9	7	-	New clause is appended at the end of the clause 1.1.9. as mentioned below: <u>Change in location of the Project is permitted within geographical boundary of the Taluk/ Legislative Constituency only. It is clarified that in no case the change in Taluk/ Legislative Constituency is permitted to the Bidder at any circumstances even in case of the failure on the part of the successful Bidder towards land acquisition/ land leasing or due to non-availability of capacity for evacuation of power in the grid substation. However, the evacuation of the Project may be made to any nearby grid substation of KPTCL or concerned ESCOMs, as the case may be, irrespective of the allotted Taluka/legislative constituency for the Project</u>

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7.	2.1.2 b.	12	A Single Business Entity, Government-owned entity and in case of Consortium, all the entities forming a Consortium, bidding for the Project, shall be a Company incorporated under the Companies Act 1956/ 2013 or under an equivalent law abroad, if it is a foreign company.	<p>A Single Business Entity, Government-owned entity and in case of Consortium, all the entities forming a Consortium, bidding for the Project, shall be a Company incorporated under the Companies Act 1956/ 2013 or under an equivalent law abroad, if it is a foreign company.</p> <p><u>If any information including but not limited to certificates or documentary evidence or letter or any document submitted by the Bidder in support of qualifying the eligibility criteria is found to be incorrect/untrue/wrong/dishonest at any point in time post submission of Technical Bid, KREDL, at its own discretion, shall cancel all the capacities of such Bidder and the performance bank guarantee (if any) shall be forfeited. Further, KREDL can blacklist the Bidder for participating in any further Bid in KREDL up to the level of participating in any tender for Government of Karnataka.</u></p>
8.	2.1.2 c.	12	It shall be noted that the Partnership firms can't participate in this Bidding process.	It shall be noted that the Partnership firms/ <u>Limited Liability Partnership (LLP)/ Limited Liability Company (LLC)</u> cannot participate in this Bidding process.

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9.	2.1.6	13	The Financial Bid shall consist of Effective Tariff to be quoted by the Bidder as per Clause 2.14. The order issued by KERC regarding the tariff for grid connected ground mount Solar PV is provided in Schedule 2 of this RFP	<p>The Financial Bid shall consist of Effective Tariff to be quoted by the Bidder as per Clause 2.14. <u>The Bidder’s Effective Tariff for the Project to be implemented at a location within the geographical boundary of the respective Talukas/ Legislative Constituencies of Karnataka on either land or rooftop or floating area or canal top or combination of either of the above, subjected to approval from the concerned appropriate authority for setting up the Project on the abovementioned locations shall be governed as per the KERC tariff order as provided in Schedule 2 of this RFP. In no case the Effective Tariff quoted by the Bidder shall be more than the above KERC determined tariff for Grid Interactive Megawatt scale Solar Power Plants as provided in Schedule 2.</u></p> <p><u>It is pertinent to mention that there shall not be any preferential/ differential tariff for solar PV Projects irrespective of its implementation on either land or rooftop or floating area or canal top or combination of either of the above, subjected to approval from the concerned appropriate authority for setting up the Project on the abovementioned locations within the geographical boundary of the respective Talukas/ Legislative Constituencies of Karnataka.</u></p>

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10.	2.11.2 a. iii.	21	Towards the Facilitation Fee (non-refundable for Selected Bidders only) INR 1,00,000 per MW (AC) (Indian Rupees One Lakhs only) plus prevailing GST rate of 18%, as notified in KREDL website http://kredlinfo.in/General/gst%20circular.pdf	This clause stands <u>deleted</u> .
11.	2.12.1	22	... The Demand Draft for Cost of the RFP document, application fee, Facilitation Fee, General Power of Attorney, the original Bank Guarantee towards Bid Security and Demand Draft towards the Bid Security (if applicable) The Demand Draft for Cost of the RFP document, application fee, General Power of Attorney, the original Bank Guarantee towards Bid Security and Demand Draft towards the Bid Security (if applicable) ...
12.	3.3.2	27	(a) Technical Capacity The Bidder shall provide following technology for Solar PV ground mount Project, as the case may be, which is approved as per the Ministry of New and Renewable Energy, Government of India (MNRE) or any other technology approved by MNRE prior to Bid Due Date.	(a) Technical Capacity The Bidder shall provide following technology for <u>implementation of solar PV Project on either land or rooftop or floating area or canal top or combination of either of the above, subjected to approval from the concerned appropriate authority for setting up the Project on the abovementioned locations within the geographical boundary of the respective Talukas/ Legislative Constituencies of Karnataka</u> , as the case may be, which is approved as per the Ministry of New and Renewable Energy, Government of India (MNRE) or any other technology approved by MNRE prior to Bid Due Date.

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13.	3.3.1	27	Only those Bidders whose Bids are responsive in accordance with provisions of Clause 3.2.1 above shall be considered for evaluation under this Section 3.	Only those Bidders whose Bids are responsive in accordance with provisions of Clause 3.2.1 above shall be considered for evaluation under this Section 3. In case the Bidder is not meeting the eligibility criteria including “Technical Experience” and “Financial Capacity” for the quoted cumulative capacity, all such capacity/Bids shall be submitted by the Bidder shall be rejected.
14.	3.3.2. (a) i b.	28	For solar PV projects to be selected through this category, it will be mandatory for all the projects to meet domestic content requirement as mentioned below:	For solar PV Projects to be selected through this category, <u>the Bidder shall be a local module manufacturer based in Karnataka state only as mentioned below. Such Bidders can participate for the Talukas/Legislative Constituencies under Schedule 3 (B) as a Single Bidder only and not as a Consortium. In case such Bidders wishes to also participate for the Talukas/Legislative Constituencies under Schedule 3(A), then such Bidders can participate as a Single Bidder only and not as a Consortium.</u>
15.	3.3.2. (a) i b.	29	It is pertinent to mention that the net-worth of foreign companies wherein the financial year is calendar year the net-worth shall be considered as on December 31, 2016.	It is pertinent to mention that the net-worth of foreign companies wherein the financial year is calendar year the net-worth shall be considered <u>as per the equivalent law in respective foreign countries.</u>
16.	3.3.2. (b)	29	Table provided for Net worth	Bidder to refer the table provided under Annexure-I of this addendum-1 for “Format for Certificate from Chartered Accountant for Financial Capacity of the Bidder”

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17.	3.3.2. (b)	29	(Illustration :If the proposed cumulative capacity is 50 MW (AC) i.e., project 1 for 10 MW (AC), project 2 for 20 MW (AC) and project 3 for 20 MW (AC), the net worth shall be not less than INR 100 Cr (Indian Rupees hundred crore) as on March 31, 2017 or equivalent US\$ as on December 31, 2016)	(Illustration: If the proposed cumulative capacity is 50 MW (AC) i.e., project 1 for 10 MW (AC), project 2 for 20 MW (AC) and project 3 for 20 MW (AC), the net worth shall be not less than INR 100 Cr (Indian Rupees hundred crore) as on March 31, 2017 or equivalent US\$, <u>as per the equivalent law in respective foreign countries.</u>)
18.	3.3.2. (b)	29	The Bidder shall also submit a certificate citing the calculation of net worth as provided in Annex-III A along with the audited annual accounts for the financial year 2016-17 for domestic bidders and calendar year 2016 for foreign bidders.	The Bidder shall also submit a certificate citing the calculation of net worth as provided in Annex-III A along with the audited annual accounts for the financial year 2016-17 for domestic bidders and <u>as per the equivalent law in respective foreign countries</u> for foreign bidders.
19.	3.6	32	The Selected Bidder within eight (8) months from the date of getting concurrence from KERC on the PPA shall <ul style="list-style-type: none"> i. Achieve Financial Closure ii. furnish documentary evidence that the requisite technical criteria has been fulfilled as per the format provided in Schedule-1 in case of Solar PV Projects. and iii. Documentary evidence for the required land for project development as per the details set out in Appendix – I Annex- II. 	The Selected Bidder within <u>twelve (12)</u> months from the date of getting concurrence from KERC on the PPA shall <ul style="list-style-type: none"> i. Achieve Financial Closure <u>and provide necessary loan documents issued by the funding agency/ banks etc.</u> ii. Furnish documentary evidence that the requisite technical criteria has been fulfilled as per the format provided in Schedule-1 in case of Solar PV Projects. And iii. Documentary evidence for the required land for project development as per the details set out in Appendix – I Annex- II. iv. <u>Copy of evacuation approval from KPTCL/ESCOM, as the case may be.</u>

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20.	3.4.8	32	... The Facilitation Fee submitted by the remaining Bidders shall be returned along with the Bid Security on successful completion of the Bidding Process or when the Bidding Process is cancelled by KREDL. ...	<u>... The Facilitation Fee shall be submitted to KREDL by the successful Bidder before execution of PPA with the concerned ESCOMs. The amount of Facilitation Fee shall be INR 1,00,000 per MW (AC) (Indian Rupees One Lakhs only) plus prevailing GST rate of (eighteen percent) 18% in the form of Demand Draft in favour of Managing Director, KREDL payable at Bengaluru or net banking (RTGS/NEFT) as per the bank details provided in Clause 1.2.4 (page 8) of the RFP. The GST notification can be accessed in KREDL website http://kredlinfo.in/General/gst%20circular.pdf. ...</u>
21.	ANNEX-1	43	-	<u>New clause added in this clause under point no. 7:</u> <u>Copy of GST no., PAN, TIN and income tax return certificate are attached here.</u>
22.	Point no. 4 of APPENDIX-I	38	Table under “I/ We propose to develop the following projects:”	The words <u>“Village”, “Google/ GPS coordinates”</u> stands <u>deleted.</u>
23.	APPENDIX-1 10. g.	39	-	New clause added: We confirm that there is no ongoing litigation or litigation pending or, to the best of such Party's knowledge, threatened to which it or any of its Group Business Entities is a party that presently affects or which would have a material adverse effect on the financial condition or prospects or business of such Party in the fulfilment of its obligations under this Agreement.

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24.	ANNEX-I 6.	43	A statement by the Bidder and each of the Members of its Consortium (where applicable) disclosing material non-performance or contractual non-compliance in past projects, contractual disputes and litigation/ arbitration in the recent past is given below (Attach extra sheets, if necessary).	A statement by the Bidder and each of the Members of its Consortium (where applicable) along with all the Group Business Entities disclosing material non-performance or contractual non-compliance in past projects, contractual disputes and litigation/ ongoing litigation / arbitration in the recent past is given below (Attach extra sheets, if necessary. We confirm that there is no ongoing litigation or litigation pending or, to the best of such Party's knowledge, threatened to which it or any of its Group Business Entities is a party that presently affects or which would have a material adverse effect on the financial condition or prospects or business of such Party in the fulfilment of its obligations under this Agreement.

25.	Appendix-I, Annex-II	44	<p>Evidence of clear possession of the required land for the project along with following documentary evidence: -</p> <ul style="list-style-type: none"> o Ownership or lease hold rights (for at least 30 years) in the name of the Developer and possession of 100% of the area of land required for the project. o Certificate by the concerned and competent revenue/registration authority for the acquisition / ownership/ vesting of the land in the name of the Developer. o Sworn affidavit from the authorized person of the Developer listing the details of the land and certifying total land required for the project under clear possession of the Developer o A certified English translation from an approved translator in case above land documents are in other than English Languages. o name of the district, taluka/ Constituency, village, total area, location and survey numbers of the land 	<p>Following documentary evidences of clear possession of the required land/rooftop/canal top/floating area for the project shall be provided: -</p> <p>A. Land / rooftop area:</p> <ul style="list-style-type: none"> o Ownership or lease hold rights (for at least 30 years) in the name of the Developer and possession of 100% of the land/rooftop area required for the project. o Certificate by the concerned and competent revenue/registration authority for the acquisition / ownership/ vesting of the land/rooftop area required for the project in the name of the Developer. o Sworn affidavit from the authorized person of the Developer listing the details of the land/ rooftop area and certifying total land/rooftop area required for the project under clear possession of the Developer o A certified English translation from an approved translator in case above documents are in other than English Languages. o name of the district, taluka/ Constituency, village, total area, location and survey numbers of the land/rooftop premises and google coordinates/GPS o Certificate by the concerned and competent authority <p>B. Canal top / Floating area</p>
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				<ul style="list-style-type: none"> • Permission letter issued from the concern appropriate authorities for utilization of the canal top and floating area for setting up of solar power project for the PPA period • Any other applicable statutory/ regulatory/ NOC etc. as per applicable laws/ regulations/ prudent utility practices prevailing in the state of Karnataka and/or GoI • Sworn affidavit from the authorized person of the Developer listing the details of the canal top/ floating area and certifying total canal top/ floating area required for the project under clear possession of the Developer • A certified English translation from an approved translator in case above documents are in other than English Languages. • Name of the district, taluka/ Constituency, village, total area, and location of the canal top/ floating area and google coordinates/GPS

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26.	ANNEX - II	44	I/We hereby undertake to certify that the following details shall be furnished within eight (8) months from the date of getting concurrence from KERC on the PPA for each Project: ...	I/We hereby undertake to certify that the following details shall be furnished within twelve (12) months from the date of getting concurrence from KERC on the PPA for each Project: ...
27.	ANNEX- IIIA	49	Format for Certificate from Chartered Accountant for Financial Capacity of the Bidder	Bidder to refer Annexure-I of this addendum-1 for “Format for Certificate from Chartered Accountant for Financial Capacity of the Bidder”
28.	ANNEX-IV	49	The details of the shareholding are as follows:	The details of the shareholding <u>not more than seven (7) days from the date of submission of Technical Bid</u> are as follows. <u>It can be noted that the Bidder shall not be allowed to change the shareholding structure until the completion of first year anniversary of the commercial operations date of the Project:</u>
29.	ANNEX-VIII	54	(Information on shareholding)	(Information on shareholding <u>not more than seven (7) days from the date of submission of Technical Bid</u>).
30.	ANNEX-X	56	Table under “Declaration of deviation considered by the Bidding entity, if any :” Facilitation Fee (non-refundable for Selected Bidders only) (Demand Draft for INR 1,00,000 per MW plus GST of 18%)	The line “Facilitation Fee (non-refundable for Selected Bidders only) (Demand Draft for INR 1,00,000 per MW plus GST of 18%)” stands <u>deleted</u> .
31.	APPENDIX-II	59	Table under “The Project(s) proposed by us are:”	The words <u>“Village”</u> stands <u>deleted</u> .

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32.	APPENDIX-V 8. d.	67	There is no litigation pending or, to the best of such Party's knowledge, threatened to which it or any of its Group Business Entities is a party that presently affects or which would have a material adverse effect on the financial condition or prospects or business of such Party in the fulfilment of its obligations under this Agreement.	There is no <u>ongoing litigation</u> or litigation pending or, to the best of such Party's knowledge, threatened to which it or any of its Group Business Entities is a party that presently affects or which would have a material adverse effect on the financial condition or prospects or business of such Party in the fulfilment of its obligations under this Agreement.
33.	General		-	The word “land” is replaced with “ <u>land or rooftop or floating area or canal top or combination of either of the above</u> ” in the RFP and PPA published dated 7 December, 2017. For the purpose of installation of Grid Interactive Megawatt scale Solar Power Plants on the <u>land or rooftop or floating area or canal top or combination of either of the above</u>

Draft Power Purchase Agreement (PPA)

Sl. No	Clause No.	Page No.	Original Clause	Read As
1.	4.1	20	<p>Conditions Precedent</p> <p>Save and except as expressly provided in Articles 4, 14 ,18, 20 or unless the context otherwise requires, the respective rights and obligations of the Parties under this Agreement shall be subject to the satisfaction in full of the conditions precedent specified in this Clause 4 (the "Conditions Precedent") by the Developer within 8 (Eight) months from the Effective Date, unless such completion is affected by any Force Majeure event, or if any of the activities is specifically waived in writing by ESCOM.</p>	<p>Conditions Precedent</p> <p>Save and except as expressly provided in Articles 4, 14 ,18, 20 or unless the context otherwise requires, the respective rights and obligations of the Parties under this Agreement shall be subject to the satisfaction in full of the conditions precedent specified in this Clause 4 (the "Conditions Precedent") by the Developer within <u>12 (twelve)</u> months from the Effective Date, unless such completion is affected by any Force Majeure event, or if any of the activities is specifically waived in writing by ESCOM.</p>
2.	4.3	22	<p>In the event that the Developer does not procure fulfillment of any or all of the Conditions Precedent set forth in Clause 4.2 within the period of 8 (eight) months and...</p>	<p>In the event that the Developer does not procure fulfillment of any or all of the Conditions Precedent set forth in Clause 4.2 within the period of <u>12 (twelve)</u> months and...</p>

3.	5.6	29	<p>ESCOM, at any time during a Contract Year, shall not be obliged to purchase any additional energy from the Developer beyond Million kWh (MU) [Insert value of energy generated corresponding to a maximum CUF⁸ of 21% for solar PV (new projects) and maximum CUF of 24% for solar PV projects (new projects) using trackers. Provided that in case of solar projects using advanced technologies, the value of CUF shall be the average CUF committed by the Developer at the point of signing the PPA]. If for any Contract Year, it is found that the Developer has not been able to generate minimum energy ofMillion kWh (MU) [Insert value of energy generated corresponding to a CUF of 12% for solar PV (new projects) and CUF of 16% for solar PV projects (new projects) using trackers and further provided that in case of solar projects using advanced technologies, the value of CUF shall be 7% below the average CUF committed by the Developer at the point of signing the PPA], on account of reasons solely attributable to the Developer, the noncompliance by Developer shall make Developer liable to pay the compensation provided in the Agreement as payable to ESCOM. This compensation shall be applied to the amount of shortfall in generation during the Contract Period. The amount of compensation shall be computed at the rate equal to the compensation payable by the ESCOM, subject to a minimum of 25% of the applicable tariff.</p>	<p>ESCOM, at any time during a Contract Year, shall not be obliged to purchase any additional energy from the Developer beyond Million kWh (MU) [Insert value of energy generated corresponding to a maximum CUF⁸ of 21% for solar PV using fixed tilt (new projects) and maximum CUF of 24% for solar PV projects (new projects) using trackers of any kind. If for any Contract Year, it is found that the Developer has not been able to generate minimum energy ofMillion kWh (MU) [Insert value of energy generated corresponding to a CUF of 12% for solar PV (new projects) using fixed tilt and CUF of 16% for solar PV projects (new projects) using trackers of any kind, on account of reasons solely attributable to the Developer, the noncompliance by Developer shall make Developer liable to pay the compensation provided in the Agreement as payable to ESCOM. This compensation shall be applied to the amount of shortfall in generation during the Contract Period. The amount of compensation shall be computed at the rate equal to the compensation payable by the ESCOM, subject to a minimum of 25% of the applicable tariff.</p>
4.	5.6	30	In case of repowering,	The clause stands deleted.

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			<p>The Developer shall be free to re-power their plants from time to time during the PPA duration. For repowering, the purchase of any excess energy, beyond the energy generated corresponding to a maximum CUF of 21% for solar PV (new projects) and maximum CUF of 24% for solar PV projects (new projects) using trackers, shall be charged at a rate equivalent to 75% of PPA tariff or applicable APPC charges, whichever is minimum, provided first right of refusal will vest with the ESCOMs.</p>	

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5.	5.6	30	<p>In case of any off-take constraints due to Back down by LDC:</p> <p>The Developer shall follow the forecasting and scheduling process as per the regulations in this regard by the Appropriate Commission. The Government of India, as per Clause 5.2(u) of the Indian Electricity Grid Code (IEGC), encourages a status of “must-run” to solar power projects. Provision for generation compensation in the event of back down by LDC shall be provided as the solar power plant have been declared as must run plants in the IEGC.</p> <p>Generation Compensation = 50 % of [(Average Generation per hour during the month) x (number of back down hours during the month) x PPA Tariff] Where, Average Generation per hour during the month (kWh) = Total generation in the month (kWh) / Total hours of generation in the month</p>	<p>In case of any off-take constraints due to Back down by LDC:</p> <p>The Developer shall follow the forecasting and scheduling process as per the regulations in this regard by the Appropriate Commission. The Government of India, as per Clause 5.2(u) of the Indian Electricity Grid Code (IEGC), encourages a status of “must-run” to solar power projects. Provision for generation compensation in the event of back down by LDC shall be provided as the solar power plant have been declared as must run plants in the IEGC.</p> <p><u>No compensation shall be provided towards any off-take constraints due to Back down by LDC.</u></p>

6.	5.6	30 & 31	<p>For part commissioning, For part commissioning, the purchase of such generation shall be settled at a rate equivalent to 75% of PPA tariff or applicable APPC charges, whichever is minimum, provided first right of refusal will vest with the ESCOMs.</p>	<p>For part commissioning,</p> <p><u>Part commissioning shall mean commissioning of minimum 10 MW (AC) in a Taluka/ Legislative Constituency by the successful Bidder out of the total capacity allotted to the successful Bidder in that Taluka/ Legislative Constituency.</u></p> <p>For part commissioning, the purchase of such generation shall be settled at a rate equivalent to 75% of PPA tariff or applicable APPC charges, whichever is minimum, provided first right of refusal will vest with the ESCOMs.</p> <p><u>In the case of part commissioning, the Bidder may have the opportunity to submit a revised Performance Security equivalent to the remaining un-commissioned capacity. On submission of revised Performance Security from the successful Bidder, the previous Performance Security will be returned within thirty (30) days from the date of submission of revised Performance Security. In case the Bidder is unable to commission the balance capacity within the COD, then the ESCOM shall en-cash and invoke the revised Performance Security as per the procedure mentioned in clause 3.8 of the RFP and clause 5.8 of the draft PPA, and recover the balance amount from payment of Monthly Bills/ Supplementary Bill payable by concerned ESCOMs to the Developer to the extent of</u></p>
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Sl. No	Clause No.	Page No.	Original Clause	Read As
				<p><u>allotted full/ entire capacity. In this regard, the successful Bidder shall provide an undertaking on 200 INR (Indian Rupees Two Hundred only) non-judicial stamp paper while submitting revised Performance Security for the un-commissioned capacity for deduction of amount equivalent to the Performance Security for the part-commissioned capacity in relation to clause 3.8 of the RFP and clause 5.8 of the draft PPA. However, the concerned ESCOM's decision shall be final and binding on the Developer.</u></p>

Sl. No	Clause No.	Page No.	Original Clause	Read As
7.	14.4.1	55	Force majeure clause	<p>New clause us appended to the existing clause:</p> <p><u>f) If the Developer did not get NA conversion (deemed conversion) of the ‘purchased’ or ‘leased and sub-leased’ land after obtaining the ownership or lease hold rights in the name of the Developer, then such delay due to the above event shall be considered under force majeure, subject to approval from KERC. In this regard, the developer shall substantiate the above delay with sufficient documentary proof including but not limited to the application, payment of necessary fee/ charges, fulfilment of clarification sought from/ by the respective revenue authorities. The decision of KERC shall be final and governing on both the Parties.</u></p>

8.	15.1.1 e.	59	any change in tax or introduction of any tax made applicable for supply of power by the Developer as per the terms of this Agreement.	<p>any change in <u>taxes and duties</u> or introduction of any <u>taxes and duties</u> made applicable for supply of power by the Developer as per the terms of this Agreement. <u>The Bidder shall consider all the prevailing taxes and duties applicable on the date of submission of Technical Bid while submitting the Bid for the Project(s). If any such above prevailing taxes and duties are not considered or omitted or ignored, then it shall be accepted that the Bidder has considered all such taxes and duties in its Bid. Any change in law pertaining to taxes and duties after the date of submission of Technical Bid shall be to the account of the ESCOM and appropriate change in tariff, either increase or decrease in proportionate, due to the change in taxes and duties shall be as per clause 15.2 (Relief for Change in Law) of PPA.</u></p> <p><u>For clarity, the clause 15.2 is reproduced here:</u></p> <p>15.2 Relief for Change in Law 15.2.1 The aggrieved Party shall be required to approach the KERC for seeking approval of Change in Law. 15.2.2 The decision of the KERC to acknowledge a Change in Law and the date from which it will become effective, provide relief for the same, shall be final and governing on both the Parties.</p>
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Sl. No	Clause No.	Page No.	Original Clause	Read As
9.	21.1	87	“Expiry Date” shall mean the date occurring twenty five (25) years from the Commercial Operation Date	“Expiry Date” shall mean the date occurring twenty five (25) years from the <u>Effective Date</u>
10.		20	“Land Conversion” under foot note 3.	<p>The “Land Conversion” is replaced with under this foot note:</p> <ul style="list-style-type: none"> ○ <u>Ownership or lease hold rights (for at least 30 years) in the name of the Developer and possession of 100% of the area of land required for the project.</u> ○ <u>Certificate by the concerned and competent revenue/registration authority for the acquisition / ownership/ vesting of the land in the name of the Developer.</u> ○ <u>Sworn affidavit from the authorized person of the Developer listing the details of the land and certifying total land required for the project under clear possession of the Developer</u> ○ <u>A certified English translation from an approved translator in case above land documents are in other than English Languages.</u> ○ <u>name of the district, taluka/ Constituency, village, total area, location and survey numbers of the land</u>

11.	Article 5: Obligation of The Developer	33	-	<p>New clause is added</p> <p>5.11: Non-Payment of land/rooftop/ canal top/ floating area lease sum amount</p> <p>5.11.1. Developer shall pay the lease sum amount to the lessor as per the terms and clause of the sub-lease agreement entered with KREDL.</p> <p>Every year, the Developer shall be liable for advance payment of annual land/rooftop/ canal top/ floating area lease amount and handling charges to the KREDL.</p> <p>Further, on receipt of such annual land/rooftop/ canal top/ floating area lease amount from the Developer, KREDL shall release only the annual land/rooftop/ canal top/ floating area lease amount to the land/rooftop/ canal top/ floating area owner.</p> <p>Along with the above advance payment, the Developer shall submit the bank guarantee equivalent to respective annual land/rooftop/ canal top/ floating area lease amount with validity of one (1) year to KREDL.</p> <p>The above bank guarantee shall be extended every year until the expiry of land/rooftop/ canal top/ floating area lease period, before 2 months from the expiry of the ongoing bank guarantee; failing which the bank guarantee shall be forfeited without any intimation to the Developer.</p>
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Sl. No	Clause No.	Page No.	Original Clause	Read As
				<p>The above bank guarantee shall be forfeited if developer fails to pay the annual lease amount for forthcoming year.</p> <p>In addition to above, further Developer fails to pay the annual land/rooftop/ canal top/ floating area lease amount, KREDL has rights to recover such land/rooftop/ canal top/ floating area lease amount from the amount to be paid to the Developer by the concerned ESCOMs for the purchase of power as per PPA.</p> <p>In such cases, concerned ESCOMs shall deduct such amount and transfer to KREDL's account after receipt of intimation letter from KREDL.</p>

Annexure-1

ANNEX – III A
Format for Certificate from Chartered Accountant for Financial Capacity of the Bidder

(On the Letterhead of the Chartered Accountant)

Date:

We have verified the relevant statutory and other records of M/s _____ [Name of the Single Business Entity/Consortium Member/Group Business Entity], and certify that the net worth is INR _____ Crores (Indian Rupees _____ Crores) or equivalent US\$ as on the last date of the Financial Year/ Calendar Year, as per the equivalent law in respective foreign countries.).

All figures are in Crore INR

Particulars	FY 2016-17 or CY 2017
Aggregate value of the paid-up share capital <ul style="list-style-type: none"> • Fully, compulsorily and mandatorily convertible Preference shares • Fully, compulsorily and mandatorily convertible Debentures. 	[Insert the amount in Crore INR]
Add: All reserves created out of the profits and securities premium account	[Insert the amount in Crore INR]
Subtract: Accumulated losses	[Insert the amount in Crore INR]
Subtract: Deferred expenditure	[Insert the amount in Crore INR]
Subtract: Miscellaneous expenditure not written off	[Insert the amount in Crore INR]
Net worth* as on the last date ending Financial Year/ Calendar Year, as per the equivalent law in respective foreign countries.	[Insert the amount in Crore INR]

Note: * The above Net worth does not include reserves created out of revaluation of assets, write-back of depreciation and amalgamation.

We have submitted the unconsolidated audited financial statements along with the supporting notes as annexure for the said FY 2016-17 or CY 2017.

SHORT TERM TENDER FOR DEVELOPMENT OF 860 MW (AC) SOLAR POWER PROJECTS IN KARNATAKA TO BE IMPLEMENTED IN 43
TALUKAS/ CONSTITUENCIES
RFP dated 07 Dec 2017

This certificate highlighting the breakup of the net worth including the reference of the various notes in the annual accounts is being issued to be produced before Karnataka Renewable Energy Development Company, for the “**Development of Solar Power Projects in the State of Karnataka**” vide RFP no. _____.

Signature and Seal and Registration number of Chartered Accountant