



Rural Electrification Corporation Ltd.
(A Government of India Enterprise)

BID DOCUMENT

FOR

SELECTION OF CONSULTANT

FOR

**PREPARATION OF GUIDELINES FOR PROJECT
APPRAISAL, FINANCING & IMPLEMENTATION OF
RENEWABLE ENERGY PROJECTS**

July, 2009

CONTENTS

Sr.No.	Description	Page No.
1.	Invitation of Bid	4
2.	Letter of Invitation	6
3.	Instructions to Bidders	8-15
4.	Technical Proposal	17-29
5.	Financing Proposal	31-33
6.	Draft Consulting Contract	35-47
7.	Annexures	49-66

INVITATION OF BID



**RURAL ELECTRIFICATION CORPORATION
LTD.**

(A Govt. of India Enterprise)
Core-4, SCOPE Complex, 7 Lodhi Road, New Delhi-110003
Tele: 011-24102579 ; Fax: 011-24102579

Dated: 31.07.2009

INVITATION OF BID FOR SELECTION OF CONSULTANT

Rural Electrification Corporation (REC), A Government of India Enterprise, under Ministry of Power, Government of India invites bids from reputed consultancy firms to provide consultancy services for Preparation of Guidelines for Project Appraisal, Financing and Implementation of Renewable Energy Projects. The cost of the above assignment shall be borne out of the Technical Assistance offered by KfW, Germany to REC.

For eligibility, selection criteria and Terms of Reference etc, interested consultancy firms may visit our website <http://www.recindia.nic.in>

Bid Documents can be downloaded from our website or can be collected from our office between 10:30 a.m. to 4:00 p.m. on all working days free of cost. The bids shall be received in our office up to 11.00 a.m. on 28.08.2009 and same shall be opened at 11.30 a.m. on the same day in presence of the bidders or their representatives, who choose to remain present.

DGM (DDG)
Core-4, SCOPE Complex,
7 Lodhi Road, New Delhi-110 003,
Tel: 011-24102579, Fax:011-24102579
Website: www.recindia.nic.in

SECTION-1

LETTER OF INVITATION

No. REC/DDG/

Dated

SUBMISSION OF REQUEST FOR PROPOSAL (RfP)

SECTION-1 - LETTER OF INVITATION

Subject: Selection of Consultant for Preparation of Guidelines for Project Appraisal, Financing and Implementation of Renewable Energy Projects

Dear Sir,

1. Rural Electrification Corporation Ltd., a Govt. of India Enterprise (hereinafter called "REC") invites proposals for "***Selection of Consultant for Preparation of Guidelines for Project Appraisal, Financing and Implementation of Renewable Energy Projects***". More details on the services are provided in the Terms of Reference. REC intends to appoint consultant for which this Request for Proposal is issued.
2. The Consultant will be selected under Lump Sum remuneration method and procedures described in this RFP, in accordance with KfW's guidelines for the Assignment of Consultants in Financial Cooperation with Developing Countries.
3. The RFP includes the following documents:
 - Section 1 - Letter of Invitation
 - Section 2 - Instructions To Bidders
 - Section 3 - Technical Proposal
 - Section 4 - Financial Proposal
 - Section 5 - Draft Consulting Contract
4. The bids shall be received in REC, New Delhi office upto 1100 Hrs. of 28.08.2009 and shall be opened on the same day at 1130 Hrs.

Thanking you,

Yours faithfully,

(Salil Kumar)
DGM (DDG)

Encl: As above

SECTION-2

INSTRUCTION TO BIDDERS

**INSTRUCTIONS TO BIDDERS
FOR
SELECTION OF CONSULTANT FOR PREPARATION OF GUIDELINES FOR
PROJECT APPRAISAL, FINANCING AND IMPLEMENTATION OF RENEWABLE
ENERGY PROJECTS**

1.0 INTRODUCTION

Rural Electrification Corporation Limited (REC), a Government of India Enterprise is engaged in financing and promoting projects covering power generation, power transmission and power distribution network in the country and promotion of Renewable Energy.

The purpose of this assignment is to prepare guidelines for Project Appraisal, Financing and Implementation of Renewable Energy Projects. The cost of the above assignment shall be borne out of the Technical Assistance offered by KfW, Germany to REC.

2.0 SCOPE OF THE PROJECT:

The Consultant to be engaged will perform all studies and analysis, undertake field service/investigations and prepare necessary documents/reports necessary to achieve satisfactorily the objectives of the preparation of guidelines. These activities shall be carried out in due consultation with REC, which will be the nodal agency for facilitating the assignment.

In accordance with the foregoing requirements, the Scope/Terms of Reference of consultant services is enclosed as **Annexure-I**.

3.0 SUBMISSION & OPENING OF PROPOSALS

- a) The proposals shall be submitted in two parts, viz., "Technical" and "Financial" and should follow the form given in the "Supplementary Information for Consultants."

The "Technical" and "Financial" proposals must be submitted in two separate sealed envelopes with covering letters (with respective markings in bold letters) in accordance with the formats/schedules enclosed.

The First Envelope marked "Technical Proposal" followed by the name of the assignment should include the description of the Firm/organization, the Firm's general experience in the field of the assignment, the qualifications and competencies of the personnel proposed for the assignment and the proposed work plan methodology and approach in response to the suggested Terms of Reference. The First Envelope should not contain any information pertaining to the quoted prices whatsoever. The Second Envelope marked "Financial Proposal" followed by the name of the assignment and indicating "DO NOT OPEN WITH TECHNICAL PROPOSAL" must also be sealed with sealing wax and initialed twice across the seal and should contain the detailed price offer for the consultancy services.

Each page of the Technical & Financial proposal should be signed by the bidder.

Both the sealed envelopes should again be placed in a sealed cover. The proposals should be submitted in three copies, one original and two copies. The envelopes shall be marked "ORIGINAL", "COPY NO ONE" or "COPY NO TWO", as applicable. Proposals shall be received in the office of Dy. General Manager (DDG), Rural Electrification Corporation Limited, (A Govt. of India Enterprise), Core-4, Scope Complex, 7-Lodhi Road, New Delhi-110003, up to 1100 hours of 28.08.2009. Offers received late, on any account and for any reason whatsoever, will not be considered.

OPENING OF PROPOSAL: The proposals (**First Envelope containing Technical Proposal only**) will be opened at 11:30 Hrs. (1ST) on the same day in the presence of such bidders or their authorized representative who would like to attend the Bid Opening. A maximum of two representatives per bidder shall be allowed to attend bid opening. It may be noted that the Second Envelope containing the Detailed Price Offer will be opened on the day and time to be notified after completion of Technical Evaluation of technical proposal.

- 4.0** The Bidder (**Lead Consultant**) can be an individual, firm or a limited company. The Bidder (Lead Consultant) should necessarily have the experience of at least one Assignment (Technical & Financial Appraisal) as given in Para A-1 below. In case the Bidder (Lead Consultant) does not have experience of other activities as given in Evaluation Criteria, then he can associate any other sub-consultant/individual/firm/ a limited company having the required experience so as to achieve minimum of 70% marks as per Para 5.1 below. In such case, the Bidder and Associates shall have to submit a Consortium Agreement as enclosed at **Annexure-7** to bid documents.

5.0 SELECTION CRITERIA

The Technical score would be evaluated based on the scoring methodology as under:

S. No	Criteria	Maximum Marks	Marking System
A	Experience of Bidder (Lead Consultant along with sub-consultant, if any) during last 10 years:		
A-1	Experience of preparation of Project Appraisal Guidelines (Technical & Financial) of power generation projects in India.	40	i) Marks for one Assignment- 20 (10 marks for Technical & 10 marks for financial) ii) Marks for second Assignment - 20 (10 marks for Technical & 10 marks for financial)
A-2	Experience of preparation/finalization of financing/loan agreements	15	i) Marks for one Assignment - 7.5 ii) Marks for second Assignment - 7.5

A3	Experience of preparation of DPR/FR on Renewable Energy Projects	5	i) Marks for one Assignment - 2.5 ii) Marks for second Assignment - 2.5
B	Qualifications, experience & competency of key personnel who shall be working for the proposed assignment		
B-1	Technical Expert (graduate in Engineering or eqvt.) having experience of preparation of Project Appraisal Guidelines of power generation projects in India.		
B-2	Expert No 1 (Min 10 years post qualification experience)	6	i) Marks for one Assignment – 3 ii) Marks for second Assignment – 3
B-3	Expert No 2(Min 5 years post qualification experience)	4	i) Marks for one Assignment - 2 ii) Marks for second Assignment – 2
	Financial Expert (CA, ICWA, MBA or eqvt.) Experience of preparation of Project Appraisal Guidelines of power generation projects in India.		
	Expert No 1(Min 10 years post qualification experience)	12	i) Marks for one Assignment – 6 ii) Marks for second Assignment - 6
	Expert No 2(Min 5 years post qualification experience)	8	i) Marks for one Assignment - 4 ii) Marks for second Assignment - 4
	Legal Expert (LLB or eqvt.) Experience of preparation/finalization of financing/loan agreements of power generation projects in India.		
	Expert No 1(Min 10 years post qualification experience)	6	i) Marks for one Assignment - 3 ii) Marks for second Assignment - 3
	Expert No 2(Min 5years post qualification experience)	4	i) Marks for one Assignment - 2 ii) Marks for second Assignment - 2
Total		100	Technical score would be the aggregate marks on all the above parameters obtained out of 100

For comparison of the combined Technical and Price Score of all Firms following formula will be used.

$$\text{Total Score} = (\text{Technical Score} \times 0.70) + (\text{IP/FP} \times 100) \times 0.30$$

Where:

IP is the lowest price (excluding Service Tax) of the group of firms being considered and FP is the price of the firm being evaluated (excluding Service Tax).

5.1 Firms securing a minimum of 70% of marks shall be considered technically qualified.

5.2 Financial Proposals of only such firms will be opened whose offers have been declared technically qualified. Financial Proposal of other Bidders will be returned back unopened. The Financial Proposals of Technically qualified Bidders in separate sealed envelope will be opened after evaluation of the Technical Proposals.

The resulting sum of points decides the final ranking of the proposals.

6.0 The documents such as Technical Proposal & Financial Proposal mentioned above, including this covering letter will form the Tender Documents. Each of the above documents and also other documents to be submitted by you as per the tender requirements are to be submitted duly stamped & signed on each page by your accredited representative as a token of your acceptance which shall constitute your bid. The bid is to be submitted in a sealed envelope with all referred superscription i.e. the name of the Package, due date & time, Bidders Name & Address.

7.0 RETENTION GUARANTEE

In the event of an award, the successful Bidder (Consultant), within fifteen days of receipt of the Letter of Award from REC, will be required to arrange submission of the Retention Guarantee in the form of a Bank Guarantee (BG) equivalent to 10% (Ten Percent) of the contract consideration. The BG shall be as per proforma (enclosed as **Annexure-6 of Schedule-5**) and initially kept valid up to the completion of the assignment plus three months.

8.0 BASIS OF PRICE OFFER:

The Price Offer shall be for the assignment as per Section 3 & 4 and the Terms of Reference and shall remain **FIRM** throughout the period of contract. The Price shall be quoted in Indian Rupees only. Quoted Price will be on a lump sum basis inclusive of all travel, stay; out of pocket expenses, cost of producing documents etc. and REC will not pay and/or reimburse anything over and above the price quoted. Office accommodation, transport and daily movement of consultants, telephone, computer and other facilities shall be arranged by the consultant at his/their own cost. The prices shall be exclusive of Service Tax which shall be paid extra as per prevailing rates. In the event of an award of contract, Income tax will be deducted by REC at source as per law and Tax Deduction at Source Certificate shall be issued to the Consultant by REC.

9.0 TIME SCHEDULE/COMPLETION PERIOD:

The assignment is to be completed within 6 months from the date of issue of the Letter of Award.

10.0 SIGNING OF FORMAL CONTRACT AGREEMENT:

In the event of an award, the successful Bidder shall be required to enter into a Contract Agreement with REC within 7 (Seven) days from the date of the Letter of Award (LOA)/Letter of Intent(Lol) or within such extended time as may be granted by REC.

11.0 VALIDITY OF BID:

Bidders have to keep their Bids / Quotations valid up to 180 days for acceptance from the date of opening of the Technical Proposals.

12.0 EARNEST MONEY DEPOSIT:

An interest free Earnest Money Deposit of INR 30,000.00 (Indian Rupees Thirty Thousand Only) in the form of Demand Draft in favour of Rural Electrification Corporation Ltd. payable at New Delhi shall accompany the Bid for the Consultancy Services Package in a separate envelope. Bids received without Earnest Money Deposit will be rejected outright. The Earnest Money Deposit will be refunded to the successful Bidder, after signing of the Contract and submission and acceptance Retention Guarantee. The Earnest Money Deposit of all unsuccessful Bidders shall be returned within thirty (30) days of acceptance of Retention Guarantee of the successful bidder.

13.0 INFORMATION TO BE SUBMITTED IN THE PROPOSALS:

The Proposals will be evaluated according to criteria given in the letter of invitation and should include the following information:

13.1 With Technical Proposals

- (a) A brief description of the firm (including sub-consultant/consortium member) and an outline of the relevant past experience on assignments / projects of similar nature executed during the last 10 years in the format given in Form TECH-2 including documentary evidence.
- (b) A description of the manner in which consultants would plan to execute the work viz. work plan, time schedule for the key personnel/staff proposed to be deployed for this assignment (in Form TECH-3) and approach/methodology proposed for carrying out the required work along with bar chart.
- (c) The composition of the team of personnel which the consultant would propose to provide with the details of name of the key personnel/staff, his area of experience, position and the tasks and duration which would be assigned to each team member in Form TECH-4.

- (d) Curricula Vitae of the individual staff members to be assigned to the work and of the senior officer/key personnel in the home office who would be responsible for supervision of the team. The curricula vitae should follow the attached Format TECH-5.

In case Lead Consultant is submitting the bid in association with any other sub-consultant/individual/firm, the Lead Consultant need to submit a legally binding undertaking signed by all parties, which shall also describe nature of understanding, and their respective roles and responsibilities.

13.2 With Financial Proposals

- (a) Various formats i.e. FIN-1 & FIN-2 to be filled properly.

14.0 REVIEW OF REPORTS

REC will review all documentation prepared by consultant and may suggest any modifications/ changes considered necessary.

- 14.1** Consultants shall indicate the names of Consortium Partners Firms, if any and indicate the type of services (financial/ commercial/ legal /technical consultancy) to be provided by them. Consultants shall quote for all the complete financial, commercial, legal and technical consultancy services and Consultants quoting for part of the services shall be rejected. There will not be any change in the structure / Constitution of the consortia during the currency of this assignment.

15.0 PAYMENT TERMS

The consultant is required to quote a **lump sum rate**, as per form FIN-2, for the entire assignment as detailed at 2 above, i.e. Preparation of Guidelines for Project Appraisal, Financing and Implementation of Renewable Energy Projects by REC. This lump sum rate offered will be taken into consideration while conducting evaluation of financial offer.

The fees for the assignment shall be payable in installments on the achievement of milestones set out below:

S. No.	Milestone	Payment
1.	a) After preparation & submission of first draft of Guidelines to Borrowers for Renewable Energy projects. (Vol. I)	10% of Contract Value
	b) After approval of Final Draft of Guidelines to Borrowers for Renewable Energy projects. (Vol. I)	10% of Contract Value
2.	a) After preparation & submission of first draft of Project Appraisal Guidelines (Pre-sanction Guidelines).(Vol.II)	10% of Contract Value
	b) After approval of Final Draft of Project Appraisal Guidelines (Pre-sanction Guidelines).(Vol.II)	10% of Contract Value

3.	a) After preparation & submission of first draft of Post-sanction Guidelines of various procedures, documentation and Financing Agreements for Renewable Energy Projects till repayment of the loan. (Vol.III) b) After approval of Final Draft of Post-sanction Guidelines of various procedures, documentation and Financing Agreements for Renewable Energy Projects till repayment of the loan. (Vol.III)	10% of Contract Value 10% of Contract Value
4.	a) After preparation & submission of first draft of Report on implementation of Renewable Energy projects by REC.(Vol.IV) b) After approval of Final Draft of Report on implementation of Renewable Energy projects by REC.(Vol.IV)	10% of Contract Value 10% of Contract Value
5.	On completion of total assignment	20% of Contract Value

16.0 SCHEDULE FOR COMPLETION OF THE TASKS:

The assignment is to be completed within 06 months (24 weeks) from the date of letter of award. Tentative list of activities and their schedule is as under:

Sl. No.	Activity	Time period
1	a) Submission of first draft of Guidelines to Borrowers for Renewable Energy projects. (Vol. I) b) Submission of Final Draft of Guidelines to Borrowers for Renewable Energy projects. (Vol. I)	4 weeks from Letter of Award (LOA)/LOI Within 15 days of comments of REC.
2	a) Submission of first draft of Project Appraisal Guidelines (Pre-sanction Guidelines).(Vol.II) b) Submission of Final Draft of Project Appraisal Guidelines (Pre-sanction Guidelines).(Vol.II)	6 weeks from Letter of Award (LOA)/LOI Within 15 days of comments of REC.
3	a) Submission of first draft of Post-sanction Guidelines of various procedures, documentation and Financing Agreements for Renewable Energy Projects till repayment of the loan. (Vol.III) b) Submission of Final Draft of Post-sanction Guidelines of various procedures, documentation and Financing Agreements for Renewable Energy Projects till repayment of the loan. (Vol.III)	8 weeks from Letter of Award (LOA)/LOI Within 15 days of comments of REC.

4	a) Submission of first draft of Report on implementation of Renewable Energy projects by REC.(Vol.IV) b) Submission of Final Draft of Report on implementation of Renewable Energy projects by REC.(Vol.IV)	8 weeks from Letter of Award (LOA)/LOI Within 15 days of comments of REC.
---	--	--

REC shall endeavor to give comments in three to four weeks of receipt of draft of various documents.

17.0 DELIVERABLES:

The final output that will be required from the consultant is as under:

S. No	Deliverables
a.	Guidelines to borrowers for Renewable Energy projects. (Vol. I)
b.	Project Appraisal Guidelines (Pre-sanction Guidelines).(Vol.II)
c.	Post-sanction Guidelines of various procedures, documentation and Financing Agreements for Renewable Energy Projects till repayment of the loan. (Vol.III)
d.	Report on implementation of Renewable Energy projects by REC.(Vol.IV)
e.	The consultant will submit monthly activity report indicating briefly main task carried out during the month under the review. He will also submit briefing and position papers on selected issues as requested by owner from time to time.
f.	At various stages the consultant will submit the soft copies of various documents.
g.	Any other deliverables as per Annexure-I.

The Consultant shall submit six copies each of all drafts of guidelines/report and final guidelines/report.

Rural Electrification Corporation Ltd. (REC) reserves the right to accept/reject any or all the offers/proposals without assigning any reason.

ADDRESS FOR SUBMISSION OF BIDS

Dy. General Manager (DDG)
Rural Electrification Corporation Limited
Core - 4, SCOPE Complex
7, Lodhi Road
New Delhi - 110 003
Phone/Fax: 011-24102579

SECTION-3
TECHNICAL PROPOSAL

SECTION-3 TECHNICAL PROPOSAL - STANDARD FORMS

- TECH-1 Technical Proposal Submission Form
- TECH-2 Indicative Role of Consultant/Consortium Partner
- TECH-3 Assignments of the similar nature successfully completed by bidder/consortium partner
- TECH-4 Composition of Team Personnel and Task to be assigned to each member
- TECH-5 Consultants Organisation and experience
- TECH-6 Description of the Approach, Methodology and Work Plan for Performing the Assignment
- TECH-7 Curriculum Vitae (CV) for Proposed Professional Staff
- TECH-8 Work Schedule
- TECH-9 Declaration of Undertaking

FORM TECH-1 TECHNICAL PROPOSAL SUBMISSION FORM

[Date]

From: [Name, address and telephone nos. of the bidder]

To:

The Dy. General Manager (DDG)
Rural Electrification Corp Ltd.,
Core 4,SCOPE Complex,
Lodhi Road,
New Delhi-110003

Sir,

Subject: **Selection of Consultant for Preparation of Guidelines for Project Appraisal, Financing and Implementation of Renewable Energy Projects**

We, the undersigned, offer to provide the consulting services for '**Preparation of Guidelines for Project Appraisal, Financing and Implementation of Renewable Energy Projects**' in accordance with your Request for Proposal dated *[Insert Date]* and our Proposal. We are hereby submitting our Proposal, which includes this Technical Proposal, and a Financial Proposal sealed under a separate envelope.

We are submitting our Proposal in association with: *[Insert a list with full name and address of each associated Consultant, if required]*. If awarded the contract, we confirm that the partners would undertake to take all the necessary steps to perform the work described in the composition and in the form of cooperation as stated.

We confirm that we meet the Selection Criteria set out in your Request for Proposal.

We hereby declare that all the information and statements made in this Proposal are true and accept that any misinterpretation contained in it may lead to our disqualification.

Our Proposal is binding upon us and subject to the modifications resulting from Contract negotiations.

We undertake, if our Proposal is accepted, to initiate the consulting services related to the assignment within one week from date of execution of contract.

We understand you are not bound to accept any Proposal you receive.

We remain,

Yours sincerely,

Authorized Signature *[In full and initials]*: _____

Name and Title of Signatory: _____

Name of Bidder (Lead Consultant): _____

Address: _____

Telephone (office) : _____ Telephone (Mobile): _____ Fax: _____ E-Mail: _____

INDICATIVE ROLE OF CONSULTANT/ CONSORTIUM PARTNER

[Date]

From: [Name, address and telephone nos. of the bidder]

To:

The Dy. General Manager (DDG)
Rural Electrification Corp Ltd.,
Core 4,SCOPE Complex,
Lodhi Road,
New Delhi-110003

Sir,

Subject: **Selection of Consultant for Preparation of Guidelines for Project Appraisal, Financing and Implementation of Renewable Energy Projects**

1. I/We _____ Consultant / Consultancy Firm herewith _____ enclose Technical Proposal for selection of my/our firm as Consultant for _____.

We confirm that we have quoted for the complete scope of services (financial/ commercial/ legal /technical consultancy) as per your specifications and requirement.

2. **Indicative Role details**

Following are the details of the Bidder(Lead Consultant) and Consortium partners for the proposed scope of work:

Signature

FORM NO TECH-2
Page 2 of 2

S No.	Details	Indicative Role of Consultant/ Consortium Partner Firm (financial/legal/technical consultancy), describe briefly
1.	i) Name of Bidder(Lead Consultant) : _____ ii)Address of Bidder(Lead Consultant) : _____ iii) Name of contact person _____ iv) Designation _____ v)Tel No _____ vi)Fax _____ vii)E mail _____	
2 a)	i) Name of consortium partner/sub-consultant, if any: _____ ii)Address of consortium partner: _____ iii) Name of contact person _____ iv) Designation _____ v)Tel No _____ vi)Fax _____ vii) E mail _____	
2 b)	i) Name of consortium partner/sub-consultant, if any: _____ ii)Address of consortium partner: _____ iii) Name of contact person _____ iv) Designation _____ v)Tel No _____ vi)Fax _____ vii) E mail _____	
2 c)	i) Name of consortium partner/sub-consultant, if any: _____ ii)Address of consortium partner: _____ iii) Name of contact person _____ iv) Designation _____ v)Tel No _____ vi)Fax _____ vii) E mail _____	

Yours faithfully

Signature: _____

Full Name: _____

Address: _____

_____ (Seal)

**ASSIGNMENTS OF SIMILAR NATURE SUCCESSFULLY COMPLETED BY THE
BIDDER/ CONSORTIUM PARTNER**
(Refer Para 5.0 of Section 2)

1. Brief Description of the experience of Bidder (Lead Consultant)

S . N o	Name of assign ment (Brief Scope) *	Nature of assignme nt(a)Legal / (b)Financi al(c)Tech nical)	Name of Projec t	Name of client	Cost of assign ment	Date of commen cemen t	Date of completi on	Was assign ment satisf actori ly compl eted
1	2A	2B	3	4	5	6	7	8

* In case bidder was awarded the Contract along with Consortium partner, then indicate the name of Consortium Partner and the role assigned to him.

The firm shall also give details of the on-going similar assignment in the above format.

2. Brief Description of the experience of Consortium Partner/sub-consultant

S . N o	Name of assign ment (Brief Scope)	Nature of assignme nt(a)Legal / (b)Financi al(c)Tech nical)	Name of Projec t	Name of client	Cost of assign ment	Date of commen cemen t	Date of completi on	Was assign ment satisf actori ly compl eted
1	2A	2B	3	4	5	6	7	8

Signature

The firm shall also give details of the on-going similar assignment in the above format.

Signature: _____

Full Name: _____

Address: _____

- Note:** 1. Please attach documentary proof for award of assignment and successful completion of the assignment and any other related requirement.
2. Bidders not providing complete information and documentary evidence at the first instance run the risk of rejection.

FORM NO. TECH-4

**EXPERIENCE OF THE KEY PERSONNEL/STAFF AND THE TASK WHICH WOULD BE
ASSIGNED TO EACH TEAM MEMBER FOR THE PROPOSED ASSIGNMENT**

(Refer Para 5.0 B of Section 2)

- I. FINANCIAL / LEGAL / TECHNICAL KEY MEMBERS OF THE TEAM FOR CARRYING OUT THE ASSIGNMENT (Including consortium member/sub-consultant).

S. No.	Name of key personnel	Whether employee of Lead consultant or Consortium Partner/sub-consultant	Position	Qualification	Area of Expertise	Duration in man-months	Task Assignment

Signature: _____

Full Name: _____

Address: _____

Note: Names of only six key personnel are to be given, two each for Technical, Finance & Legal.

FORM TECH-5 CONSULTANT'S ORGANIZATION AND EXPERIENCE

A - Consultant's Organization

[Provide here a brief description of the background and organization of your firm/entity and each associate, detailing their role for this assignment, declaration of intent regarding cooperation (name of lead company), declaration of associated firms]

[Provide financial highlights along with financial statements (Annual Reports, Profit & Loss Account and Balance Sheet) for the last three years (including that of subsidiaries and associates if any).]

B - Consultant's Team Member's Experience

[Provide name and details of experience of preparation of Project Appraisal Guidelines (both Technical & Financial), Experience of preparation of financing/loan agreements, Experience of working on Renewable Energy, & Experience of key personnel proposed for the subject assignment (CVs enclosed)]

Signature: _____

Full Name: _____

Address: _____

[Technical approach, methodology and work plan are key components of the Technical Proposal. You are suggested to present your Technical Proposal divided into the following three chapters:]

- a) Technical Approach and Methodology,*
- b) Consultant's Analysis of the Terms of Reference and Work Plan,*
- c) Organization and Staffing,*

a) Technical Approach and Methodology. In this chapter you should explain your understanding of the objectives of the assignment, approach to the services, methodology for carrying out the activities and obtaining the expected output, and the degree of detail of such output. You should highlight the problems being addressed and their importance, and explain the technical approach you would adopt to address them. You should also explain the methodologies you propose to adopt and highlight the compatibility of those methodologies with the proposed approach.

b) Analysis of TOR and Work Plan. In this chapter you should propose the main activities of the assignment, their content and duration, phasing and interrelations, milestones (including interim approvals by the Client), and delivery dates of the reports. The proposed work plan should be consistent with the technical approach and methodology, showing understanding of the TOR and ability to translate them into a feasible working plan.

c) Organization and Staffing. In this chapter you should propose the structure and composition of your team. You should list the main disciplines of the assignment, the key expert responsible, and proposed technical and support staff, services to be performed by sub-consultants, if any.

Signature: _____

Full Name: _____

Address: _____

**FORM TECH-7 CURRICULUM VITAE (CV) FOR PROPOSED
PROFESSIONAL STAFF**

1. Proposed Position [*only one candidate shall be nominated for each position*]: _____

2. Name of Firm [*Insert name of firm proposing the staff*]: _____

3. Name of Staff [*Insert full name*]: _____

4. Date of Birth: _____ **Nationality:** _____

5. Education [*Indicate college/university and other specialized education of staff member, giving names of institutions, degrees obtained, and dates of obtainment*]: _____

6. Languages [*For each language indicate proficiency: good, fair, or poor in speaking, reading, and writing*]: _____

7. Employment Record [*Starting with present position, list in reverse order every employment held by staff member since graduation, giving for each employment (see format here below): dates of employment, name of employing organization, positions held.*]:

From [Year]: _____ To [Year]: _____

Employer: _____

Positions held: _____

8. Detailed Tasks Assigned [*List all tasks to be performed under this assignment*]

9. Work Undertaken that Best Illustrates Capability to Handle the Tasks Assigned

[*Among the assignments in which the staff has been involved, indicate the following information for those assignments that best illustrate staff capability to handle the tasks listed under Para 5.0 (B) of Section 2*]

Name of assignment or project: _____

Year: _____

Location: _____

Client: _____

Main project features: _____

Positions held: _____

Activities performed: _____

10. Certification:

I, the undersigned, certify that to the best of my knowledge and belief, this CV correctly describes myself, my qualifications, and my experience. I understand that any wilful misstatement described herein may lead to my disqualification or dismissal, if engaged.

Date: _____
[Signature of staff member or authorized representative of the staff] Day/Month/Year

Full name of authorized representative: _____

Signature: _____

Full Name: _____

Address: _____

[Date]

From: [Name, address and telephone nos. of the bidder]

To:

The Dy. General Manager (DDG)
Rural Electrification Corp Ltd.,
Core 4,SCOPE Complex,
Lodi Road,
New Delhi-110003

Sir,

Subject: **Selection of Consultant for Preparation of Guidelines for Project Appraisal, Financing and Implementation of Renewable Energy Projects**

We underscore the importance of a free, fair and competitive procurement process that precludes fraudulent use. In this respect we have neither offered nor granted, directly or indirectly, any inadmissible advantages to any public servants or other persons in connection with our bid, nor will we offer or grant any such incentives or conditions in the present procurement process or, in the event that we are awarded the contract, in the subsequent execution of the contract.

We also underscore the importance of adhering to minimum social standards ("Core Labour Standards") in the implementation of the project. We undertake to comply with the Core Labour Standards ratified by the Government of India.

We will inform our staff about their respective obligations and about their obligation to fulfil this declaration of undertaking and to obey the laws of the Government of India.

(Place), this day of

Name of company

Signature: _____

Full Name: _____

Address: _____

SECTION-4

FINANCING PROPOSAL

SECTION-4**FINANCIAL PROPOSAL - STANDARD FORMS**

FIN-1 Financial Proposal Submission Form

FIN-2 Summary of Costs

[Date]

From: [Name, address and telephone nos. of the bidder]

To:

The Dy. General Manager (DDG)
Rural Electrification Corp Ltd.,
Core 4,SCOPE Complex,
Lodi Road,
New Delhi-110003

Sir,

Subject: **Selection of Consultant for Preparation of Guidelines for Project Appraisal, Financing and Implementation of Renewable Energy Projects**

We, the undersigned, offer to provide the consulting services for **Preparation of Guidelines for Project Appraisal, Financing and Implementation of Renewable Energy Projects** in accordance with your Request for Proposal dated [Insert Date] and our Technical Proposal. Our attached Financial Proposal is for the sum of [Insert amount(s) in words and figures¹]. This amount is exclusive of the Service Tax, which if any, shall be paid extra as applicable.

Our Financial Proposal shall be binding upon us subject to the modifications resulting from Contract negotiations, up to expiration of the validity period of the Proposal.

We understand you are not bound to accept any Proposal you receive.

We remain,

Yours sincerely,

Authorized Signature [In full and initials]: _____

Name and Title of Signatory: _____

Name of Firm: _____

Address: _____

1 Amounts must coincide with the ones indicated under Total Cost of Financial proposal in Form FIN-2.

A. For Entire Assignment

Item	Costs
	Rs.(in figures)
Total Costs of Financial Proposal	

1. Rs. in Words

.....

2. Service Tax @ = Rs..... (in figures)

Rs. (in words)

3. Total (1+2)
figures)

= Rs..... (in

Rs. (in words)

Signature: _____

Full Name: _____

Address: _____

Note: It may please be noted that no other payment/reimbursement will be made to the Consultant except as detailed above.

SECTION-5

DRAFT CONSULTING CONTRACT

--

SECTION-5

DRAFT CONSULTING CONTRACT

Consulting Contract

Lump Sum Consulting Contract

dated @

between

Rural Electrification Corporation Limited, New Delhi
("Employer")

and

("Consultant")

for

**Consultancy Services for Preparation of Guidelines for Project Appraisal,
Financing and Implementation of Renewable Energy Projects**
("Project")

Contents

Article 1	General Provisions
Article 2	Parts of the Contract
Article 3	Obligations of the Consultant
Article 4	Obligations of the Employer
Article 5	Remuneration, Terms and Method of Payment
Article 6	Liability of the Consultant
Article 7	Insurance
Article 8	Force Majeure
Article 9	Termination of Contract
Article 10	Special Provisions

Settlement of Disputes

WHEREAS

the Employer desires Consultancy Services for Preparation of Guidelines for Project Appraisal, Financing and Implementation of Renewable Energy Projects, and

the Consultant has submitted on @ a technical and financial bid for these services,

NOW THEREFORE

the parties to this Contract hereby agree on the following:

Article 1

General Provisions

1.1 Contract Language

This Contract is prepared in the English language, which shall be considered the "Contract Language". All correspondence between the parties to this Contract and all reports, studies, technical data, certificates and documents pertaining to the Project shall be in the English language.

1.2 Governing Law

This Contract shall be governed by the laws of the Government of India

1.3 Assignment

The Consultant shall not have the right to assign or transfer any rights or obligations arising from this Contract in full or in part without the prior consent of the Employer.

1.4 Assistance

The Consultant may receive assistance from other consultants or experts, provided the Employer has given prior written approval.

1.5 Sub-Contracts

The Consultant may conclude sub-contracts with duly qualified specialists or firms only upon prior written approval by the Employer. The Consultant shall, in any case, assume the liability for the services rendered by the Sub-contractor, as if it were the liability of the Consultant.

1.6 Modifications and Amendments

Should circumstances arise that require modifications of, or amendments to, this Contract, these shall be agreed upon by the parties in writing and such modifications/Amendment shall form part of the contract from the day/date so agreed.

1.7 Entry into Force

This Contract enters into force upon signing by both parties.

1.8 Commencement of Services

The Consultant shall start performing the services within @ 1 week after execution of Contract Agreement with the Employer.

1.9 Measurements and Standards

Drawings, plans and calculations shall be based on the metric system, or equivalent standards shall be applied.

1.10 Partial Invalidity

The invalidity of any provision of this Contract shall not affect the validity of the remaining provisions.

Any gap resulting in consequence shall be filled by a provision consistent with the purpose of this Contract.

Article 2

Parts of this Contract

The following documents shall form, be read and construed as integral parts of this Contract:

1. Terms of Reference (**Annex 1**)
2. Services Offered including the Declaration of Undertaking (**Annex 2**)
3. Time Schedule/Work Programme (**Annex 3**)
4. Staffing Schedule (**Annex 4**)
5. Statement of Costs (**Annex 5**)
6. Retention Guarantee (**Annex 6**), if applicable

Article 3

Obligations of the Consultant

3.1 Standard of Services

The Consultant shall in all professional matters provide the services to the Employer to the best of his knowledge and belief. The Consultant shall exercise all skill, reasonable care and diligence in the discharge of his duties under this Contract. He shall carry out the services in conformity with common professional practices and in accordance with current scientific and generally accepted engineering standards.

3.2 Scope of Services

The Consultant will perform all studies and analysis, undertake field service/investigations and prepare necessary documents/reports necessary to achieve satisfactorily the objectives of the preparation of guidelines. These activities shall be carried out in due consultation with REC, which will be the nodal agency for facilitating the assignment.

In accordance with the foregoing requirements, the scope of consultant services/Terms of Reference (ToR) is enclosed as **Annexure-I**

3.3 Time Schedule, Penalties

The total contract period for the Consultant's services shall be @ consecutive months from the date of commencement of the services. For the time schedule of the Consultant's activities see Annex 3.

Any modification of the above-mentioned time schedule due to a substantiated request by either party shall be mutually agreed upon in writing.

If the Consultant fails to perform in due time any of the services under this Contract for reasons he must warrant, the Employer shall be authorised to inflict a penalty of 0.5% of the Contract Sum for every week of delay which, however, may not exceed 10% of the Contract Sum. Beyond such penalty, the Employer may not raise any further claims arising from the delay in the performance of the services.

3.4 Reports and Information

The Consultant shall submit to the Employer and to KfW monthly/quarterly reports on the progress of the services.

The Consultant shall inform the Employer and KfW without undue delay of all extraordinary circumstances that arise during the performance of the services and of all matters requiring Employer's approval.

The Consultant shall also furnish to the Employer any and all such information related to the services as the Employer may reasonably request.

3.5 Books and Records

The Consultant shall keep accurate and systematic books and records of his services in such form and detail as is customary in his profession and shall permit the Employer to inspect these at any time and to make copies thereof during the contract period.

3.6 Consultant's Staff

The Consultant shall assign the staff designated in Annex 4 for the performance of the services. The list of staff and any modifications thereto require the approval by the Employer. Any change in the designated key personnel/staff members requires the approval of the Employer.

The Employer reserves the right to require the Consultant to withdraw or replace any staff member who fails to meet the requirements or violates Article 10.1 hereof.

If any one of the Consultant's staff falls ill for more than one month, the Consultant shall replace the same with a staff member with at least equal qualification.

Staff shall not be replaced without the prior approval of the Employer.

If specialist technical advice or assistance becomes necessary, the Consultant may, upon prior written approval by the Employer, contract such services.

If the Consultant must withdraw or replace any staff during the contract period, the costs thus accrued shall be borne by the Consultant.

3.7 Independence of the Consultant

The Consultant shall declare with binding effect that neither the Consultant nor any enterprise associated with the Consultant shall bid for the project as manufacturer, supplier, or building contractor. Any violation of this stipulation may lead to the immediate cancellation of the Consulting Contract and require the reimbursement of any and all costs incurred by the Employer until such violation and compensation for any and all losses and damages incurred by the Employer as a consequence of such cancellation.

Article 4

Obligations of the Employer

4.1 Information

During the term of this Contract the Employer shall place all available necessary data, documentation and information at the free and unrestricted disposal of the Consultant and shall give the Consultant any and all such assistance as the Consultant shall reasonably request for the performance of his obligations under this Contract.

4.2 Transport

The Employer shall not place at the disposal of the Consultant's staff any vehicles and other equipment during site visit(s) of REC installations, if required.

4.3 Assistance

The Employer shall render all assistance to the Consultant facilitating meetings with the project implementers and ensuring access to all relevant documents/installations, related staff etc. towards smooth conduct of assignment.

4.4 Approval

The Employer shall make his decisions on all drawings, reports, studies and the replacement of the Consultant's staff members as soon as possible but not later than 4 weeks after presentation to avoid delaying the work of the Consultant.

The Employer shall give the approval required for the final payment pursuant to Article 5.2 after completion of the contract services duly performed by the Consultant but not later than 6 weeks after the completion of said services.

In the event that this approval is withheld without reason prior to the expiry of the above deadline, it shall be deemed to have been given if the Employer has again failed to give this approval without stating any reason even after expiry of an additional respite of at least 4 weeks to be given by the Consultant in writing subsequently to the above deadline.

Article 5

Remuneration, Terms and Method of Payment

5.1 Remuneration

For the services to be rendered by the Consultant under this Contract the Employer shall pay the sum of

A detailed cost breakdown is given in Annex 5, which constitutes an integral part of this Contract.

5.2 Terms of Payment

The Consultant's remuneration shall be paid in consecutive **instalments** upon presentation of original invoices to the Employer on successful achievement of following milestones:

The fees for the assignment shall be payable in installments on the achievement of milestones set out below:

S. No.	Milestone	Payment
1.	a) After preparation & submission of first draft of Guidelines to Borrowers for Renewable Energy projects. (Vol. I) b) After approval of Final Draft of Guidelines to Borrowers for Renewable Energy projects. (Vol. I)	10% of Contract Value 10% of Contract Value
2.	a) After preparation & submission of first draft of Project Appraisal Guidelines (Pre-sanction Guidelines).(Vol.II) b) After approval of Final Draft of Project Appraisal Guidelines (Pre-sanction Guidelines).(Vol.II)	10% of Contract Value 10% of Contract Value
3.	a) After preparation & submission of first draft of Post-sanction Guidelines of various procedures, documentation and Financing Agreements for Renewable Energy Projects till repayment of the loan. (Vol.III) b) After approval of Final Draft of Post-sanction Guidelines of various procedures, documentation and Financing Agreements for Renewable Energy Projects till repayment of the loan. (Vol.III)	10% of Contract Value 10% of Contract Value
4.	a) After preparation & submission of first draft of Report on implementation of Renewable Energy projects by REC.(Vol.IV) b) After approval of Final Draft of Report on implementation of Renewable Energy projects by REC.(Vol.IV)	10% of Contract Value 10% of Contract Value
5.	On completion of total assignment	20% of Contract Value

The Employer shall have the right to suspend payment of instalments at any stage of disbursement in the event of substantial deviations from the time schedule and/or insufficient performance on the part of the Consultant. This right shall also apply to payments not based on output-related evidence of performance.

5.3 Method of Payment

Payments shall be made by the Employer to the Consultant by fund transfer/ account payee cheque on satisfactory achievement of milestone & submission of necessary invoices & selected documents, subject to tax deduction at source as per prevailing laws.

Article 6

Liability of the Consultant

- 6.1 The Consultant shall perform the services for which he was contracted in full, in due time and in agreement with acknowledged quality standards. In this regard the Consultant shall be accountable for any and all breaches of contract.
- 6.2 The liability of the Consultant shall be limited to the total value of the Contract. However, this shall not affect the liability for gross negligence.
- 6.3 The liability of the Consultant shall terminate upon the final acceptance of the Consultant's services by the Employer.
- 6.4 Liability for consequential damage is excluded.

Article 7

Insurance

At the least the following insurance shall be taken out for the period of the Contract by the Consultant at his own expense:

- a) professional liability insurance
- b) personal liability insurance

Article 8

Force Majeure

- 8.1 In the event of either party being rendered unable by Force Majeure to perform any obligation required to be performed by them under the contract, the relative obligation of the party affected by such Force Majeure shall be suspended for the period during which such cause lasts.

The term "Force Majeure " as employed herein shall mean acts of God, War, Civil Riots, Fire directly affecting the performance of the Contract, Flood and Acts and Regulations of respective government of the two parties, namely REC and Consultant.

- 8.2 Upon the occurrence of such cause and upon its termination, the party alleging that it has been rendered unable as aforesaid thereby, shall notify the other party in writing, the beginning of the cause amounting to Force Majeure as also the ending of the said clause by giving notice to the other party within 72 hours of the ending of the cause respectively. If deliveries are suspended by Force Majeure conditions lasting for more than 2(two) months, REC shall have the option of cancelling this contract in whole or part at his discretion without any liability at his part.
- 8.3 Time for performance of the relative obligation suspended by Force Majeure shall then stand extended by the period for which such cause lasts.

Article 9

Termination of Contract

9.1 Termination by the Employer

The Employer may terminate this Contract at any time upon written notice of not less than 30 days.

Upon receipt of such notice, the Consultant shall promptly and orderly bring the services to a close and shall deliver to the Employer all reports, drafts and other documents prepared up to this date.

9.2 Termination by the Consultant

If any amounts due and payable to the Consultant under this Contract have not been paid within 60 days after the receipt of the corresponding invoice, the Consultant may terminate this Contract by written notice given to the Employer within a period of 30 days after expiry of the said period of 60 days.

9.3 Consequences of Termination

- a) If the termination is not due to a default on the part of the Consultant, the Consultant shall be entitled to the fee accrued until the date of termination of the Contract as well as to the reimbursement of all expenses incurred until the date of termination of the Contract.
- b) If the termination is due to a default on the part of the Consultant, the Employer shall be entitled to claim damages for any direct loss resulting from such default.

Article 10

Special Provisions

10.1 Conduct

During the period of this Contract the Consultant and his staff shall not interfere in the political or religious affairs in or concerning the Employer or the project implementers.

10.2 Confidential Treatment

All documents, reports, cost estimates, technical data and information shall be treated confidentially and must not be made available to any third party without the written approval of the other party.

Notwithstanding this obligation, the Consultant shall furnish all information and documents as may be requested by the Employer.

10.3 Notices

All notices to the Employer and the Consultant shall be directed to the following addresses:

For the Employer:	Rural Electrification Corporation Limited Core-4 SCOPE Complex, Lodhi Road, New Delhi- 110 003 Fax No. 011- 24102579
-------------------	---

For the Consultant:	@
---------------------	---

10.4 **Copyright**

The copyright for all studies, reports, designs and related documents furnished by the Consultant shall be owned by the Consultant.

The Employer is entitled to dispose freely of this material for all project-related purposes.

10.5 **Ownership of Documents and Equipment**

All studies, reports and related data and documents such as maps, diagrams, plans, statistics and supporting material made available to the Employer, as well as any software procured under the consulting assignment shall pass into the Employer's ownership.

Equipment purchased for the performance of the Consultant's services and paid fully by the Employer shall be handed over to the Employer after completion of the services.

10.6 **Reimbursements**

All reimbursements, insurance payments, guarantee payments or other payments, if any, shall be made to a special account of the Employer in New Delhi. Amounts from the account may be reemployed for the implementation of the project.

This Contract is executed in two counterparts, each of which constitutes an original Contract.

This @ day of 20@

For @

For @

Conciliation/Arbitration

IF any dispute (s) or differences (s) of any kind whatsoever arise between the Parties, the Parties hereto shall negotiate with a view to its amicable resolution and settlement through a committee appointed by CMD, REC.

In the event no amicable resolution or settlement is reached between the parties within 30 days after receipt of notice by one party, then the dispute or differences as detailed above shall be referred to and settled by the Sole Arbitrator to be appointed by CMD, REC.

Notwithstanding the existence of any dispute or difference and/or reference for the arbitration. The Contract shall proceed with and continue without hindrance the performance of the work under the contract with due diligence and expedition in a professional manner and the payment due to the Contractor shall not be withheld on account of such difference of arbitration proceeding unless such payment is a subject matter of the arbitration.

The arbitration proceeding shall be in accordance with the prevailing Arbitration and Conciliation Act, 1996 and Laws of India as amended or enacted from time to time.

The venue of the arbitration shall be New Delhi, India. The fee & other charges of Arbitrator shall be determined by the arbitrator in term of the Acts and shall be shared between the parties.

The arbitrator will give the speaking and the reasoned Award. The parties will not be entitled to any pendente-lite interest during arbitration proceedings.

Applicable law and Jurisdiction

All matters connected with this shall be governed by the Indian law both substantive and procedural, for the time being in force and shall be subject to the exclusive jurisdiction of Indian Courts of Delhi.

The revised Model Retention Guarantee agreement is placed opposite for kind consideration. However, the nomenclature can be recognised if required by DDG Division.

Format of consortium agreement needs linkage with the bid document.

This @ day of 20@

For @

For @

ANNEXURES

**TERMS OF REFERENCE FOR SELECTION OF CONSULTANT TO
PREPARE GUIDELINES FOR PROJECT APPRAISAL, FINANCING AND
IMPLEMENTATION OF RENEWABLE ENERGY PROJECTS**

3. Terms of Reference/Scope of work

- 3.1 The Scope of work for the assignment shall include the following:
- ii) Preparation of **Guidelines to borrowers for Renewable Energy projects. (Vol. I)**
 - iii) Preparation of **Project Appraisal Guidelines** consisting of (a) General Guidelines (b) Guidelines for Technical appraisal of Renewable Energy projects, (c) Guidelines for Financial appraisal of Renewable Energy projects, (d) Guidelines for Borrower's appraisal (d) Guidelines for Financing norms for Renewable Energy projects and (e) Terms and conditions of sanction **(Pre-sanction Guidelines).(Vol.II)**
 - iv) Preparation of **Post-sanction Guidelines** of various procedures, documentation and Financing Agreements for Renewable Energy Projects till repayment of the loan. **(Vol.III).**
 - v) **Report on implementation of Renewable Energy projects by REC.(Vol.IV)**
 - vi) **Social and Environmental Standards** for Renewable Energy Projects (in all Volumes I, II, III & IV above)
- 3.2 The above work shall include the following but shall not be limited to following:
- 3.2.1
- a) Understanding and familiarization with the development of Renewable Energy in India that includes renewable energy of different technologies like small hydel (less than 25 MW), Biomass, Wind, Solar Photo Voltaic, Solar Thermal, Cogeneration and Waste to Energy etc.
 - b) Understanding and familiarization with Government policies towards development of Renewable Energy in India.
 - c) Basic understanding of salient features of Renewable Energy technologies and Renewable Energy based projects.
 - d) Appraisal and selection techniques for Renewable Energy projects, giving due consideration to technical, financial, market and regulatory risks inherent to Renewable Energy technologies and projects, and taking account of financial support mechanism and incentives targeted for Renewable Energy.
 - e) Development of Guidelines and policies for Renewable Energy projects lending, with a special view towards financial instruments suitable for Renewable Energy projects
 - f) Assess potential for adoption of Clean Development Mechanism (CDM) benefit to enhance the viability of the scheme of all Renewable Energy technologies.

- g) Initially various issues shall be discussed with REC and based on discussions, draft of various guidelines shall be prepared which shall be reviewed by REC. Based on comments by REC, the draft shall be modified. The modified drafts shall then again be reviewed and commented by REC, if required and then the consultant shall give a final draft of guidelines.
- h) Presentation to senior officers of REC on salient aspects of guidelines and approach to be followed on various issues as & when required.
- i) One day training programme for REC officials on appraisal and selection techniques and implementing business plans for Renewable Energy projects.
- j) The consultant shall give soft copy and four hard copies of all the drafts and final guidelines. REC has soft copy of most of the guidelines/documentation/financing agreements and the same shall be made available to the consultant, to the extent available.

The work of preparation of various guidelines as mentioned at 3.1 above shall include the following but not limited to following:

- i) Preparation of **Guidelines to borrowers** for implementation of Renewable Energy projects (**Vol.I**):
This shall basically be a guide to the borrowers which can be put on Website and can also be got printed by REC and given to prospective borrowers. This shall include the following:
 - a. Brief background of REC.
 - b. Preparation of draft of application letter of Borrower to REC.
 - c. Review of existing loan application format of REC and suggesting modifications thereof.
 - d. Brief details of the Renewable Energy Projects eligible for financing.
 - e. Brief details of the eligible borrowers.
 - f. Review of the eligibility criteria related to entity/borrower and suggesting modifications thereof.
 - g. Brief details of the financial products available to borrowers.
 - h. Brief details of conditions like security, payment mechanism etc. to be met by borrowers.
 - i. Explaining loan application processing and fees.
 - j. Review of the Check List format and suggesting modifications as may be required.
 - k. Review of the software available with REC for calculation of IRR and DSCR and suggesting modifications as may be required for various renewable energy technologies like small hydel, Biomass, Wind Energy and solar projects etc., . The software programme shall also be developed keeping in view the variable parameters like repayment of principal on monthly/quarterly and interest which could be on monthly/quarterly/six monthly basis. It is intended to provide

this software on website and also in CD with the printed guidelines so that the borrowers submit the IRR and DSCR calculations as per the methodology of REC, to determine the viability of the project.

- ii) Preparation of **Project Appraisal Guidelines** consisting of (a) General Guidelines (b) Guidelines for Technical appraisal of Renewable Energy projects, (c) Guidelines for Financial appraisal of Renewable Energy projects, (d) Guidelines for Borrower's appraisal (d) Guidelines for Financing norms for Renewable Energy projects and (e) Terms and conditions of sanction (**Pre-sanction Guidelines**).(Vol.II)

This shall include the following:

- a) Review and recommendation of the existing **general guidelines** of REC for Public/Govt/Private Sector Generation Projects and suggesting modifications as may be suitable for Renewable Energy projects. This shall inter alia include review and recommendation on the following:
- i) Eligible Borrowers, Eligible Projects, Eligibility Criteria, financial products, loan application process and fees, appraisal process, financing norms, pre-conditions for disbursements, Disbursement schedule, cost over-run financing , upfront fees, cost and other charges, consortium financing, Security, reports, place and mode of payment, procurement procedure, Bridge loan, relaxation of Government entities and other general conditions, roles and responsibilities of lead financier and non-lead financier and who could be a lead financier etc.
 - ii) Review and recommendation on In-principle sanction of a project.
 - iii) Guidelines on life of the project for Mini-hydel, Biomass, Wind, Solar Projects etc.
 - iv) Review and recommendation on need for any techno-commercial appraisal by external appraiser prior to sanction.
 - vii) Review and recommendation on need for any site visit by REC Officers prior to sanction
 - viii) Review of the draft of the existing internal appraisal note formats and process and suggesting modifications.
 - ix) Review of the existing internal approval methodology and suggesting modifications as may be required.

- x) Review on the treatment to be given to incentives/subsidies that may be available
- xi) Suggesting methodology for obtaining CDM benefits and utilization of the same towards repayment of the loan.
- xii) All the review parameters shall be indicated separately for public sector and private sector projects.

- b) Review and recommendation on the existing **Project Appraisal Guidelines (Technical Appraisal)** of REC for generation projects and suggesting modifications as may be suitable for Renewable Energy projects.

The technical appraisal portion shall consist of various technical requirements like needs assessment, assessment of location and accessibility, technology, inputs and infrastructure required, linkages, review of PPA, construction contract, Fuel availability, O&M arrangement, cost /tariff competitiveness, clearances required, selection of consultant for preparation of DPR and project implementation and his experience, procurement procedure, implementation plan etc.

- c) Review and recommendation on the existing **Project Appraisal Guidelines (Financial Appraisal)** of REC for generation projects and suggesting modifications as may be suitable for Renewable Energy projects.

The financial appraisal shall include review and recommendation on financing plan, financial analysis, IRR, DSCR. Sensitivity analysis, project rating matrix, risk analysis and mitigation plan etc.

- d) Review and recommendation on existing guidelines of REC in respect of **Entity/Borrower Appraisal** for generation projects and suggesting modifications as may be suitable for Renewable Energy projects. This shall include the following:

- i) Various financial parameters to be seen
- ii) Preliminary appraisal and
- iii) detailed appraisal of the borrower and promoters to judge the financing capabilities of the borrower/promoters.

- e) Review and recommendation on the **existing terms and conditions of sanction** of REC for big generation projects and suggesting modifications as may be suitable for Renewable Energy projects. This shall include general terms and conditions of sanction, Project

- f) Specific special terms and conditions of sanction, pre-commitment conditions for first disbursement and subsequent disbursements etc. Review of the draft letter of sanction and suggesting modifications as may be required.
- iii) Preparation of **post sanction guidelines** of various procedures and documentation and financing agreements for Renewable Energy Projects till closing of the loan. **(Vol.III):**

This shall include the following:

- a) Review and recommendation on Draft of various financing/loan agreements, suggesting modifications as may be required and preparation of all standard financing / loan agreements inter alia consisting of the following but not limited to following:
 - i) Common loan agreement (in case of consortium financing)
 - ii) Loan Agreement (financing only by REC).
 - iii) Lenders Agent Agreement
 - iv) Security Agent Agreement
 - v) Inter Creditors Agent Agreement
 - vi) Trust and Retention Account Agreement
 - vii) Deed of Hypothecation
 - viii) Deed of Pledge of shares
 - ix) Deed of Mortgage
 - x) Sponsor Support Agreement
 - xi) Subordination Agreement
 - xii) Corporate Guarantee Format
 - xiii) Deed of Undertaking
 - xiv) Power of Attorney format
 - xv) Memorandum of Operating Procedures
 - xvi) Draft formats for various agreements including Loan agreement in case of enhancement of loan and time extension etc. .
 - xvii) Any other agreement as may be required.

The intent of above is to finalize draft of standard formats in case of consortium financing and financing only by REC.

- b) Review of the existing monitoring guidelines of REC and suggesting modifications as may be required.
- c) Methodology for selection of Lender's Engineer, Lender's Legal Counsel and Lender's Auditor.
- d) Checklist for first disbursement.
- e) Checklist for subsequent disbursement
- f) Guidelines for time extension and cost over run financing.

- g) Procedural requirement for loan enhancement.
- h) Format of MIS of financing inter alia containing schedule and actual dates of disbursements, calculation of interest due, schedule and actual dates of repayment of principal and interest, loan repayment status, amortization statement, exception reporting format in case of default etc.
- i) Formats for MIS for progress reporting.
- j) Guidelines for action to be taken by REC in case of temporary default in interest repayment and principal repayment.
- k) Guidelines for action to be taken by REC in case of permanent default in interest repayment and principal repayment.
- l) Loan closing procedure and formalities required including certificates and the procedure for return of original agreements after complete repayment of principal amount and interest on loan.
- m) Any other procedural requirement.

iv) **Report on implementation of Renewable Energy projects by REC (Vol. IV).**

This shall include the following:

- a) Introduction/Background
- b) Review of the total installed generation capacity in India and of Renewable Energy.
- c) Review of various Renewable Energy options and potential available in India
- d) Position of India in the world in respect of various renewable energy options like Wind Power, Small Hydro, Biomass, Photo Voltaic, Photo Thermal etc. This shall include i) total installed capacity ii) Total installed capacity based on renewable energy iii) Total installed capacity of Renewable Energy as a percentage of total installed capacity and iv) Total energy generated by Renewable Energy as a percentage of total energy generated by all sources among leading countries of the world and position of India.
- e) Analysis and review of various Renewable Energy options which can be financed by REC.
- f) Review and Analysis of various subsidies/benefits available to developers for various segments of renewable energy projects and the treatment to be given by REC for such subsidies while financing Renewable Energy projects.
- g) Brief Analysis of the appraisal methodology of various other financial institutions (at least three like PFC, ICICI, SBI, IDFC, IDBI, SIDBI and IREDA etc.) while financing such projects. Various options to be analyzed and option/methodology recommended to be indicated along with the reasons.

- h) Identifying various business plans for development of Renewable Energy like pre-appraisal, equity financing, equipment financing etc. and recommending suitable business plan for implementation by REC.

SERVICES OFFERED / DECLARATION OF UNDERTAKING

We underscore the importance of a free, fair and competitive procurement process that precludes fraudulent use. In this respect we have neither offered nor granted, directly or indirectly, any inadmissible advantages to any public servants or other persons in connection with our bid, nor will we offer or grant any such incentives or conditions in the present procurement process or, in the event that we are awarded the contract, in the subsequent execution of the contract.

We also underscore the importance of adhering to minimum social standards ("Core Labour Standards") in the implementation of the project. We undertake to comply with the Core Labour Standards ratified by the Government of India.

We will inform our staff about their respective obligations and about their obligation to fulfil this declaration of undertaking and to obey the laws of Government of India.

.....
.....

Place, Date

Bidder

TIME SCHEDULE
for the Performance of the Services

STAFFING SCHEDULE

STATEMENT OF COSTS

Performa of Model Retention Guarantee towards Performance Security

Ref. No. _____ Bank Guarantee No. _____

Dated: _____

To,
Rural Electrification Corporation Limited,

India

Dear Sirs,

1. In consideration of Rural Electrification Corporation Limited, Core-4, SCOPE Complex, 7, Lodi Road, New Delhi (hereinafter called the "Owner" which expression shall unless repugnant to the subject or context include its successors and assigns) having entered into a contract No. _____ dated _____ (hereinafter called the Contract" which expression shall include all the amendments thereto) with M/s _____ having its registered /head office at _____ (hereinafter referred to as the 'Contractor') which expression shall, unless repugnant to the context or meaning thereof include all its successors, administrators, executors and assignees) and REC having agreed that the Contractor shall furnish to REC a performance guarantee for Indian Rupees/US\$ _____ for the faithful performance of the entire contract.
2. We (name of the bank) _____ registered under the laws of _____ having head/registered office at _____ (hereinafter referred to as "the Bank", which expression shall, unless repugnant to the context or meaning thereof, include all its successors, administrators, executors and permitted assignees) do hereby guarantee and undertake to pay immediately on first demand in writing any/all moneys to the extent of Indian Rs./ (in figures) _____ (Indian Rupees/ (in words) _____ without any demur, reservation, contest or protest and/or without any reference to the Contractor. Any such demand made by REC on the Bank by serving a written notice shall be conclusive and binding, without any proof, on the bank as regards the amount due and payable, notwithstanding any dispute(s) pending before any Court, Tribunal, Arbitrator or any other authority and/or any other matter or thing whatsoever, as liability under these presents being absolute and unequivocal. We agree that the guarantee herein contained shall be irrevocable and shall continue to be enforceable until it is discharged by REC in writing. This guarantee shall not be determined, discharged or affected by the liquidation, winding up, dissolution or insolvency of the Contractor and shall remain valid, binding and operative against the bank.

3. The Bank also agrees that REC at its option shall be entitled to enforce this Guarantee against the Bank as a principal debtor, in the first instance, without proceeding against the Contractor and notwithstanding any security or other guarantee that REC may have in relation to the Contractor's liabilities.
4. The Bank further agrees that REC shall have the fullest liberty without our consent and without affecting in any manner our obligations hereunder to vary any of the terms and conditions of the said contract or to extend time of performance by the said Contractor(s) from time to time or to postpone for any time or from time to time exercise of any of the powers vested in REC against the said Contractor(s) and to forbear or enforce any of the terms and conditions relating to the said agreement and we shall not be relieved from our liability by reason of any such variation, or extension being granted to the said Contractor(s) or for any forbearance, act or omission on the part of REC or any indulgence by REC to the said Contractor (s) or any such matter or thing whatsoever which under the law relating to sureties would, but for this provision, have effect of so relieving us.
5. The Bank further agrees that the Guarantee herein contained shall remain in full force during the period that is taken for the performance of the contract and all dues of REC under or by virtue of this contract have been fully paid and its claim satisfied or discharged or till REC discharges this guarantee in writing, whichever is earlier.
6. This Guarantee shall not be discharged by any change in our constitution, in the constitution of REC or that of the Contractor.
7. The Bank confirms that this guarantee has been issued with observance of appropriate laws of the country of issue.
8. The Bank also agrees that this guarantee shall be governed and construed in accordance with Indian Laws and subject to the exclusive jurisdiction of Indian Courts of the place from where the purchase order has been placed.
9. Notwithstanding anything contained hereinabove, our liability under this Guarantee is limited to Indian Rs./(in figures)_____ (Indian Rupees/ in words)_____ I and our guarantee shall remain in force until _____ (indicate the date of expiry or bank guarantee,

Any claim under this Guarantee must be received by us before the expiry of this Bank Guarantee. If no such claim has been received by us by the said date, the rights of REC under this Guarantee will cease. However, if such a claim has been received by us within the said date, all the rights of REC under this Guarantee shall be valid and shall not cease until we have satisfied that claim.

In witness whereof, the Bank through its authorized officer has set its hand and stamp on this _____ day of _____ 20 at _____

WITNESS NO 1

(Signature)
Full name and official
Address (in legible letters)

(Signature)
Full name, designation and
address (in legible letters) with

Attorney as per Power of
Attorney No _____
Dated _____

WITNESS NO. 2

(Signature)
Full name and official
Address (in legible letters)

Format for Consortium Agreement

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

THIS Consortium Agreement executed on this..... day ofTwo thousand..... between..... (Lead Consultant) and having its Office at..... (hereinafter called the "Party 1", which expression shall include its successors, executors and permitted assigns)

and

.....(Consortium Partner/sub-consultant) and having its Office at..... (hereinafter called the "Party 2", which expression shall include its successors, executors and permitted assigns)

and

.....(Consortium Partner/sub-consultant) and having its Office at..... (hereinafter called the "Party 3", which expression shall include its successors, executors and permitted assigns)

and for the purpose of submitting a Bid for Selection of Consultant for Preparation of Guidelines for Project Appraisal, Financing & Implementation of Renewable Energy Projects

AND WHEREAS Clause 4.0, Section-2 of the bid document stipulates that the Bidders qualifying on the strength of a Bidding Consortium will have to submit a legally enforceable Consortium Agreement in a format specified in the bid document.

NOW THEREFORE, THIS INDENTURE WITNESSTH AS UNDER:

In consideration of the above premises and agreement all the parties in this Consortium do hereby mutually agree as follows:

In consideration of the selection of the Consortium as the selected bidder by the REC, we the Members of the Consortium and parties to the Consortium Agreement do hereby unequivocally agree that M/s..... (Insert name of the Lead CONSULTANT), shall act as the Lead Consultant as defined in the bid documents for self and agent for and on behalf of (the names of all the other Members of the Consortium to be filled in here)

The Lead Consultant is hereby authorized by the Members of Consortium and parties to the Consortium Agreement to bind the Consortium and receive instructions for and on behalf of the Members

The Lead Consultant shall be liable and responsible for ensuring the individual and collective commitment of each of the Members of the Consortium. Each Consortium Member further undertakes to be individually liable for the performance of its part of the obligations without in any way limiting the scope of collective liability envisaged in this agreement.

It is expressly understood and agreed between the Members that the responsibilities and obligations of each of the Members shall be as delineated as annexed hereto as Annexure-I forming integral part of this Agreement. It is further agreed by the Members that the above sharing of responsibilities and obligations shall not in any way be a limitation of joint and several responsibilities and liabilities of the Members, with regards to all matters relating to the Project.

It is clearly agreed that the Lead Consultant shall ensure performance under the Contract and if one or more Consortium Members fails to perform its /their respective obligations under the Contract, the same shall be deemed to be a default by all the Consortium Members.

This Consortium Agreement shall be construed and interpreted in accordance with the Laws of India and courts at Delhi alone shall have the exclusive jurisdiction in all matters relating thereto and arising there under.

It is hereby agreed that if the Bidding Consortium is qualified to submit a Bid, the Lead Consultant shall submit the Earnest Money Deposit, as stipulated in the bid documents, on behalf of the Consortium Members.

It is hereby agreed that in case of selection of Bidding Consortium as the selected bidder, the parties to this Consortium Agreement do hereby agree that Lead Consultant shall submit the Retention Guarantee as mentioned in the bid documents, on behalf of the Consortium Members.

It is further expressly agreed that the Consortium Agreement shall be irrevocable and shall form an integral part of the bid and shall remain valid till the completion of the assignment. The Lead Consultant is authorised and shall be fully responsible for the accuracy and veracity of the representations and information submitted by the Consortium Members respectively from time to time in response to the bid and for the purposes of the Assignment.

It is hereby expressly agreed between the parties to this Consortium Agreement that neither party shall assign or delegate its rights, duties or obligations under this Agreement except with prior written consent of REC.

This Consortium Agreement

- (a) has been duly executed and delivered on behalf of each party hereto and constitutes the legal, valid, binding and enforceable obligation of each such party,
- (b) sets forth the entire understanding of the parties hereto with respect to the subject matter hereof;
- (c) shall not be amended or modified except in writing signed by each of the parties and with prior written consent of REC:

IN WITNESS WHEREOF, the parties to the Consortium Agreement have, through their authorised representatives, executed these present and affixed Common Seals of their respective companies on the Day, Month and Year first mentioned above.

For and on behalf of
Lead Consultant
Party 1)

M/s.....
(Signature of authorized
representative)

Name:
Designation:
Place:
Date:

For and on behalf of
Consortium Member
(Party 2)

M/s.....
(Signature of
authorized
representative)

Name:
Designation:
Place:
Date :

For and on behalf of
Consortium Member
(Party 3)

M/s.....
(Signature of authorized
representative)

Name:
Designation:
Place:
Date:

WITNESS

1.
(Signature)

Name

Designation.....

2.
(Signature)

Name

Designation.....

Attested:

(Signature)
(Notary Public)

Place:
Date: