

Invitation for Qualification

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Government of India

Ministry of Railways

RFQ Notice No:-EL-HWH-25-21-3209-RFQ-R

1. INTRODUCTION

1.1 Background

Eastern Railway (hereafter referred to as Railways) invites eligible applicants to participate in the bidding process for “Installation of on-grid Solar plant of total capacity 225 KWp through Solar Power Developer (SPD) under PPP model (phase-II)”

The Project is located at Pakur in Howrah Division having an aggregated capacity of 225 KWp herein after referred to as Contracted Capacity. The generated solar power will be utilized solely by Railways. The scheme aims to reduce the fossil fuel based electricity load on main grid and make building self-sustainable from the point of electricity, to the extent possible and as part of this endeavor, the Railways has decided to undertake development and operation/maintenance of the “Installation of on-grid Solar plant of total capacity 225 KWp through Solar Power Developer (SPD) under PPP model (phase-II)”

1.1.1 (PPP- Public-Private Partnership) on [Design, Build, Finance, Operate and Transfer (the “**DBFOT**”)] basis, and has, therefore, decided to carry out the bidding process for selection of [a private entity as] the bidder to whom the Project may be awarded.

The **Eastern Railways** intend to pre-qualify and short-list suitable Applicants (the “**Bidders Applicants**”) who will be eligible for participation in the Bid

Stage, for awarding the Project through an open competitive bidding process in accordance with the procedure set out herein.

Instructions for Applicants

- Note 1:** The provisions in square brackets/ blanks and asterisk marks shall be suitably modified by the Applicant after the RFQ is issued. (See Appendix-VI)
- Note 2:** Blank spaces contain formats that are to be used by the Applicant after the RFQ is issued. (See Appendix-VI)
- Note 3:** Footnotes marked “\$” in the relevant Clauses of the RFQ are for guidance of the Applicants. In case of Appendices, the footnotes marked “\$” or in other non-numerical characters shall be omitted by the Applicants while submitting their respective Applications. (See Appendix-VI).

1 Instructions for customization of this document by Railways:

This Model Request for Qualification (the “RFQ”) may be customized for project-specific use in accordance with the instructions below:

- Note I:** Serially numbered footnotes in this RFQ are for guidance of Railways and should be omitted from the RFQ before it is issued to prospective Applicants. (See Appendix-VII)
- Note II:** All project-specific provisions in this RFQ have been enclosed in square parenthesis and may be modified, as necessary, before issuing the RFQ to prospective Applicants. The square parenthesis should be removed after carrying out the required modification. (See Appendix-VII)
- Note III:** The asterisks in this RFQ should be substituted by project-specific particulars before issuing the RFQ to prospective Applicants. (See Appendix-VII)
- Note IV:** Notes I, II, III and IV shall be omitted prior to issue of this RFQ.

2 If public sector companies are to be allowed to Bid, this Clause may be modified accordingly

- 1.1.2 The selected Bidder, who is either a company incorporated under the Companies Act, 1956/2013 or undertakes to incorporate as such prior to execution of the concession agreement (the “**SPD**”) shall be responsible for designing, engineering, financing, procurement, construction, operation and maintenance of the Project under and in accordance with the provisions of a [long-term] Power Purchase Agreement (the “**PPA**”) to be entered into between the selected SPD and the Railways in the form provided by the Railways as part of the Bidding Documents pursuant hereto.
- 1.1.3 The scope of work will broadly include [Design, Build, Finance, Operation and long – term maintenance and transfer of Roof-mounted solar PV projects at selected locations of railways] and the supply of electricity to Railways under long-term fixed rate PPA.
- 1.1.4 Indicative capital cost of the Project (the “**Estimated Project Cost**”) will be revised and specified in the Bidding Documents of the Project. The assessment of actual costs, however, will have to be made by the Bidders.
- 1.1.5 The Railways shall receive Applications pursuant to this RFQ in accordance with the terms set forth herein as modified, altered, amended and clarified from time to time by Railways, and all Applications shall be prepared and submitted in accordance with such terms on or before the date specified in Clause 1.3 for submission of Applications (the “**Application Due Date**”).

1.2 Brief description of bidding Process

- 1.2.1 The Railways has adopted a two-stage bidding process (collectively referred to as the “**Bidding Process**”) for selection of the Bidder for award of the Project. The first stage (the “**Qualification Stage**”) of the process involves qualification

(the “**Qualification**”) of interested parties/ consortia who make an Application in accordance with the provisions of this RFQ (the “**Applicant**”, which expression shall, unless repugnant to the context, include the Members of the Consortium). Prior to making an Application, the Applicant shall pay to Railways a sum of Rs. **10,000 (Rupees ten thousand)** as the cost of the RFQ process. At the end of this stage, Railways expects to announce a shortlist of suitable pre-qualified Applicants who shall be eligible for participation in the second stage of the Bidding Process (the “**Bid Stage**”) comprising Request for Proposals (the “**Request for Proposals**” or “**RFP**”).

Government of India has issued guidelines (see Appendix-V) for qualification of bidders seeking to acquire stakes in any public sector enterprise through the process of disinvestment. These guidelines shall apply mutatis mutandis to this Bidding Process. The Railways shall be entitled to disqualify an Applicant in accordance with the aforesaid guidelines at any stage of the Bidding Process. Applicants must satisfy themselves that they are qualified to bid, and should give an undertaking to this effect in the form at Appendix-I.

1.2.2 In the Qualification Stage, Applicants would be required to furnish all the information specified in this RFQ. Only those Applicants that are pre-qualified and short-listed by Railways shall be invited to submit their Bids for the Project. The Railways is likely to provide a comparatively short time span for submission of the Bids for the Project. The Applicants are, therefore, advised to visit the site and familiarize themselves with the Project.

1.2.3 In the Bid Stage, the Bidders will be called upon to submit their financial offers (the “**Bids**”) in accordance with the RFP and other documents to be provided by Railways (collectively the “**Bidding Documents**”). The Bidding Documents for the Project will be provided to every Bidder on payment of a process fee for RFP which will be about four times the amount specified in Clause 1.2.1. The Bid shall be valid for a period of not less than 120 days from the date specified in Clause 1.3 for submission of Bids (the “**Bid Due Date**”).

1.2.4 In terms of the RFP, a Bidder will be required to deposit, along with its Bid, a Bid Security [equivalent to about 2% (Two per cent)⁶ of the Estimated Project Cost] (the “**Bid Security**”), refundable no later than 60 (sixty) days from the Bid Due Date, except in the case of the selected Bidder whose Bid Security shall be retained till it has provided a Performance Security under the Power Purchase Agreement. The Bidders will have an option to provide Bid Security in the form of a demand draft or a bank guarantee acceptable to Railways⁵. In case a bank guarantee is provided, its validity period shall not be less than 180 (one hundred and eighty) days from the Bid Due Date, inclusive of a claim period of 60 (sixty) days, and may be extended as may be mutually agreed between Railways and the Bidder from time to time. Where a demand draft is provided, its validity shall not be less than 80 (eighty) days from the Bid Due Date for the purposes of encashment thereof by Railways. The Bid shall be summarily rejected if it is not accompanied by the Bid Security.

1.2.5 The Bidder with lowest tariff quoted at RFP stage shall be the selected Bidder.

1.2.6 During the Bid Stage, Applicants are invited to examine the Project in greater detail, and to carry out, at their cost, such studies as may be required for submitting their respective Bids for award of the concession including implementation of the Project.

1.2.7 As part of the Bidding Documents, Railways will provide a draft Power Purchase Agreement and other information available pertaining/ relevant to the Project available with it.

1.2.8 Bids will be invited for the Project on the basis of the tariff bid and fixed for a period of 25 years by Railways. The Project shall be awarded to the Bidder quoting the lowest fixed tariff to Railways with no escalation clause fixed for 25 years.

1.2.9 Details of the process to be followed at the Bid Stage and the terms thereof will be spelt out in the Bidding Documents.

1.2.10 Any queries or request for additional information concerning this RFQ shall be submitted in writing by speed post/ courier/ special messenger and by e-mail so as to reach the officerdesignated in mentioned below by the specified date. The envelopes/ communications shall clearly bear the following identification/ title:

1.2.11 Queries/ Request for Additional Information: RFQ for “Installation of on-grid Solar plant of total capacity 225 KWp through Solar Power Developer (SPD) under PPP model (phase-II)”

Nature of work with its location : “Installation of 225KWp on-grid (without battery backup) rooftop /shed -top Solar plant at Pakur under PPP model (Phase-II).”

“. Project”. May be send to address of “Senior Divisional Electrical Engineer /Genl ./Howrah, Eastern Railway ,DRM Building, , Howrah Railway Station, Howrah, West Bengal – 711101.

E-mail: srdeeghwhoffice@yahoo.in

1.3 Schedule of Bidding Process

The Railways shall endeavor to adhere to the following schedule:

Event Description

“Installation of on-grid Solar plant of total capacity 225 KWp through Solar Power Developer (SPD) under PPP model (phase-II)”

Nature of work with its location : “Installation of 225KWp on-grid (without battery backup) rooftop /shed -top Solar plant at Pakur under PPP model (Phase-II).”

Date of publication of RFQ: 03.03.2023

	<u>Qualification Stage</u>	
1.	Last date for receiving queries	17.03.2023

2.	Railways response to queries latest by	23.03.2023
3.	Application Due Date	03.04.2023
4.	Announcement of short-list	Within 30 days of Application Due Date

	<u>Bid Stage</u>	Estimated Date
1.	Sale of Bid Documents	Qualifier Bidder shall be purchased RFP Document from this office after short listing
2.	Last date for receiving queries	10 days from the date of RFP
3.	Railways response to queries latest by	25 days from the date of RFP
4.	Bid Due Date	30 days from the date of RFP
5.	Opening of Bids	On Bid Due Date
7.	Validity of Bids	120 days from the date of RFP

1.4 ADDRESS FOR COMMUNICATION

Senior Divisional Electrical Engineer /Genl ./Howrah, Eastern Railway ,DRM Building, , Howrah Railway Station, Howrah, West Bengal – 711101.

E-mail: srdeeghwhoffice@yahoo.in

(M-9002022300 between 11.00 to 16.00 only on working day. Meet personally if required)

NOTE:The applicant should sign on all the pages of Request for qualification (RFQ) booklet.

RFQ document should be submitted last date in Tender Box by 13.30 hrs on 03.04.2023 , which will be available at the office of “Senior Divisional Electrical Engineer /Genl /Howrah, Eastern Railway ,DRM Building, Howrah Railway Station, Howrah, West Bengal – 711101.”

2. INSTRUCTIONS TO APPLICANTS

GENERAL

2.1 Scope of Application

- 2.1.1 The Railways wishes to receive Applications for Qualification in order to short-list experienced and capable Applicants for the Bid Stage.
- 2.1.2 Short-listed Applicants may be subsequently invited to submit the Bids for the Project.

2.2 Eligibility of Applicants

- 2.2.1 For determining the eligibility of Applicants for their pre-qualification

hereunder, the following shall apply:

- a) The Applicant for pre-qualification may be a single entity or a group of entities (the “**Consortium**”), coming together to implement the Project. However, no applicant applying individually or as a member of a Consortium, as the case may be, can be member of another Applicant. The term Applicant used herein would apply to both a single entity and a Consortium.
- b) An Applicant may be a natural person, private entity, [government-owned entity] or any combination of them with a formal intent to enter into an agreement or under an existing agreement to form a Consortium. A Consortium shall be eligible for consideration subject to the conditions set out in Clause 2.2.5 below.
- c) An Applicant shall not have a conflict of interest (the “**Conflict of Interest**”) that affects the Bidding Process. Any Applicant found to have a Conflict of Interest shall be disqualified. An Applicant shall be deemed to have a Conflict of Interest affecting the Bidding Process, if:
- (i) the Applicant, its Member or Associate (or any constituent thereof) and any other Applicant, its Member or any Associate thereof (or any constituent thereof) have common controlling shareholders or other ownership interest; provided that this disqualification shall not apply in cases where the direct or indirect shareholding of an Applicant, its Member or an Associate thereof (or any shareholder thereof having a shareholding of more than 5 per cent of the paid up and subscribed share capital of such Applicant, Member or Associate, as the case may be) in the other Applicant, its Member or Associate is less than 5 per cent of the subscribed and paid up equity share capital thereof; provided further that this disqualification shall not apply to any ownership by a bank, insurance company, pension fund or a public financial institution referred to in sub-section (72) of section 2 of the Companies Act, 2013. For the purposes of this Clause 2.2.1(c), indirect shareholding held through one or more this Clause 2.2.1(c), indirect shareholding held through one or more intermediate persons shall be computed as follows: (aa) where any intermediary is controlled by a person through management control or otherwise, the entire shareholding held by such controlled intermediary in any other person (the “**Subject Person**”) shall be taken into account for computing the shareholding of such controlling person in the Subject Person; and (bb) subject always to sub-clause (aa) above, where a person does not exercise control over an intermediary, which has shareholding in the Subject Person, the computation of indirect shareholding of such person in the Subject Person shall be undertaken on a proportionate basis; provided, however, that no such shareholding shall be reckoned under this sub-clause (bb) if the shareholding of such person in the intermediary is less than 26% of the subscribed and paid up equity shareholding of such intermediary; or
 - (ii) A constituent of such Applicant is also a constituent of another Applicant; or
 - (iii) Such Applicant, or any Associate thereof receives or has received any direct or indirect subsidy, grant, concessional loan or subordinated debt from any other Applicant, or any Associate thereof or has provided any such subsidy, grant, concessional loan or subordinated debt to any

other Applicant, its Member or any Associate thereof; or

- (iv) Such Applicant has the same legal representative for purposes of this Application as any other Applicant; or
- (v) Such Applicant, or any Associate thereof has a relationship with another Applicant, or any Associate thereof, directly or through common third party/ parties, that puts either or both of them in a position to have access to each other's information about, or to influence the Application of either or each other; or
- (vi) Such Applicant or any Associate thereof has participated as a consultant to Railways in the preparation of any documents, design or technical specifications of the Project.

* The provisions of sub-clauses (i), (iii) and (v) shall not apply to government companies

- d) An Applicant shall be liable for disqualification if any legal, financial or technical adviser of Railways in relation to the Project is engaged by the Applicant, its Member or any Associate thereof, as the case may be, in any manner for matters related to or incidental to the Project. For the avoidance of doubt, this disqualification shall not apply where such adviser was engaged by the Applicant, its Member or Associate in the past but its assignment expired or was terminated prior to the Application Due Date. Nor will this disqualification apply where such adviser is engaged after a period of 3 (three) years from the date of commercial operation of the Project.

Explanation: In case an Applicant is a Consortium, then the term Applicant as used in this Clause 2.2.1, shall include each Member of such Consortium.

- e) Other eligibility conditions shall include, if any

2.2.2 To be eligible for pre-qualification and short-listing, an Applicant shall fulfill the following conditions of eligibility:

- (A) **Technical Capacity:** For demonstrating technical capacity and experience (the “**Technical Capacity**”), the Applicant shall, over the past 3 (three) financial years preceding the Application Due Date, have paid for, or received payments of at least one solar PV grid connected project for a minimum value of 35% of the Contracted Capacity. The list of projects commissioned along with a copy of the Commissioning certificate and Work order / Contract / Agreement / from the Client/Owner shall be submitted in support. and
- (B) **Financial Capacity:** Total contract amount received or paid in Rupees during the last 3 financial years preceding the application due date as per ITCC should be a minimum of [150%] of the Estimated Project Cost. .
 - a. In case of a Consortium, the combined technical capacity and financial capacity of those Members, who shall have an equity share of at least 26% (twenty six per cent) each in the SPV, should satisfy the above conditions of eligibility; provided that each such Member shall, for a period of 2 (two) years from the date of commercial operation of the Project, hold equity share capital not less than: (i) 26% (twenty six per cent) of the subscribed and paid up equity of the SPV; and (ii) 5% (five per cent) of the Total Project Cost specified in the Power Purchase Agreement

2.2.3 The Applicant shall enclose with its Application, to be submitted as per the format at Appendix-I, complete with its Annexes, the following

- (i) Certificate(s) from statutory auditors of the Applicant or its Associates or the concerned client(s) stating the payments made/