

- (e) To exploit the benefits arising due to optimization of resources and economies of scale.

2.2.3. Financial Assistance

- (a) Grant-in-aid shall be released in four (4) instalments spread over a period of five (5) years in the following manner:

Installment	Percentage of Funds	Remarks/ Pre-requisite
1 st	30	On final approval of the Project by the SSC, thirty percent (30%) grant shall be released in the Trust and Retention Account (TRA) or Escrow or No Lien Account as the case may be subject to the condition that all relevant clearances are in place.
2 nd	30	Sixty percent (60%) utilization of the 1 st installment and after proportionate expenditure has been incurred by the SPV with proportionate physical progress of the Manufacturing Zone as per the DPR.
3 rd	30	One hundred percent (100%) utilisation of 1 st installment and at least 60% utilization of 2 nd installment and after proportionate expenditure has been incurred by the SPV with proportionate physical progress of the Manufacturing Zone as per the DPR.
4 th	10	After submission of completion certificate.

- (b) SSC will be authorized to decide the requisite amount of CIF and CTF based on overall ceiling of Indian Rupees Four Hundred Crore (INR 400,00,00,000.00).
- (c) Year-wise requirement of fund has been estimated and mentioned below on the basis of timelines given for different activities, such as formation of SPV, submission of DPR, completion of CIF and CTF work:

Components	1 st Year	2 nd Year	3 rd Year	4 th Year	5 th Year
CIF + CTF (INR Crore)	40	100	100	100	60

Note: The budget is inclusive of administrative charges of maximum upto one percent (1%)

- (d) The assets created/acquired by the SPV by utilising the grant of Central Government shall not be disposed, encumbered or utilized for the purposes other than for which the funds have been released.
- (e) A register of permanent and semi-permanent assets acquired wholly or mainly out of the funds provided by Central Government shall be maintained as per GFR.
- (f) If, for any reasons, SPV is liquidated, Government of India will have the first right to recover the grant-in-aid released for the Project in case any surplus is left in the process of liquidation.
- (g) Escalation in the cost of Project due to any reason will be borne by the Proposer. The Central Government shall not accept any financial liability arising out of operation of any CIF and CTF.

- (h) For successful implementation and operation of the Manufacturing Zone, agreements between State Government and the SPV shall be entered into.

2.3. Monitoring Structure

- 2.3.1. A Scheme Steering Committee (SSC) and a Project Management Agency (PMA) shall be constituted.

2.3.2. Scheme Steering Committee (SSC)

- (a) The SSC shall be constituted jointly by MNRE and MoP under the Co-Chairmanship of Secretary, MoP and Secretary, MNRE for appraisal, approval and monitoring the progress of Manufacturing Zone as per the Scheme guidelines.
- (b) The Committee shall have the following members:
 - (i) Financial Advisor, MoP, Member
 - (ii) Financial Advisor, MNRE, Member
 - (iii) Additional Secretary/ Joint Secretary, MoP
 - (iv) Additional Secretary/ Joint Secretary, Solar, MNRE
 - (v) Joint Secretary, In-charge (Aatmanirbhar Bharat), DPIIT
 - (vi) Nodal Officer, In-charge of PDC, MoP
 - (vii) Nodal Officer, In-charge of PDC, MNRE, Convenor
 - (viii) Any other domain expert as decided by Co-Chair.
- (c) The SSC may invite representatives of Industry Associations, R&D Institutions and other Government/ Private sector expert organizations as special invitees as required from time to time.
- (d) The SSC shall take all decisions required for successful implementation of the Scheme.
- (e) The SSC shall be assisted by the PMA.
- (f) The SSC shall meet as often as necessary to ensure timely consideration of the Proposals, the DPRs, review of the progress of the Project as per the Scheme. The SSC shall hold meeting at least once in six (6) months.
- (g) The SSC shall evaluate the Proposals submitted by the Proposers and give in-principal approvals for setting up Manufacturing Zone.

2.3.3. Project Management Agency (PMA)

- (a) A PMA shall be constituted for providing secretarial, managerial and implementation support to the SSC for effective implementation of the Project.
- (b) The PMA shall have technical experts with knowledge and experience in regulations, manufacturing and R&D relating to renewable and power equipment. PMA shall have at least one (1) expert with experience in implementation of infrastructure projects.
- (c) The PMA shall be constituted with the following members under the Co-Chairmanship of the Nodal officers (in charge of the Project Development Cells) of MoP and MNRE:
 - (i) One officer from NTPC and Power Grid,
 - (ii) One Officer from IREDA
 - (iii) DG, NISE or his nominee
 - (iv) DG, NIWE or his nominee

- (v) DG, CPRI or his nominee
 - (vi) Chief Engineer (R&D), CEA or a nominee of Chairperson, CEA
- (d) Consultant/Young Professionals may be engaged for providing assistance to the PMA.
- (e) The PMA will be responsible for:
- (i) Preliminary examination of the Proposals received from the Proposers and seeking additional information including documents, if required for completeness of the Proposals.
 - (ii) Appraisal of Proposals and making appropriate recommendations to the SSC for approval of Project under the Scheme.
- (f) After receiving in-principle approval from the SSC, PMA will inform the Proposer about the same.
- (g) The PMA shall assess the progress of the Project from time to time and submit the report to the SSC.

2.4. Role of Proposer

2.4.1. Successful Proposer shall be responsible for:

- (a) Formation of SPV within one (1) month after receiving in-principle approval from the SSC, if the Proposer is a State Government. If the Proposer is a private entity/CPSU in partnership with State Government, the Proposer has to incorporate a JV company (as defined in Clause 3.1) within one (1) month after receiving in-principle approval from the SSC, wherein State should hold minimum twenty six percent (26%) equity.
- (b) Facilitating the SPV for getting distribution license, where possible from Appropriate Commission under clause (b) of section 14 of Electricity Act 2003.
- (c) Facilitating and providing all statutory approvals/clearances from State Government offices required for operation of the industrial activity inside the Manufacturing Zone. Further, State shall also facilitate and recommend for requisite statutory approval/clearances to be given by the Central Government bodies.
- (d) Providing necessary infrastructure such as access road, power, water supply, etc. up to the Manufacturing Zone.
- (e) Promoting the Manufacturing Zone at National & International level.

2.4.2. Successful Proposer shall avail the grant for development of Manufacturing Zone as per the Scheme guidelines. One (1) State shall be allowed to submit only one (1) Proposal for setting up a Manufacturing Zone in their State.

2.4.3. The area offered by the Proposer for setting up Manufacturing Zone shall not be less than One Hundred Fifty (150) acres. For development of CTF, separate area has to be kept.

2.4.4. The Proposer shall have to be in full possession of the land free of all encumbrances proposed for establishing the Manufacturing Zone on the date of submission of Proposal.

2.4.5. The Proposer shall give full details of the location of the proposed Manufacturing Zone including land area (in acres), location map and area map.

- 2.4.6. The Proposer shall provide an undertaking for establishing a single window system for all necessary clearances required from the State Government for the manufacturing units located in the Manufacturing Zone.
- 2.4.7. The Proposer shall be required to make a presentation on the Proposal before SSC.
- 2.4.8. The Proposer shall identify a suitable location for setting up a Manufacturing Zone keeping in mind various factors viz., assured availability of power, assured availability of water, transport connectivity with Railways, National Highway, Sea Port, Airport, environmental and other statutory clearances etc. The identified location shall be well away from the eco-sensitive zone of protected areas.
- 2.4.9. The Proposer under the Scheme shall submit the Proposal within the stipulated date and time as per the format provided at Annexure 6.1.
- 2.4.10. SPV while asking Proposal for manufacturing unit shall not specify minimum percent for export or local value addition for establishing the manufacturing units in the Manufacturing Zone.

2.5. Responsibilities of Special Purpose Vehicle (SPV)

- 2.5.1. SPV will be responsible for preparation of DPR and creation of CIF and CTF in selected Manufacturing Zone.
- 2.5.2. The SPV shall plan, appraise, approve, manage, monitor and facilitate the establishment of industries in the Manufacturing Zone.
- 2.5.3. The SPV of Manufacturing Zone shall be headed by a full time Chief Executive Officer (CEO).
- 2.5.4. The SPV may collaborate with private developers for carrying out the work but only SPV will be fully responsible for implementing the Scheme.
- 2.5.5. The SPV shall use central grant-in aid for creation of CIF and CTF.
- 2.5.6. The SPV shall prepare the DPR covering the technical, financial, institutional and operational aspects of the CIF and CTF to be set up within the Manufacturing Zone within seventy five (75) days from the formation of SPV and submit it for approval of the SSC with the details as given in Annexure 6.2.
- 2.5.7. After approval of the DPR, the SPV shall start execution of works relating to CIF or CTF in collaboration with CPRI, NISE and NIWE. Works relating to CIF shall be completed within eighteen (18) months and CTF within thirty six (36) months from the date of approval of DPR.
- 2.5.8. SPV shall ensure that from the grant-in-aid provided by the central government, CTF are established with the help of NISE for solar energy, NIWE for wind energy and CPRI for power equipment (for Generation, Distribution and Transmission) as per the testing requirements of manufacturing units set up in the Manufacturing Zone.
- 2.5.9. NISE, NIWE and CPRI shall establish and operate the testing facilities and charge testing fee as per the agreement with the SPV.

- 2.5.10. Additional testing facilities without using grant in aid, if required, may also be set-up in market mode by CPRI, NISE or NIWE to meet the testing requirement of manufacturing units.
- 2.5.11. Funds for CTF will be distributed depending up the type of testing facilities required to be provided based on the industries coming up in the respective Manufacturing Zones.
- 2.5.12. To promote domestic manufacturing under "Aatmanirbhar Bharat Abhiyan", power should be provided at reasonable rate to make them competitive as the share of power cost for operation is quite substantial. In order to provide power at reasonable cost, where possible the SPV/ third party selected by SPV may seek distribution license under clause (b) of Section 14 of Electricity Act, 2003 from Appropriate Commission.
- 2.5.13. The SPV shall be responsible for the day to day management of Manufacturing Zone.
- 2.5.14. The SPV shall be responsible for obtaining all statutory approvals/ clearances including all environmental clearances and providing single window system for various approvals and test certificates.
- 2.5.15. The SPV shall recruit suitable professionals for expeditious implementation of the works relating to CIF or CTF and various other interventions as outlined and approved in the DPR. Further, professionals shall prepare the event report, ex-post activity chart showing all activities, the original, expected dates and actual dates along with the flow of fund requirements as specified in the DPR.
- 2.5.16. The SPV shall furnish regular progress reports of the Project to the SSC and the PMA.
- 2.5.17. The SPV shall allot land to the manufacturers on outright sale basis or on long term lease basis for minimum of thirty five (35) years or for a lesser time period if requested by manufacturers. The land shall be allocated by SPV as per the agreed lease rental rates and terms and conditions as proposed in the Proposal submitted by the Proposer for approval of the SSC.
- 2.5.18. The SPV shall provide services to the manufacturing units as per agreed utility charges and terms and conditions as mentioned in the Proposal. The SPV shall be responsible for operation and maintenance of CIF and CTF of the Manufacturing Zone. SPV may collect maintenance charges for the maintenance of Manufacturing Zone on annual basis. The maintenance charges shall be revised annually based on the actual cost of maintenance. Total annual maintenance cost shall be apportioned amongst the manufacturers in ratio of land area allocated to them inside the Manufacturing Zone.
- 2.5.19. The SPV/ third party selected by SPV shall be responsible for all the matters relating to procurement, transmission, distribution of electricity and its associated electrical infrastructure.
- 2.5.20. The SPV shall keep a provision for cancellation of allotment of the land if any manufacturer fails to start the work within six (6) months and complete the commissioning within a period of twenty four (24) months from the date of allotment of land unless it is extended on valid reasons for not more than six (6) months at a time.
- 2.5.21. There shall be a provision for the manufacturing units to opt out of the Manufacturing Zone after a period of five (5) years from the allotment of land by SPV as per the procedure defined at the time of allotment of land by the SPV.
- 2.5.22. The SPV shall submit any report sought by SSC or PMA, from time to time.

- 2.5.23. The SPV shall invite applications from the potential manufacturers for establishing a manufacturing facility in the Manufacturing Zone for the items included in Annexure 6.3.
- 2.5.24. The SPV shall develop and include guidelines and eligibility criteria for allotment of land and other services in the DPR for approval of the same by the SSC
- 2.5.25. The SPV shall furnish a quarterly progress report on the development of the Manufacturing Zone.
- 2.5.26. The SPV shall open a Trust and Retention Account (TRA) or Escrow or No Lien Account and enter into an agreement in respect thereof as may be decided by the SSC for the purpose of parking the funds received as grant-in-aid from the Central Government under the Scheme.
- 2.5.27. The SPV shall submit the Utilisation Certificate (UC) with the progress report for the amounts utilized as per the format prescribed in GFR.
- 2.5.28. Accounts of SPV shall be subject to audit by the Comptroller & Auditor General of India.
- 2.5.29. The amount allotted for CIF and CTF for power equipment, solar equipment and wind equipment may be reallocated between the activities under CIF & CTF if required, after taking approval of SSC.
- 2.5.30. In addition to the CIF, the SPV and the State shall actively facilitate common services/ utilities required for smooth running of businesses such as petrol pumps, banks, cafeteria, business centre, parking for trucks, convenience stores, medical service centre etc.

2.6. Brief description of EOI Process

- 2.6.1. EOI Process Authority has adopted a single stage EOI Process for selection of the Successful Proposer.
- 2.6.2. Each Proposer is required to submit a single Proposal as per Clause 4.7.
- 2.6.3. All Proposals are required to be prepared and submitted in accordance with the terms of this EOI on or before Proposal Due Date.
- 2.6.4. Any queries or requests for additional information relating to this EOI shall be submitted to EOI Process Authority in accordance with Clause 3.4.
- 2.6.5. EOI Process Authority shall endeavour to adhere to the following EOI Schedule:

Sl.	Event	Date and Time
1.	Notification to Proposers	Wednesday, April 13, 2022
2.	Pre-EOI Meeting	Wednesday, April 27, 2022 at 11:00 AM
3.	Last date of submission of queries or information required by Proposers	Wednesday, May 4, 2022 at 04:00 PM
4.	Issue of clarifications, addendum or revised EOI	Monday, May 30, 2022 at 04:00 PM
5.	Proposal Due Date	Sunday, June 26, 2022 at 04:00 PM

- 2.6.6. All communications related to Proposal including submission of Proposal shall be addressed to the following:
 Joint Secretary(Thermal),
 Room No 415, Ministry of Power,
 Shram Shakti Bhawan,
 New Delhi —110001

Email: singhp7@nic.in
Phone: +91-011-23714367

3. General Instructions to Proposers

3.1. Eligibility Criteria

- 3.1.1. The possible scenarios for Proposer are as follows:
- a. **State:** State Government or State Government entity/State PSU in partnership with State Government can submit proposal for setting up Manufacturing Zone in their State.
 - b. **Private Entities/CPSUs:** A private entity/CPSU in partnership with State Government can also submit proposal for setting up Manufacturing Zone in their State. The private entity/CPSU and a State Government agency could formulate a JV company wherein State should hold minimum 26% equity.
- 3.1.2. If the Proposer is a State Government or State Government entity (which is not a Company), then it shall form a Special Purpose Vehicle (SPV), within one (1) month of the approval, for preparation of the DPR and implementation of CIF and CTF works in the identified Manufacturing Zone.
- 3.1.3. If the Proposer is a State PSU in partnership with State Government, creation of new SPV is not mandatory. In case a new SPV is not incorporated, the State PSU shall act as SPV.
- 3.1.4. If the Proposer is a private entity/CPSU in partnership with State Government, the private entity/CPSU and a State Government agency shall formulate a JV company within one (1) month of the approval, for preparation of the DPR and implementation of CIF and CTF works in the identified Manufacturing Zone wherein State should hold minimum twenty six percent (26%) equity. In such case, the JV company shall act as SPV.
- 3.1.5. If the Proposer is a State PSU / CPSU/ private entity in partnership with State Government, it shall submit an State Authorization Letter from official not below the rank of Secretary from the concerned State.
- 3.1.6. The SPV of Manufacturing Zone shall be headed by a full time Chief Executive Officer (CEO).
- 3.1.7. The SPV shall be a limited company incorporated under the Companies Act.
- 3.1.8. Private entities may be allowed to exit from the project after manufacturing units are set up in at least fifty percent (50%) of the area earmarked for setting up of manufacturing units or ten (10) years after the award, whichever is earlier.

3.2. Acknowledgement by Proposer

- 3.2.1. It shall be deemed that by submitting the Proposal, the Proposer has:
- (a) made a complete and careful examination of EOI (including all instructions, forms, terms and specifications) and any other information provided by EOI Process Authority under this EOI and Proposer acknowledges that submission of a Proposal that is not substantially responsive to EOI in every respect shall be at Proposer's risk and may result in rejection of Proposal;
 - (b) received all relevant information requested from EOI Process Authority;
 - (c) accepted the risk of inadequacy, error or mistake in the information provided in EOI or furnished by or on behalf of EOI Process Authority;
 - (d) satisfied itself about all things, matters and information, necessary and required to submit a Proposal;
 - (e) familiarized itself with the procedures and time frames required to obtain all Consents, Clearances and Permits to operate as a Distribution Licensee; and
 - (f) agreed to be bound by the undertakings provided by it under and in terms of this EOI.
- 3.2.2. EOI Process Authority shall not be liable for any omission, mistake or error in respect of any of the above or on account of any matter arising out of or relating to EOI or EOI Process.

3.3. Rights of EOI Process Authority

- 3.3.1. EOI Process Authority, in its sole discretion and without incurring any obligation or liability, reserves the right, at any time, to: