

**BEFORE THE GUJARAT ELECTRICITY REGULATORY COMMISSION  
GANDHINAGAR**

**Petition No. 2204 of 2023.**

**In the Matter of:**

**Petition under Section 63 read with 86 (1) (b) of the Electricity Act 2003 for seeking adoption of tariff discovered under Competitive Bidding Process conducted vide RFS No. GUVNL/500 MW/Solar (Phase XVIII) dated 21.10.2022 issued by GUVNL for procurement of power from 500 MW Grid connected Solar Photovoltaic Power Projects with Greenshoe option of additional 500 MW in the State of Gujarat.**

Petitioner : Gujarat Urja Vikas Nigam Limited

Represented By : Mr. Parthik Joshi

**CORAM:**

**Mehul M. Gandhi, Member  
S. R. Pandey, Member**

**Date: 19/05/2023.**

**ORDER**

1. This Petition has been filed by the Petitioner Gujarat Urja Vikas Nigam Limited (GUVNL), under Section 63 read with Section 86(1)(b) of the Electricity Act 2003 *inter alia* seeking following prayers:
  - (a) To admit the present petition.
  - (b) To adopt the tariff discovered by the Petitioner, in the transparent procurement process conducted by the Petitioner through RFS No. GUVNL / 500 MW / Solar (Phase XVIII) dated 21.10.2022 within the time duration stipulated by the Ministry of Power, Govt. of India under the Guidelines dated 03.08.2017 and subsequent amendments made thereto.

- (c) To condone any inadvertent omissions/errors/shortcomings and permit the Petitioner to make addition/change/modification to this Petition as may be required.
- (d) The Petitioner craves relief of the Commission to allow further submissions, prayers, additions and alterations to this Petition as may be necessary from time to time.
- (e) Pass any other Order as the Hon'ble Commission may deem fit and appropriate under the circumstances of the case, to avoid further delay and in the interest of justice.

2. The Petitioner has filed this Petition under Section 63 read with Section 86(1)(b) of the Electricity Act, 2003 seeking adoption of tariff by the Commission and hence it is necessary to refer aforesaid Sections as under:

“.....

*Section 63:*

*Notwithstanding anything contained in section 62, the Appropriate Commission shall adopt the tariff if such tariff has been determined through transparent process of bidding in accordance with the guidelines issued by the Central Government;”*

.....”

As per above Section, whenever transparent competitive bidding process is conducted under Section 63 of the Electricity Act, 2003 in accordance with the guidelines issued by the Central Government, the tariff discovered under such bidding has to be adopted by the Commission.

“.....

*Section 86(1) The State Commission shall discharge the following functions, namely: -----*

*(b) regulate electricity purchase and procurement process of distribution licensees including the price at which electricity shall be procured from the generating companies or licensees or from other sources through agreements for purchase of power for distribution and supply within the State.”*

.....”

As per the aforesaid provision, the Commission has to regulate the power procurement of the Distribution Licensees, including the procurement process, the price at which electricity shall be purchased from the generating company or the Licensees or through other sources through agreement for purchase of power for distribution and supply within the State.

3. This Petition filed by the Petitioner is within the purview of the jurisdiction of this Commission and in terms of the powers vested by the Electricity Act, 2003 and Regulations framed thereunder, the Commission admits the present Petition.
4. Facts mentioned in the Petition in brief are as under:
  - 4.1. It is stated that the Government of Gujarat has notified the Gujarat Electricity Industry (Reorganization and Regulation) Act, 2003 in May, 2003 for reorganization of the entire power sector in the State of Gujarat and pursuant thereof, the Gujarat Electricity Industry Reorganization and Comprehensive Transfer Scheme, 2003 has been notified under the Gujarat Electricity Industry (Reorganization and Regulation) Act, 2003, whereby, erstwhile Gujarat Electricity Board was reorganized and its functions have been vested in different entities.
  - 4.2. As per the above re-organization scheme, the activities undertaken by erstwhile Gujarat Electricity Board of Generation, Transmission, Distribution, Bulk Power Purchase and Supply have been entrusted to separate seven functional entities. The generation activity is assigned to Gujarat State Electricity Corporation Limited (GSECL), transmission activity is assigned to Gujarat Energy Transmission Corporation Limited (GETCO) and the distribution activity is assigned to four distribution companies viz. Uttar Gujarat Vij Company Limited (UGVCL), Madhya Gujarat Vij Company Limited (MGVCL), Dakshin Gujarat Vij Company Limited (DGVCL) and Paschim Gujarat Vij Company Limited (PGVCL). Further, the function of bulk purchase and bulk sale of power is assigned to the Petitioner, Gujarat Urja Vikas Nigam Limited.
  - 4.3. The Distribution companies are mandated to procure power from Renewable Energy Sources as per the provision of Section 86(1)(e) of the Electricity Act, 2003 and in terms of the GERC (Procurement of Energy from Renewable Energy Sources)

Regulations, 2010, as amended from time to time.

- 4.4. The Petitioner on behalf of its four Distribution companies has been entering into Power Purchase Agreement(s) amongst others with various Renewable Energy Generators for procurement of power from time to time.
- 4.5. Section 63 of the Electricity Act, 2003 provides that the Appropriate Commission shall adopt the tariff, if such tariff has been determined through transparent process of bidding in accordance with the guidelines issued by the Central Government. Also, as per Section 86 (1) (b) of the Electricity Act, 2003, the Commission to regulate electricity purchase and procurement process of distribution licensees including the price at which electricity shall be procured from the generating companies or licensees or from other sources through agreements for purchase of power for distribution and supply within the State.
- 4.6. The Ministry of Power (MoP) on 03.08.2017, has notified the “Guidelines for Tariff Based Competitive Bidding Process for Procurement of Power from Grid Connected Solar PV Power Projects”. However, Standard Bidding Documents are yet to be published by MoP, Government of India. Clause 3.1.1 of the said Guidelines provides following conditions to be met by procurer:
- a) *Prepare the bid documents in accordance with these Guidelines and Standard Bidding Documents (SBDs) [consisting of Model Request for Selection (RfS) Document, Model Power Purchase Agreement and Model Power Sale Agreement], notified by the Central Government, except as provided in sub clause (c) below.*
  - b) *Inform the Appropriate Commission about the initiation of the bidding process.*
  - c) *Seek approval of the Appropriate Commission for deviations, if any, in the draft RfS draft PPA, draft PSA (if applicable) from these Guidelines and/ or SBDs, in accordance with the process described in Clause 18 of these Guidelines.*
    - (i). *“However, till the time the SBDs are notified by the Central Government, for purpose of clarity, if the Procurer while preparing the draft RfS, draft PPA, draft PSA and other Project agreements provides detailed provisions that are consistent with the Guidelines, such detailing will not be considered as deviations from these Guidelines even though such details are not provided in the Guidelines.*

(ii). *Further, in case of an ongoing bidding process, if the bids have already been submitted by bidders prior to the notification of these Guidelines and/or SBDs, then if there are any deviations between these Guidelines and/or the SBDs and the proposed RfS, PPA, PSA (if applicable), the RfS, PPA and the PSA shall prevail.*

- 4.7. The above referred Guidelines dated 03.08.2017 issued by MoP have been amended from time to time on 14.06.2018, 03.01.2019, 09.07.2019, 22.10.2019 and lastly on 25.09.2020.
- 4.8. It is submitted that pending the issuance of the Standard Bidding Documents by the Central Government, the Petitioner is conducting the competitive bidding process for procurement of Solar power from time to time based on the bid documents containing detailed provisions that are consistent with the Guidelines as amended from time to time read with the deviations approved by the Commission vide Order dated 15.03.2018 in Petition No. 1706 of 2018, Order dated 13.01.2020 in Petition No. 1848 of 2019, Order dated 19.05.2022 in Petition No. 2069 of 2022 and Order dated 07.03.2023 in Petition No. 2139 of 2022 & IA No. 01 of 2013.
- 4.9. As per the amendment vide Resolution dated 22.10.2019 (notified on 23.10.2019) in the Guidelines, various provisions relating to adoption of tariff by Appropriate Commission have been modified and relevant provisions of the same are as under.

*“Clause 10.4 – “Subject to provisions of the Act, the distribution licensee or the Intermediary Procurer, as the case may be, shall approach the Appropriate Commission for adoption of tariffs by the Appropriate Commission in terms of Section 63 of the Act. In case, the Appropriate Commission does not decide upon the same within sixty days of such submission, the tariffs shall be deemed to be have been adopted by the Appropriate Commission”.*

*Clause 12 (c) – “It is presumed that in terms of Clause 10.4 of these Guidelines, the tariff will be adopted by the Appropriate Commission within 60 days of such submission. However, notwithstanding anything contained in these Guidelines, any delay in adoption of tariff by the Appropriate Commission, beyond 60 (sixty) days, shall entail a corresponding extension in financial closure.”*

*Clause 14 (iii) - “It is presumed that in terms of Clause 10.4 of these Guidelines, the tariff will be adopted by the Appropriate Commission within 60 days of such submission. However, notwithstanding anything contained in these Guidelines, any*

*delay in adoption of tariff by the Appropriate Commission, beyond 60 (sixty) days, shall entail a corresponding extension in scheduled commissioning date.”*

- 4.10. The Commission has notified the GERC (Procurement of Energy from Renewable Sources) Regulations, 2010 dated 17.04.2010. Thereafter, the said Regulations have been amended vide First Amendment dated 03.03.2014, Second Amendment dated 20.04.2018 and Third Amendment dated 08.04.2022. In accordance with the GERC (Procurement of Energy from Renewable Sources) (Third Amendment) Regulations, 2022 dated 08.04.2022, the stipulated RPO percentage targets for the obligated entities of Gujarat from FY 2021-22 onwards are as under:

| Year    | Minimum Quantum of Purchase (%) from RE Sources |               |                     |   | Total (%) |
|---------|---|---------------|---------------------|---|-----------|
|         | Wind RPO (%)                                    | Solar RPO (%) | Large Hydro HPO (%) | Other RPO% (Biomass, Bagasse & Bio-fuel Cogeneration, MSW and Small/Mini/Micro Hydel) (%) |           |
| 2021-22 | 8.25  | 8.00          | -                   | 0.75  | 17.00     |
| 2022-23 | 8.25  | 8.00          | -                   | 0.75  | 17.00     |
| 2023-24 | 8.40  | 9.50          | 0.05                | 0.75  | 18.70     |
| 2024-25 | 8.55  | 11.25         | 0.10                | 0.80  | 20.70     |

- 4.11. The Ministry of Power, Government of India vide Order dated 22.07.2022 has notified following RPO trajectory and stated that the State Commissions may consider notifying RPO trajectory over and above the trajectory notified as under:

| Year    | Wind RPO | HPO   | Other RPO | Total  |
|---------|----------|-------|-----------|--------|
| 2022-23 | 0.81%    | 0.35% | 23.44%    | 24.61% |
| 2023-24 | 1.60%    | 0.66% | 24.81%    | 27.08% |
| 2024-25 | 2.46%    | 1.08% | 26.37%    | 29.91% |
| 2025-26 | 3.36%    | 1.48% | 28.17%    | 33.01% |
| 2026-27 | 4.29%    | 1.80% | 29.86%    | 35.95% |
| 2027-28 | 5.23%    | 2.15% | 31.43%    | 38.81% |
| 2028-29 | 6.16%    | 2.51% | 32.69%    | 41.36% |
| 2029-30 | 6.94%    | 2.82% | 33.57%    | 43.33% |

- 4.12. Considering the fact that the generation benefit from the PPAs executed under Competitive Bidding shall be made available after a lapse of about 18-24 months and that the same shall be useful in achieving RPO compliance of ensuing years which are in increasing trend as notified by the Commission and MoP as well as for keeping

overall power purchase cost under control as the tariffs of thermal power is on increasing trend whereas the tariffs of RE power are fixed for the period of 25 years, the Petitioner GUVNL on behalf of its subsidiary distribution companies had invited Tender dated 21.10.2022 through Competitive Bidding Process followed by e-reverse auction for procurement of 500 MW grid connected power from Solar PV projects with Greenshoe option of additional capacity upto 500 MW through Competitive Bidding Process followed by e-reverse auction vide RfS No. GUVNL/500 MW/Solar (Phase XVIII) dated 21.10.2022 in accordance with advance intimation of initiation of said bidding process to the Commission vide letter dated 20.10.2022 by the Petitioner.

- 4.13. The Petitioner had also published a public notice dated 22.10.2022 of 'Notice Inviting Tender' in two national newspapers regarding the aforesaid tender.
- 4.14. It is stated that the Tender/Bid Documents viz. RfS and PPA were hosted on the website of GUVNL for information as well as on e-bidding portal for downloading the official copy of the Tender Documents for participation in bidding procedure including e-reverse auction. Further, the Petitioner also held a Pre-Bid Meeting through video conference on 19.11.2022 at GUVNL, Vadodara, wherein key bid parameters, provisions of bid documents & timelines were discussed. The Minutes of Pre-bid meeting were also issued and hosted on websites of GUVNL and on e-bidding portal. The copy of Notice Inviting Tender with relevant extract of newspapers, Bid Documents including RfS, Draft PPA, Corrigendum & Addendums are filed with the Petition.
- 4.15. The last date of bid submission in the tendering process initially was 07.12.2022 and the same was extended up to 16.01.2023. The Technical Bid Opening was held on 19.01.2023 in presence of the Bid Evaluation Committee constituted by the Petitioner GUVNL consisting of (i) Smt. Sailaja Vachhrajani, General Manager (RE & IPP), (ii) Shri Sanjay Mathur, Chief Finance Manager (RE & IPP), (iii) Shri Parthiv Bhatt, Company Secretary, and (iv) Shri Nilay Joshi, COA, (F&A) as members for technical evaluation. The report of the Bid Evaluation Committee signed by the members is also filed with the Petition. The Petitioner had received online bids from 12 bidders offering aggregate capacity of 2260 MW, which were technically qualified by the Bid

Evaluation Committee.

- 4.16. These 12 bidders who had submitted bids were technically qualified as per the report of the Bid Evaluation Committee and in accordance with the said report, the Financial Bids of all 12 bidders were opened on 31.01.2023 on e-bidding portal in presence of the Bid Evaluation Committee.
- 4.17. As per terms and conditions of tender, 11 bidders with aggregate capacity of 2110 MW qualified for e-reverse auction and e-reverse auction was conducted by the Petitioner. Accordingly, the Petitioner GUVNL conducted e-reverse auction for allocating 500 MW capacity from amongst 2110 MW capacity qualified for e-reverse auction out of the capacity of 2260 MW for which bids were received.
- 4.18. The e-auction report generated at the Bharat-electronic tender's portal is also filed with the Petition. Following prices were discovered at the closure of e-reverse auction held on Bharat-electronic tender's portal:

| Rank         | Bidder's Name                             | Rate (Rs. / KWH) | Quoted Capacity (MW) | Eligible Capacity (MW) |
|--------------|---|------------------|----------------------|------------------------|
| L1           | Sprng Green Power Private Limited         | 2.51             | 200                  | 200                    |
| L2           | IB Vogt Singapore Pte Limited             | 2.52             | 130                  | 130                    |
| L3           | Hinduja Renewables Energy Private Limited | 2.52             | 120                  | 120                    |
| L4           | Solarcraft Power India 9 Private Limited  | 2.52             | 120                  | 50                     |
| <b>Total</b> |   |                  | <b>570</b>           | <b>500</b>             |

- 4.19. It is stated that as per terms and conditions of the tender, there is allocation of additional 500 MW capacity through Greenshoe Option at L1 tariff to the successful Bidders to the extent of their respective quoted capacity. Also, the tender provides that in case any of the successful bidder does not accept the additional quantum offered under the Greenshoe Option, the same can be offered to other successful bidders. The Petitioner GUVNL has adopted the L1 priority principle for allocation of additional Greenshoe capacity not accepted by any of the successful bidder (s) in line with GUVNL's previous tender. Accordingly, the Petitioner GUVNL vide email dated 01.02.2023 had requested successful bidders to submit their willingness for availing of additional capacity under Greenshoe Option at L1 rate within 10 days after completion of e-RA as per the terms of tender.



- 4.20. In response to the above, L1 and L2 Bidders vide emails dated 10.02.2023 sought additional time and did not confirm any capacity under Greenshoe Option. L3 Bidder vide letter dated 10.02.2023 conveyed willingness for 120 MW Greenshoe Capacity. L4 Bidder vide email dated 08.02.2023 conveyed willingness for 50 MW Greenshoe Capacity and expressed willingness for additional 20 MW Greenshoe Option capacity out of Greenshoe Capacity not availed by other bidders, if any. Thus, there was total 330 MW Greenshoe Capacity that was not availed by L1 and L2 Bidders and remained unallocated in the first round for which the consent/interest were sought on L1 priority principle.
- 4.21. It is stated that the Petitioner GUVNL vide email dated 21.02.2023 gave time period of 7 days to L3 Bidder for conveying willingness for availing Greenshoe Capacity out of above 330 MW capacity. The L3 Bidder vide email dated 01.03.2023 conveyed that they are not availing additional 330 MW capacity offered by the Petitioner GUVNL.
- 4.22. It is also stated that the 330 MW capacity was available for offering to L4 bidder. Considering that L4 Bidder had already conveyed willingness for additional 20 MW capacity not availed by other bidders, interest was sought by the Petitioner GUVNL vide email dated 01.03.2023 from L4 Bidder for 310 MW capacity within time period of 7 days. L4 Bidder vide email dated 07.03.2023 conveyed that they are not availing this 310 MW capacity and would go ahead only for 70 MW for which they had given consent earlier. In the meantime, L1 Bidder vide email dated 01.03.2023 expressed their willingness to avail 100 MW Greenshoe Capacity and accordingly, 210 MW capacity remained un-availed.
- 4.23. It is stated that the Petitioner vide email dated 09.03.2023 asked all the bidders to convey their willingness for the 210 MW capacity which remained un-availed so as to finalize the quantum of Greenshoe option based on L1 priority principle.
- 4.24. It is stated that L2 Bidder vide email dated 15.03.2023 expressed willingness for 70 MW Greenshoe capacity out of the 210 MW capacity offered to all Bidders and other Bidders did not avail additional capacity out of the 210 MW capacity and hence, total 140 MW Greenshoe capacity has remained unallocated and 360 MW Greenshoe capacity has been opted for. Accordingly, the Petitioner GUVNL has issued Letter of

Intents (LoIs) to L1, L2, L3 and L4 Bidders at the tariff of Rs. 2.5100-2.5165 per unit.

In view of above, the total allotment of 860 MW capacity under the tender is as under:

| Rank         | Bidder's Name                             | Base Capacity (MW) (A) | Tariff (Rs/ Unit) | Greenshoe Capacity (MW) (B) | Tariff (Rs / Unit) | Total Capacity (MW) (A+B) | Weighted average tariff for total capacity |
|--------------|---|------------------------|-------------------|-----------------------------|--------------------|---------------------------|--|
| L1           | Sprng Green Power Private Limited         | 200                    | 2.51              | 100                         | 2.51               | 300                       | 2.5100                                     |
| L2           | IB Vogt Singapore Pte Limited             | 130                    | 2.52              | 70                          | 2.51               | 200                       | 2.5165                                     |
| L3           | Hinduja Renewables Energy Private Limited | 120                    | 2.52              | 120                         | 2.51               | 240                       | 2.5150                                     |
| L4           | Solarcraft Power India 9 Private Limited  | 50                     | 2.52              | 70                          | 2.51               | 120                       | 2.5142                                     |
| <b>Total</b> |   | <b>500</b>             |                   | <b>360</b>                  |                    | <b>860</b>                |  |

4.25. The Petitioner has issued Letters of Intent (LoIs) to the above successful bidders on 29.03.2023 for total capacity mentioned in the above table at the corresponding rates. As per terms and conditions of tender, the PPAs are to be signed with above successful bidders within 30 days from issuance of LOIs unless extended as per RfS.

4.26. It is also stated that Clause No. 3.3.4 of RfS provides that in case the bidder wishes to set up projects at more than one location, then they would need to be physically identifiable with separate delivery points/interconnection points and metering arrangement. Further, successful bidder can sign different PPAs for different projects to be set up at different locations under the bidding company or its SPVs. Accordingly, the successful bidder has been given option to sign different PPAs for different projects to be set up at different locations in the LoIs issued.

4.27. In view of the above and in accordance with Section 63 read with Section 86 (1) (b) of the Electricity Act 2003, the Petitioner has filed the present Petition for adoption of tariff discovered by the Petitioner in Competitive Bidding Process conducted through RfS No. GUVNL/500 MW/Solar (Phase XVIII) dated 21.10.2022 for procurement of power from Grid connected Solar PV projects in Gujarat.

5. The matter was heard on 06.05.2023. During the hearing, representative appearing on behalf of the Petitioner GUVNL, apart from reiterating the facts of the Petition as stated at para 4 above, submitted that the Petitioner GUVNL on behalf of its subsidiary

distribution companies initiated the process for procurement of 500 MW grid connected power from Solar PV projects with Greenshoe option of additional capacity upto 500 MW through Competitive Bidding Process followed by e-reverse auction vide RfS dated 21.10.2022.

- 5.1. In response to query regarding SCOD of the projects, it is submitted that as per terms and conditions of the RfS, Scheduled Commercial Operation Date (SCOD) of the project would be 18 months from the date of execution of the PPA by the project developer with the Petitioner GUVNL. It is also submitted that if the PPA is signed during April 2023 by the project developers with GUVNL, then SCOD of the project would be around October 2024.
- 5.2. With regard to tariff discovered in the present tendering process by the Petitioner GUVNL for Solar power, it is submitted that in the previous round of bidding process conducted by the Petitioner GUVNL vide RfS dated 12.07.2022, the tariff of Rs. 2.49 per unit was discovered whereas in case of the present tendering process conducted vide RfS dated 21.10.2022, the tariffs of Rs 2.51/Rs. 2.52 per unit has been discovered. Therefore, there is increase of Rs. 0.02 per unit in the present tendering process conducted by the Petitioner GUVNL. It is also submitted that the Petitioner has also filed (i) Technical Bid Evaluation Report and (ii) Financial Bid Evaluation Report alongwith the present Petition.
- 5.3. It is further submitted that Ministry of Power, Government of India on 03.08.2017 notified the "Guidelines for Tariff Based Competitive Bidding Process for Procurement of Power from Grid Connected Solar PV Power Projects" but the Standard Bidding Documents are yet to be published by the Central Government. It is also submitted that there are no deviations in the said Competitive Bidding Process followed by e-reverse auction under aforesaid RfS documents by the Petitioner and the same are consistent with the Guidelines notified by MoP as amended from time to time and with deviations as approved by this Commission.
- 5.4. Based on the above, it is submitted that with consideration of above, the Commission may adopt the tariff discovered in Competitive Bidding Process undertaken by the Petitioner through RfS dated 21.10.2022 for tie-up of Solar power.

6. We have considered the submissions made by the Petitioner. The Petitioner has filed the present Petition under Section 63 read with Section 86(1)(b) of the Electricity Act, 2003. The Petitioner has sought the approval of the Commission for adoption of discovered tariff of Rs. 2.51 per unit & Rs. 2.52 per unit quoted by successful bidders under competitive bidding process followed by e-reverse auction of bid No. RfS No. GUVNL/500 MW/Solar (Phase XVIII) dated 21.10.2022, as stated in above paras.
- 6.1. The Petitioner is purchasing power in bulk for and on behalf of four Distribution Licensees, namely, DGVCL, MGVCL, PGVCL and UGVCL. The Petitioner also procures the renewable power by entering into agreements with the developers for its four Distribution Licensees towards fulfilment of their RPO as specified by the Commission in the GERC (Procurement of Energy from Renewable Sources) Regulations, 2010 as amended from time to time including the GERC (Procurement of Energy from Renewable Sources) (Third Amendment) Regulations, 2022. In the said Regulations, the Commission has stipulated the RPO requirement of Distribution Licensees till FY 2024-25 as under:

| Year    | Minimum Quantum of purchase (in %) from renewable energy sources<br>(in terms of energy in kWh) |           |   |   |           |
|---------|---|-----------|---|---|-----------|
|         | Wind (%)  | Solar (%) | Hydro Power Purchase Obligation (HPO) (%) | Others (Biomass, Bagasse & Bio-fuel based cogeneration, MSW and Small/Mini/Micro Hydro) (%) | Total (%) |
| (1)     | (2)   | (3)       | (4)                                       | (5)   | (6)       |
| 2017-18 | 7.75  | 1.75      |   | 0.50  | 10.00     |
| 2018-19 | 7.95  | 4.25      |   | 0.50  | 12.70     |
| 2019-20 | 8.05  | 5.50      |   | 0.75  | 14.30     |
| 2020-21 | 8.15  | 6.75      |   | 0.75  | 15.65     |
| 2021-22 | 8.25  | 8.00      |   | 0.75  | 17.00     |
| 2022-23 | 8.25  | 8.00      |   | 0.75  | 17.00     |
| 2023-24 | 8.40  | 9.50      | 0.05                                      | 0.75  | 18.70     |
| 2024-25 | 8.55  | 11.25     | 0.10                                      | 0.80  | 20.70     |

From the above table it is apparent that the Petitioner is required to procure substantial quantum of Solar power, since the Commission has increased the Solar RPO in view of the requirement stipulated by the Government of India. Accordingly, in order to meet the Solar RPO target, the Petitioner had initiated the competitive bidding process followed by e-reverse auction for procurement of 500 MW power (alongwith Greenshoe option for 500 MW capacity) from the Solar PV Projects to be set up in Gujarat through RfS No. GUVNL/500 MW/Solar (Phase XVIII) dated

21.10.2022.

- 6.2. It is observed that the Petitioner initiated the Competitive Bidding Process followed by e-reverse auction as per Section 63 of the Electricity Act vide RfS No. GUVNL/500 MW/Solar (Phase XVIII) dated 21.10.2022 for procurement of 500 MW from the Grid connected Solar PV based Power projects with Greenshoe option of additional 500 MW to be set up in Gujarat with an intimation to the Commission under Clause 3.1.1 of the Competitive Bidding guidelines issued by the Ministry of Power.
- 6.3. We note that the Petitioner has also issued 'Notice Inviting Tender' so as to provide wide publicity of the said tender i.e., RfS No. GUVNL/500 MW/Solar (Phase XVIII) dated 21.10.2022 by publishing notice in two National newspapers having wide circulation and to seek wide participation from the participating bidders. The Petitioner also hosted the Bid Documents & Addendums on its website as well as on the e-bidding portal 'Bharat-electronic tender'. Further, the Petitioner also held a Pre-Bid Meeting on 19.11.2022, wherein key bid parameters, provisions of bid documents & timelines were discussed, and the queries raised by the Prospective Bidders were addressed by the Petitioner for which minutes of meeting were also issued and hosted on the websites of GUVNL and on e-bidding portal. The last date of bid submission in the tendering process initially was 07.12.2022 which was subsequently extended up to 16.01.2023.
- 6.4. We note that the Petitioner received online bids from 12 bidders offering aggregate capacity of 2260 MW and the technical bid opening was held on 19.01.2023 in the presence of Bid Evaluation Committee consisting of following officials:

| <b>Sr. No.</b> | <b>Name</b>              | <b>Designation</b>              |
|----------------|--------------------------|---------------------------------|
| 1              | Smt. Sailaja Vachhrajani | General Manager, RE & IPP       |
| 2              | Shri Sanjay Mathur       | Chief Finance Manager, RE & IPP |
| 3              | Shri Parthiv Bhatt       | Company Secretary, GUVNL        |
| 4              | Shri Nilay Joshi         | Controller of Accounts (F&A)    |

- 6.5. It is also submitted by the Petitioner that aforesaid bids received from 12 bidders were opened in presence of Bid Evaluation Committee and also evaluated by said Committee. As per technical evaluation report of the said Committee, it is observed that all the 12 bids received were technically qualified and technical evaluation report signed by the Members of the Bid Evaluation Committee is filed by the Petitioner,

which is reproduced below:

**“TECHNICAL BID EVALUATION REPORT**

**RFS NO. GUVNL / 5000 MW / SOLAR (PHASE XVIII) DATED 21.10.2022  
TENDER FOR PROCUREMENT OF 500 MW GRID CONNECTED SOLAR PHOTOVOLTAIC POWER  
PROJECTS (PHASE- XVIII) WITH GREENSHOE OPTION OF ADDITIONAL UPTO 500 MW**

**24<sup>th</sup> January 2023**

**1. Background**

Gujarat Urja Vikas Nigam Limited (GUVNL) intends to procure 500 MW Grid connected Solar Photovoltaic Power Projects (Phase- XVIII) to be set up anywhere in India with Greenshoe Option of additional upto 500 MW through competitive bidding process (conducted through electronically facilitated online web based portal followed by reverse auction) as notified via RfS No. GUVNL / 500 MW / Solar (Phase XVIII) dated 21.10.2022. The RfS was floated on 21.10.2022. The last date for online submission of bids in the above tender was 16.01.2023 and for offline submission was 18.01.2023.

GUVNL had constituted a committee for evaluation of the bids (Evaluation Committee), consisting of the following members:

| <b>Sr. No.</b> | <b>Name</b>              | <b>Designation</b>              |
|----------------|--------------------------|---------------------------------|
| 1              | Smt. Sailaja Vachhrajani | General Manager, RE & IPP       |
| 2              | Shri Sanjay Mathur       | Chief Finance Manager, RE & IPP |
| 3              | Shri Parthiv Bhatt       | Company Secretary, GUVNL        |
| 4              | Shri Nilay Joshi         | Controller of Accounts (F&A)    |

This report outlines the responses of all the bidders in respect of Non-Financial (technical) bid evaluation and recommendations of committee.

**2. Details of Tender**

|                             |  |
|-----------------------------|--|
| <b>RfS Reference No.</b>    | RfS No. GUVNL / 500 MW / Solar (Phase XVIII) dated 21.10.2022  |
| <b>Capacity</b>             | Total capacity of 500 MW Solar Projects to be set up anywhere in India with Greenshoe Option of additional upto 500 MW |
| <b>Minimum Bid Capacity</b> | 25 MW  |
| <b>Term of PPA</b>          | 25 years from S.C.O.D.   |
| <b>Technology</b>           | Commercially established Solar Photovoltaic technology   |

**3. Response to RFS**

A total of 12 (Twelve) responses for aggregate capacity of 2260 MW were received by GUVNL. The technical bids were opened on 19.01.2023 on e-bidding portal as per the tender timeline. The list of the bidders and the capacity offered is as below.

| SN | Bidders  | MW          |
|----|--|-------------|
| 1  | Avaada Energy Private Limited                    | 500         |
| 2  | Mahindra Susten Private Limited                  | 200         |
| 3  | Ib Vogt Singapore Pte Limited                    | 130         |
| 4  | Eden Renewables Sully Private Limited            | 150         |
| 5  | Sprng Green Power Private Limited                | 200         |
| 6  | ACME Cleantech Solutions Private Limited         | 300         |
| 7  | Hinduja Renewables Energy Private Limited        | 120         |
| 8  | SJVN Green Energy Limited                        | 100         |
| 9  | TEQ Green Power XIV Private Limited              | 80          |
| 10 | Tata Power Renewable Energy Limited              | 300         |
| 11 | Solarcraft Power India 9 Private Limited         | 120         |
| 12 | Project Eighteen Renewable Power Private Limited | 60          |
|    | <b>Total</b>                                     | <b>2260</b> |

#### 4. Principles of Evaluation

The approach to evaluation has been that all the bidders who qualify under the terms specified in the bidding documents, the financial bid of such qualified bidders shall be opened. Also, in case of a perceived non-responsiveness, clarifications are to be sought from the concerned bidders.

Following conditions relating to qualification requirements have been specified in the RFS documents –

##### **Net worth:**

- i) The Net-Worth of the Bidder or its Affiliate or Parent / Ultimate Parent as on date of financial year ending 31.03.2022 or 31.12.2021 as on latest available date as the case may be, shall not be less than INR 0.80 Crores per MW (of the capacity quoted).
- ii) The net worth to be considered for the above purpose will be the cumulative net-worth of the bidding company or consortium together with the networth of those Affiliates of the bidder(s) that undertake to contribute the required equity funding and performance bank guarantees in case the bidder(s) fail to do so in accordance with the RfS.

iii) For avoidance of doubt, "net worth" as per section 2 (57) of the Companies Act 2013 means the aggregate value of the paid-up share capital and all reserves created out of the profits and securities premium account, after deducting the aggregate value of the accumulated losses, deferred expenditure and miscellaneous expenditure not written off, as per the audited balance sheet, but does not include reserves created out of revaluation of assets, write-back of depreciation and amalgamation.

iv) For meeting the above financial eligibility criteria, if data is provided by the Bidder in USD / SAR, equivalent rupees of Net Worth and other financial parameters will be calculated by Bidder using Reserve Bank of India's reference rates prevailing on the date of closing of accounts for the respective financial year.

v) Pursuant to evaluation of Net Worth Criteria as part of technical bid, if it is found by GUVNL that the Bidder is eligible for lesser quantum than the quantum for which bid has been submitted, then the Bidder shall be qualified for such lesser quantum, provided that such quantum is not less than minimum bid capacity.

vi) In case the final audited accounts are not available, GUVNL shall accept the Provisional Accounts provided that an undertaking is submitted by the bidder confirming that Final Audited Annual Accounts for the last financial year are not available as on date of bid submission. Such financial accounts shall have to be certified by at least two Directors or One Director and the Company Secretary is submitted by the bidder.

vii) The companies which have recently raised funds and are not able to meet net-worth as per the Clause 3.4.4 (i) i.e. as 31.03.2022 or 31.12.2021 then the certificate issued by a Chartered Accountant certifying net worth as on latest available date based on provisional Balance Sheet, Profit & Loss account, Schedules and cash flow statement supported with bank statement (if available) shall be required to be submitted.

## **5. Responsiveness Issues**

On scrutiny of the bid documents submitted by participating bidders, responsiveness issues were observed in respect of bids submitted by the following bidders

(1) Solarcraft Power India 9 Private Limited

(2) Project Eighteen Renewable Power Private Limited



Queries were raised by GUVNL on E-bidding portal against responsiveness issue. The Responsiveness issues raised by GUVNL and the responses / compliance submitted by bidders are discussed in the subsequent section.

## 6. Specific Issues

### **(1) M/s Solarcraft Power India 9 Private Limited**

**Query raised by GUVNL:** Upon scrutiny of documents submitted alongwith bid, it was observed that Bluepine Energy Private Limited (Parent company of Solarcraft Power India 9 Pvt. Limited) has provided Net worth based on Provisional financial statements as on 31.12.2022. As per RfS Clause 3.15 (10) (V), if Final Audited Annual Accounts for the last financial year are not available, bidder has to provide an undertaking signed by at least two directors or one director and the company secretary confirming that Final Audited Annual Accounts for the last financial year are not available as on date of bid submission. In this regards, the above Undertaking was sought from the bidder.

**Response:** Solarcraft Power India 9 Pvt. Limited has provided the documents.

### **(2) M/s. Project Eighteen Renewable Power Private Limited**

**Query raised by GUVNL:** Upon scrutiny of documents submitted alongwith bid, it was observed that (1) the Audited Financial Statement as on 30.09.2022 of bidding company, i.e., M/s. Project Eighteen Renewable Power Private Limited based on which the Net worth has been certifying by the Chartered Accountant has not been submitted. In this regard, the copy of Audited Financial Statement as on 30.09.2022 was sought from the Bidder, (2) the Board Resolution of Bidding company, i.e., M/s Project Eighteen Renewable Power Private Limited, as per Format 6.4 of RfS has not been submitted and the same was sought from the bidder.

**Response:** M/s Project Eighteen Renewable Power Private Limited has provided the documents.

## 8. Evaluation of Responses

The Status in brief is indicated in the following table:

| SN | Bidder                          | MW  | Committee Recommendations |
|----|---------------------------------|-----|---------------------------|
| 1  | Avaada Energy Private Limited   | 500 | Qualified                 |
| 2  | Mahindra Susten Private Limited | 200 | Qualified                 |
| 3  | Ib Vogt Singapore Pte Limited   | 130 | Qualified                 |

|    |   |             |                  |
|----|---|-------------|------------------|
| 4  | <i>Eden Renewables Sully Private Limited</i>            | 150         | <i>Qualified</i> |
| 5  | <i>Sprng Green Power Private Limited</i>                | 200         | <i>Qualified</i> |
| 6  | <i>ACME Cleantech Solutions Private Limited</i>         | 300         | <i>Qualified</i> |
| 7  | <i>Hinduja Renewables Energy Private Limited</i>        | 120         | <i>Qualified</i> |
| 8  | <i>SJVN Green Energy Limited</i>                        | 100         | <i>Qualified</i> |
| 9  | <i>TEQ Green Power XIV Private Limited</i>              | 80          | <i>Qualified</i> |
| 10 | <i>Tata Power Renewable Energy Limited</i>              | 300         | <i>Qualified</i> |
| 11 | <i>Solarcraft Power India 9 Private Limited</i>         | 120         | <i>Qualified</i> |
| 12 | <i>Project Eighteen Renewable Power Private Limited</i> | 60          | <i>Qualified</i> |
|    | <b>Total</b>  | <b>2260</b> |                  |

## 7. Way Forward

*Based on the examination of records, the committee recommends that the Financial bids of above 12 (Twelve) bidders may be opened.*

| <b>Sr. No.</b> | <b>Name</b>                     | <b>Designation</b>                         | <b>Signature</b> |
|----------------|---------------------------------|--|------------------|
| 1              | <i>Smt. Sailaja Vachhrajani</i> | <i>General Manager, RE &amp; IPP</i>       | <i>Sd/-</i>      |
| 2              | <i>Shri Sanjay Mathur</i>       | <i>Chief Finance Manager, RE &amp; IPP</i> | <i>Sd/-</i>      |
| 3              | <i>Shri Parthiv Bhatt</i>       | <i>Company Secretary, GUVNL</i>            | <i>Sd/-</i>      |
| 4              | <i>Shri Nilay Joshi</i>         | <i>Controller of Accounts (F&amp;A)</i>    | <i>Sd/-</i>      |

.....”

From the Technical Evaluation Report, it is apparent that all the 12 bidders offering aggregate capacity of 2260 MW were found to be responsive and hence were deemed qualified for opening of their financial bids. Accordingly, as per the Technical Report of the Bid Evaluation Committee and recommendation after technical bid evaluation of all the 12 bidders to be technically qualified, the financial bids of all 12 bidders were opened on 31.01.2023 on e-bidding portal in presence of the Bid Evaluation Committee.

- 6.6. Further, as per the terms and conditions of the tender document, 11 bidders with aggregate capacity of 2110 MW were qualified against the tendered capacity of 500 MW apart from green shoe option for the e-reverse auction and the Petitioner accordingly conducted the e-reverse auction.
- 6.7. The following prices were discovered at the closure of e-reverse auction that was held on the e-bidding portal and e- report generated at the Bharat-electronic tender’s portal is also filed with the Petition:

| Rank         | Bidder's Name                             | Rate (Rs. / KWH) | Quoted Capacity (MW) | Eligible Capacity (MW) |
|--------------|---|------------------|----------------------|------------------------|
| 1            | Sprng Green Power Private Limited         | 2.51             | 200                  | 200                    |
| 2            | IB Vogt Singapore Pte Limited             | 2.52             | 130                  | 130                    |
| 3            | Hinduja Renewables Energy Private Limited | 2.52             | 120                  | 120                    |
| 4            | Solarcraft Power India Private Limited    | 2.52             | 120                  | 50                     |
| <b>Total</b> |   |                  | <b>570</b>           | <b>500</b>             |

6.8. The Petitioner also filed the Financial Evaluation report signed by the Members of the Committee with the Petition which is reproduced below:

**"FINANCIAL BID EVALUATION REPORT**

**REF: TENDER FOR PROCUREMENT OF 500 MW GRID CONNECTED SOLAR PHOTOVOLTAIC POWER PROJECTS (PHASE- XVIII) WITH GREENSHOE OPTION OF ADDITIONAL UPTO 500 MW**

**31<sup>st</sup> January 2023**

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**1. Background**

*Gujarat Urja Vikas Nigam Limited (GUVNL) intends to procure 500 MW Grid connected Solar Photovoltaic Power Projects (Phase- XVIII) to be set up anywhere in India with Greenshoe Option of additional upto 500 MW through competitive bidding process (conducted through electronically facilitated online web based portal followed by reverse auction) as notified via RfS No. GUVNL / 500 MW / Solar (Phase XVIII) dated 21.10.2022.*

*GUVNL had uploaded the tender documents (RfS and Draft PPA) on its own website as well as on the e-bidding portal of M/s ISN Electronic Tender Services Pvt. Ltd. (ISN-ETS)*

GUVNL has constituted a committee comprising of the following members for opening and evaluation of the technical and financial bids:

| <b>Sr. No.</b> | <b>Name</b>              | <b>Designation</b>              |
|----------------|--------------------------|---------------------------------|
| 1              | Smt. Sailaja Vachhrajani | General Manager, RE & IPP       |
| 2              | Shri Sanjay Mathur       | Chief Finance Manager, RE & IPP |
| 3              | Shri Parthiv Bhatt       | Company Secretary, GUVNL        |
| 4              | Shri Nilay Joshi         | Controller of Accounts (F&A)    |

This report outlines the Financial Bid Evaluation and recommendations of committee.

## 2. Financial Bid Opening

The Technical Bid Opening was done at 11:00 A.M. on 19.01.2023. Pursuant to the recommendations of the Committee vide the 'Technical Bid Evaluation Report', the Financial Bids (electronic forms) of below mentioned 12 (Twelve) technically qualified Bidders were opened on the e-bidding portal of M/s ISN-ETS at 11:00 A.M. on 31.01.2023 before the Bid Evaluation Committee at GUVNL, Vadodara.

| Sr No | Name of the Bidder                               | Capacity Offered (MW) |
|-------|--|-----------------------|
| 1     | Avaada Energy Private Limited                    | 500                   |
| 2     | Mahindra Susten Private Limited                  | 200                   |
| 3     | IB Vogt Singapore Pte Limited                    | 130                   |
| 4     | Eden Renewables Sully Private Limited            | 150                   |
| 5     | Sprng Green Power Private Limited                | 200                   |
| 6     | ACME Cleantech Solutions Private Limited         | 300                   |
| 7     | Hinduja Renewables Energy Private Limited        | 120                   |
| 8     | SJVN Green Energy Limited                        | 100                   |
| 9     | TEQ Green Power XIV Private Limited              | 80                    |
| 10    | Tata Power Renewable Energy Limited              | 300                   |
| 11    | Solarcraft Power India 9 Private Limited         | 120                   |
| 12    | Project Eighteen Renewable Power Private Limited | 60                    |

The members of the Bid Evaluation Committee scrutinized the electronic responses submitted by the Bidders and evaluated shortlisted bidders qualified for e-reverse auction in terms of the RfS.

## 3. Principles of Evaluation

As per the terms of the tender documents, the financial evaluation of the bids is to be one in accordance with the bid evaluation methodology specified in the RfS based on the tariff quoted by the Bidders in the Electronic Forms.

As per the terms of the RfS, the Total Eligible Bidders for e-reverse auction is to be decided as per illustration below:-

Assuming

$T$  = Total number of techno-commercially qualified bidders,

$S_T$  = Capacity of the total number of techno-commercially qualified bidders

$S_K$  = Cumulative capacity till the 'k<sup>th</sup> serial number bidder (not the 'k<sup>th</sup> rank bidder) after ranking is done in ascending order from L1 onwards

$S_E$  = Eligible Capacity for Award

$n$  = No. of bidders shortlisted for e-RA

|                                      |  |
|--------------------------------------|--|
| $SE$ = (Eligible capacity for award) | (i) In case $S_T \leq 500$ MW; $SE = 0.8 \times S_T$ ,<br>(ii) In case $S_T > 500$ MW; $S_E = 0.8 \times S_T$ , subject to maximum eligible capacity being 500 MW. |
|--------------------------------------|--|

Total eligible bidders for e-Reverse Auction

(i) In case  $(0.8 \times S_T) \leq 500$  MW – All techno-commercially qualified bidders whose financial bids are in accordance with the provisions of the RfS, will be shortlisted for e-RA.

Accordingly, the no. of Bidders shortlisted for e-RA, i.e.  $n=T$

(ii) In case  $(0.8 \times S_T) > 500$  MW – The lowest ranked bidder i.e. the bidder quoting the highest tariff (H1 Bidder) shall be eliminated at this stage and remaining techno-commercially qualified bidders whose financial bids are in accordance with the provisions of the RfS, will be shortlisted for e-RA.

Accordingly, the no. of Bidders shortlisted for e-RA, i.e.  $n=T - 1$

Note:-

- (a) In case more than one bidder is ranked as H1 bidder (same tariff), then all such bidders will be eliminated at this stage.
- (b) The above elimination will take place subject to the condition that the total bid capacity after such elimination remains more than 500 MW. In the contradictory scenario, no elimination will take place at this stage.

#### 4. Evaluation of shortlisted bidders qualified for e-RA

As per the terms of the tender documents, the Total Eligible Bidders shortlisted for e-reverse auction are as per details tabulated herein below: -

| Rank | Name of Bidder                                   | Price Bid (Rs./Unit) | Capacity (MW) | Remarks              |
|------|--|----------------------|---------------|----------------------|
| L1   | Mahindra Susten Private Limited                  | 2.69                 | 200           | Shortlisted for e-RA |
| L2   | ACME Cleantech Solutions Private Limited         | 2.69                 | 300           | Shortlisted for e-RA |
| L3   | Solarcraft Power India 9 Private Limited         | 2.69                 | 120           | Shortlisted for e-RA |
| L4   | Project Eighteen Renewable Power Private Limited | 2.72                 | 60            | Shortlisted          |

|     |  |      |     |                               |
|-----|--|------|-----|-------------------------------|
|     |  |      |     | <i>for e-RA</i>               |
| L5  | <i>IB Vogt Singapore Pte Limited</i>             | 2.76 | 130 | <i>Shortlisted for e-RA</i>   |
| L6  | <i>Hinduja Renewables Energy Private Limited</i> | 2.76 | 120 | <i>Shortlisted for e-RA</i>   |
| L7  | <i>Sprng Green Power Private Limited</i>         | 2.78 | 200 | <i>Shortlisted for e-RA</i>   |
| L8  | <i>TEQ Green Power XIV Private Limited</i>       | 2.83 | 80  | <i>Shortlisted for e-RA</i>   |
| L9  | <i>Tata Power Renewable Energy Limited</i>       | 2.85 | 300 | <i>Shortlisted for e-RA</i>   |
| L10 | <i>Avaada Energy Private Limited</i>             | 2.87 | 500 | <i>Shortlisted for e-RA</i>   |
| L11 | <i>SJVN Green Energy Limited</i>                 | 2.95 | 100 | <i>Shortlisted for e-RA</i>   |
| L12 | <i>Eden Renewables Sully Private Limited</i>     | 2.98 | 150 | <i>Eliminated (H1 Bidder)</i> |

Based on the financial bid evaluation in terms of the RfS, the above mentioned 11 (Eleven) no. of bidders aggregating to 2110 MW capacity were shortlisted for participating in the e-reverse auction.

#### 5. Electronic – Reverse Auction:

The tariffs discovered in the e-reverse auction are as follows:

| <b>Sr No</b> | <b>Name of Bidder</b>                                   | <b>Original Capacity Won (MW)</b> | <b>Tariff (Rs. /Unit)</b> |                                       |
|--------------|---|-----------------------------------|---------------------------|---------------------------------------|
| 1            | <i>Sprng Green Power Private Limited</i>                | 200                               | 2.51                      | <i>Bidders successful in e-RA</i>     |
| 2            | <i>IB Vogt Singapore Pte Limited</i>                    | 130                               | 2.52                      |                                       |
| 3            | <i>Hinduja Renewables Energy Private Limited</i>        | 120                               | 2.52                      |                                       |
| 4            | <i>Solarcraft Power India 9 Private Limited</i>         | 120*                              | 2.52                      |                                       |
| 5            | <i>Mahindra Susten Private Limited</i>                  | 200                               | 2.53                      | <i>Bidders not successful in e-RA</i> |
| 6            | <i>ACME Cleantech Solutions Private Limited</i>         | 300                               | 2.54                      |                                       |
| 7            | <i>Avaada Energy Private Limited</i>                    | 500                               | 2.58                      |                                       |
| 8            | <i>Project Eighteen Renewable Power Private Limited</i> | 60                                | 2.68                      |                                       |
| 9            | <i>TEQ Green Power XIV Private Limited</i>              | 80                                | 2.83                      |                                       |
| 10           | <i>Tata Power Renewable Energy Limited</i>              | 300                               | 2.85                      |                                       |
| 11           | <i>SJVN Green Energy Limited</i>                        | 100                               | 2.95                      |                                       |

\*M/s Solarcraft is eligible for 50 MW out of 120 Mw quoted capacity

#### 6. Committee Recommendation:

In terms of Clause 10.2 of the MoP guidelines for the competitive bidding issued vide Notification dated 03.08.2017, it is certified that the Bid Evaluation Committee has critically evaluated the bids and that the bidding process and the evaluation has been conducted in conformity to the provisions of the RfS.

| <b>Sr. No.</b> | <b>Name</b>                     | <b>Designation</b>                   | <b>Signature</b> |
|----------------|---------------------------------|--------------------------------------|------------------|
| 1              | <i>Smt. Sailaja Vachhrajani</i> | <i>General Manager, RE &amp; IPP</i> | <i>Sd/-</i>      |

|   |                    |                                 |      |
|---|--------------------|---------------------------------|------|
| 2 | Shri Sanjay Mathur | Chief Finance Manager, RE & IPP | Sd/- |
| 3 | Shri Parthiv Bhatt | Company Secretary, GUVNL        | Sd/- |
| 4 | Shri Nilay Joshi   | Controller of Accounts (F&A)    | Sd/- |

.....”

6.9. As per above, 11 bidders with aggregate capacity of 2110 MW qualified for e-reverse auction and the Petitioner had conducted e-reverse auction. We note that the Petitioner GUVNL after the conclusion of bidding process has also certifying that the Evaluation Committee constituted for evaluation of RfS bids has critically evaluated the bids and that the bidding process and the evaluation has been conducted in conformity to the provisions of the RfS.

6.10. In the E-Reverse auction of 31.01.2023 a report generated on the web-portal of Bharat-electronic tender is reproduced below:

| S# | Bidder's Name                                    | Quoted Value | Loaded Value | Date/Time of Bidding        | Bidder's Quantity | Special Remarks  | Difference in % (Bid- Value Vs Start-Price) |
|----|--|--------------|--------------|-----------------------------|-------------------|------------------|---|
| 1  | Sprng Green Power Private Limited                | 2.51         | 2.51         | 31-Jan-2023<br>15:45:22 RTZ | 200.00            | Field Not Filled | 0%  |
| 2  | IB Vogt Singapore Pte Limited                    | 2.52         | 2.52         | 31-Jan-2023<br>15:43:02 RTZ | 130.00            | Field Not Filled | -0.40%                                      |
| 3  | Hinduja Renewables Energy Private Limited        | 2.52         | 2.52         | 31-Jan-2023<br>15:44:25 RTZ | 120.00            | Field Not Filled | -6.43%                                      |
| 4  | Solarcraft Power India 9 Private Limited         | 2.52         | 2.52         | 31-Jan-2023<br>15:44:46 RTZ | 120.00            | Field Not Filled | -6.83%                                      |
| 5  | Mahindra Susten Private Limited                  | 2.53         | 2.53         | 31-Jan-2023<br>15:36:49 RTZ | 200.00            | Field Not Filled | -7.63%                                      |
| 6  | ACME Cleantech Solutions Private Limited         | 2.54         | 2.54         | 31-Jan-2023<br>15:36:13 RTZ | 300.00            | Field Not Filled | -9.24%                                      |
| 7  | Avaada Energy Private Limited                    | 2.58         | 2.58         | 31-Jan-2023<br>15:15:19 RTZ | 500.00            | Field Not Filled | -9.64%                                      |
| 8  | Project Eighteen Renewable Power Private Limited | 2.68         | 2.68         | 31-Jan-2023<br>14:32:31 RTZ | 60.00             | Field Not Filled | -11.24%                                     |
| 9  | TEQ Green Power XIV Private Limited              | 2.83         | 2.83         | 31-Jan-2023<br>12:28:41 RTZ | 80.00             | Field Not Filled | -15.26 %                                    |
| 10 | Tata Power Renewable Energy Limited              | 2.85         | 2.85         | 31-Jan-2023<br>12:28:41 RTZ | 300.00            | Field Not Filled | -13.55%                                     |
| 11 | SJVN Green Energy Limited                        | 2.95         | 2.95         | 31-Jan-2023<br>12:28:41 RTZ | 100.00            | Field Not Filled | -17.53%                                     |

6.11. It can be observed from above table that at the end of E-Reverse auction, the quoted tariff value and quantum in MW of 11 (Eleven) bidders i.e., (i) Sprng Green Power Private Limited, (ii) IB Vogt Singapore Pte Limited, (iii) Hinduja Renewables Energy Private Limited, (iv) Solarcraft Power India 9 Private Limited, (v) Mahindra Susten

Private Limited, (vi) ACME Cleantech Solutions Private Limited, (vii) Avaada Energy Private Limited, (viii) Project Eighteen Renewable Power Private Limited, (ix) TEQ Green Power XIV Private Limited, (x) Tata Power Renewable Energy Limited, and (xi) SJVN Green Energy Limited is as per result generated at the closure of E-Reverse Auction on e-bidding portal for 2110 MW. Moreover, as per above ranking, the total offered/bidder capacity by (i) Sprng Green Power Private Limited of 200 MW at the tariff of Rs. 2.51 per unit, (ii) IB Vogt Singapore Pte Limited of 130 MW at the tariff of Rs. 2.52 per unit, (iii) Hinduja Renewables Energy Private Limited for 120 MW at tariff of Rs. 2.52 per unit and (iv) Solarcraft Power India 9 Private Limited of 120 MW at the tariff of Rs. 2.52 per unit works out to 570 MW. However, since the tender was for base capacity of 500 MW, allocation of said capacity was to be for 500 MW only and hence in case of M/s Solarcraft Power India 9 Private Limited there is partial capacity allocation of 50 MW against quoted quantum of 120 MW with quoted tariff of Rs. 2.52 per unit in terms of the RfS document. Accordingly, the Petitioner has stated in para 17 of the Petition as under:

| Rank         | Bidder's Name                             | Rate (Rs. / KWH) | Quoted Capacity (MW) | Eligible Capacity (MW) |
|--------------|---|------------------|----------------------|------------------------|
| L1           | Sprng Green Power Private Limited         | 2.51             | 200                  | 200                    |
| L2           | IB Vogt Singapore Pte Limited             | 2.52             | 130                  | 130                    |
| L3           | Hinduja Renewables Energy Private Limited | 2.52             | 120                  | 120                    |
| L4           | Solarcraft Power India 9 Private Limited  | 2.52             | 120                  | 50                     |
| <b>Total</b> |   |                  | <b>570</b>           | <b>500</b>             |

6.12. Against the quoted capacity of 120 MW allocation of partial base capacity of 50 MW with quoted tariff of Rs. 2.52 per unit in case of M/s Solarcraft Power India 9 Private Limited is undertaken by the Petitioner in accordance with Clause 4.4 of the RfS document. The said Clause 4.4 of the RFS document pertains to 'Selection of Successful Bidders' and pertains to partial capacity allocation. It is therefore, necessary to refer Clause 4.4 of the RFS documents which reads as under:

".....

*4.4 Selection of Successful Bidders*

*4.4.1 (not used)*



4.4.2 The lowest quoting bidder will be allotted its qualified project capacity and then, next higher bidder will be allotted its qualified project capacity and so on, till the total capacity is exhausted.

4.4.3 In case of the last selected bidder, if the balance project capacity is less than the total project capacity mentioned by the bidder, then the balance capacity shall be awarded to the bidder till the total capacity is exhausted subject to a minimum allocation of 25 MW. Provided that, in case the partial capacity (balance capacity till the total capacity on offer is exhausted) offered to the last Bidder after completion of the e-reverse auction is lower than 50% of the total quoted capacity by such Bidder, the Bidder shall have an option to refuse such offered partial capacity within seven days of issuance of Letter of Award and the BG against EMD submitted by such Bidder shall be returned along with those of the unsuccessful Bidder.

Further, in case the partial capacity offered is greater than or equal to 50% of the total quoted capacity by such Bidder, then it shall be mandatory for the last Bidder to accept such partial capacity offered against its quoted capacity, subject to the total cumulative capacity awarded after e-RA to the successful Bidders not exceeding 500 MW. In case the last bidder refuses to accept such partial capacity offered by GUVNL, the Bank Guarantee against EMD submitted by such Bidder shall be encashed by GUVNL.

.....

4.4.6 At the end of selection process, GUVNL will have right to decide on the issuance of LOA to the successful bidders or any of them based on consideration of price discovered. In case of Consortium being selected as Successful Bidder, the issuance of LOA shall be to the Lead Member of the Consortium.

In all cases, GUVNL's decision regarding selection of bidder through Reverse Auction or otherwise based on tariff or annulment of tender process shall be final and binding on all participating bidders.

Also, GUVNL reserves the right to short close the capacity lower than 500 MW at its discretion, if the prices are abruptly high. Additionally, the discretion to allot or not to allot the additional upto 500 MW capacity under Greenshoe option shall be vested

*solely with GUVNL.*

.....”

6.13. We also note that tender floated by the Petitioner also provides the provisions for allocation of additional 500 MW capacity through Greenshoe Option at L1 tariff to the successful Bidders to the extent of their respective quoted capacity. It also provides that in case any of the successful bidder does not accept the additional quantum offered under the Greenshoe Option, the same can be offered to other successful bidders. Accordingly, the Petitioner GUVNL has adopted the L1 priority principle for allocation of additional Greenshoe capacity not accepted by any of the successful bidder(s) in line with its previous tender. We note that the Petitioner GUVNL vide its email dated 01.02.2023 had requested all the successful bidders to submit their willingness for availing of additional capacity under Greenshoe Option at L1 rate within 10 days after completion of e-RA as per the terms of tender. In response to the same, L1 and L2 Bidders vide emails dated 10.02.2023 sought additional time and not confirmed any capacity under Greenshoe Option. Whereas L3 Bidder vide its letter dated 10.02.2023 conveyed its willingness for 120 MW under Greenshoe Option and L4 Bidder vide its email dated 08.02.2023 conveyed its willingness for 50 MW Greenshoe Capacity and also expressed willingness for another additional 20 MW capacity under Greenshoe Option in case if Greenshoe capacity has not availed by other bidders. Thus, there was total 330 MW Greenshoe capacity that was not availed by L1 and L2 Bidders and remained unallocated in the first round for which the consent/interest were sought on L1 priority principle. The Petitioner GUVNL vide email dated 21.02.2023 granted time period of 7 days to L3 Bidder for conveying their willingness for availing Greenshoe capacity out of 330 MW capacity and in response, the L3 Bidder conveyed vide its email dated 01.03.2023 that they are not availing additional 330 MW capacity as offered by the GUVNL.

6.14. Thereafter, 330 MW capacity available was offering to L4 bidder and considering its earlier willingness for additional 20 MW capacity not availed by other bidders, the Petitioner GUVNL again vide its email dated 01.03.2023 sought confirmation from L4 Bidder for 310 MW capacity within time period of 7 days. In response, L4 Bidder conveyed vide its email dated 07.03.2023 that they are not availing 310 MW capacity and go ahead only for 70 MW for which they had given consent earlier. In the

meantime, L1 Bidder vide email dated 01.03.2023 expressed their willingness to avail 100 MW Greenshoe Capacity and accordingly, 210 MW capacity remained un-availed. The Petitioner again vide its email dated 09.03.2023 asked all the bidders to convey their willingness for 210 MW capacity which remained un-availed so as to finalize the quantum of Greenshoe option based on L1 priority principle.

6.15. We note that L2 Bidder vide email dated 15.03.2023 expressed its willingness for 70 MW Greenshoe capacity out of 210 MW capacity offered by the Petitioner but other Bidders did not avail additional capacity out of 210 MW capacity. Hence, total 140 MW Greenshoe capacity has remained unallocated and 360 MW Greenshoe capacity has been opted by the Petitioner. Accordingly, the Petitioner GUVNL has issued Letter of Intents (LoIs) dated 29.03.2023 to L1, L2, L3 and L4 Bidders at the tariff of Rs. 2.5100-2.5165 per unit. In view of above, the total allotment of 860 MW capacity under the tender is as under:

| Rank         | Bidder's Name                             | Base Capacity (MW) (A) | Tariff (Rs/ Unit) | Greenshoe Capacity (MW) (B) | Tariff (Rs / Unit) | Total Capacity (MW) (A+B) | Weighted average tariff for total capacity |
|--------------|---|------------------------|-------------------|-----------------------------|--------------------|---------------------------|--|
| L1           | Sprng Green Power Private Limited         | 200                    | 2.51              | 100                         | 2.51               | 300                       | 2.5100                                     |
| L2           | IB Vogt Singapore Pte Limited             | 130                    | 2.52              | 70                          | 2.51               | 200                       | 2.5165                                     |
| L3           | Hinduja Renewables Energy Private Limited | 120                    | 2.52              | 120                         | 2.51               | 240                       | 2.5150                                     |
| L4           | Solarcraft Power India 9 Private Limited  | 50                     | 2.52              | 70                          | 2.51               | 120                       | 2.5142                                     |
| <b>Total</b> |   | <b>500</b>             |                   | <b>360</b>                  |                    | <b>860</b>                |  |

6.16. We note that as per Clause 10.2 of the 'Guidelines for Tariff Based Competitive Bidding Process for Procurement of Power from Grid Connected Solar PV Power Projects' issued by the Ministry of Power, Government of India, after the conclusion of bidding process, the Evaluation Committee constituted for evaluation of RfS bids has to certify as appropriate that the bidding process and the evaluation has been conducted in conformity to the provisions of the RfS. As already noted above, the Petitioner in compliance to aforesaid clause has certifying that the Committee has critically evaluated the bids and that the bidding process and the evaluation has been conducted in conformity to the provisions of the RfS.

- 6.17. In view of the foregoing, the Commission is satisfied with the entire tendering process including the e-reverse bidding conducted by the Petitioner in a transparent manner and discovered tariff of successful bidders with quoted capacity and allocated capacity to them as stated above.
- 6.18. The Commission, therefore, decides to adopt the above discovered tariff as mentioned above to four bidders, viz., (i) Sprng Green Power Private Limited, (ii) IB Vogt Singapore Pte Limited, (iii) Hinduja Renewables Energy Private Limited and (iv) Solarcraft Power India 9 Private Limited for allocated capacity as above including Greenshoe capacity allotted at L-1 tariff of Rs. 2.51 per unit of Solar PV projects to be set up in Gujarat, as prayed by the Petitioner.
7. We also note that the Ministry of Power had notified the Electricity (Late Payment Surcharge and Related Matters) Rules, 2021 on 22.02.2021. The said Rules are superseded by the Electricity (Late Payment Surcharge and Related Matters) Rules, 2022 on 03.06.2022. The aforesaid Rules, 2022 provides that this Rules are in supersession of earlier notified Electricity (Late Payment Surcharge and Related Matters) Rules, 2021 except as respects things done or omitted to be done before such supersession. The said Rules would apply for the outstanding dues of generating companies, Inter-State transmission licensees and electricity trading licensees after the notification of the Rules on 03.06.2022 and accordingly, applicable in the present matter. It is stated in the said Rules, 2022 that the Central Government in exercise of powers conferred by Section 176 (1) of the Electricity Act, 2003 and in supersession of the Electricity (Late Payment Surcharge) Rules, 2021 except as respects things done or omitted to be done before the supersession has notified Electricity (Late Payment Surcharge) Rules, 2022 which has to come in force on the date of its publication in the Official Gazette. i.e., from 03.06.2022 onwards. In this regard, we are of view that as per Clause 12.4 of bidding guidelines, the distribution licensee or intermediary procurer has to approach the Commission for adoption of tariff discovered under competitive bidding process in terms of Section 63 of Electricity Act, 2003 and the Commission has to decide and adopt the discovered tariff within 60 days from such submissions by the distribution licensee or intermediary procurer. In the present case, the Petitioner has approached the Commission on 10.04.2023 for

adoption of tariff discovered through competitive bidding process conducted vide RfS No. GUVNL/500 MW/Solar (Phase XVIII) dated 21.10.2022 which is an ongoing process. We also note that though the LoIs have been issued to the successful bidders but the PPAs are yet to be signed by the Petitioner with the successful bidders although the Petitioner has filed Draft PPA with the Petition to be executed with the successful bidders.

7.1. Moreover, we also note that the Petitioner has in the present Petition and the representative of the Petitioner during the hearing on 06.05.2023 has submitted that as per terms and conditions of tender, the successful Bidders are required to sign PPA with the Petitioner GUVNL within 30 days from the date of issuance of LoIs and subsequent extension in this timeline, if any, may be finalized and agreed by the Petitioner. We also note that in so far as incorporating the provisions of the Electricity (Late Payment Surcharge) Rules, appropriately in the PPA(s) to be signed by the Petitioner with the successful bidders is concerned, the 'Base rate of Late Payment Surcharge' has been defined in the draft PPA filed with the Petition and Article 6.3 pertaining to 'Late Payment Surcharge' reads as under:

".....

#### *6.3 Late Payment Surcharge*

- 1. Late Payment Surcharge shall be payable on the payment outstanding after the due date at the Base rate of Late Payment Surcharge applicable for the period for the first month of default.*
- 2. The rate of Late Payment Surcharge for the successive months of default shall increase by 0.5 percent for every month of delay provided that the Late Payment Surcharge shall not be more than 3 percent higher than the base rate at any time.*
- 3. Provided further that all payments shall be first adjusted towards Late Payment Surcharge and thereafter, towards monthly charges, starting from the longest overdue bill.*
- 4. The parties acknowledge and accept that the Electricity (Late Payment Surcharge and related matters) Rules, 2022 as amended or modified from time to time notified by the Central Government in exercise of the power conferred by Sub-section (1) of Section 176 of the Electricity Act, 2003 shall apply and*

*govern the terms and conditions of this Agreement in regard to matters contained in the said Rules. The Rules referred to hereinabove being statutory shall, to the extent applicable, supersede any provisions in this Agreement which are inconsistent or contrary to the provisions of the Rules.*

“ .....

- 7.2. We also note that as submitted by the Petitioner, LoIs have been issued to all the successful bidders but PPAs are yet to be executed with them. It is also submitted by the Petitioner during the hearing that LoI has been issued to successful bidders is subject to compliance of all terms and conditions of RfS documents, adoption of tariff by the Commission and final PPA to be signed. Moreover, the aforesaid Electricity (Late Payment Surcharge) Rules are notified under the Electricity Act, 2003 and therefore, in order to give necessary effect of the same, if any, in the power procurement by the distribution licensee, the Petitioner has incorporated Article 6.3.
8. We note that the Petitioner has issued the LoIs to all the successful bidders on 29.03.2023 but PPAs are yet to be executed with such successful bidders. Accordingly, the Petitioner is directed to execute the PPAs with the successful bidders as per decision in this Order. We note that the Petitioner is also required to submit the copy of the signed PPAs and therefore, the Petitioner is directed to submit copies of duly executed PPAs to the Commission alongwith an affidavit stating that the Articles/provisions of the PPAs executed are as per the directions as stated above, provisions of Act, Rules, bidding guidelines and deviations approved by the Commission from time to time and that there are no other deviations taken by the Petitioner in the bidding documents other than those earlier approved by the Commission. We also direct the Petitioner that for the purpose of transparency, after execution of the PPAs, to publicly disclose the name (s) of the successful bidder(s) and the tariff quoted by them together with the breakup with the component, for 30 days on its website in terms of Clause 10.3 of the bidding guidelines as amended for knowledge and information of the stakeholders.
9. **SUMMARY OF DECISIONS:**
- 9.1. We decide to adopt the tariff discovered under the competitive bidding process conducted by the Petitioner through RfS No. GUVNL/500 MW/ Solar (Phase XVIII)

dated 21.10.2022 for Base Capacity and Greenshoe capacity as under:

| Rank         | Bidder's Name                             | Base Capacity (MW) (A) | Tariff (Rs/ Unit) | Greenshoe Capacity (MW) (B) | Tariff (Rs / Unit) | Total Capacity (MW) (A+B) | Weighted average tariff for total capacity |
|--------------|---|------------------------|-------------------|-----------------------------|--------------------|---------------------------|--|
| L1           | Sprng Green Power Private Limited         | 200                    | 2.51              | 100                         | 2.51               | 300                       | 2.5100                                     |
| L2           | IB Vogt Singapore Pte Limited             | 130                    | 2.52              | 70                          | 2.51               | 200                       | 2.5165                                     |
| L3           | Hinduja Renewables Energy Private Limited | 120                    | 2.52              | 120                         | 2.51               | 240                       | 2.5150                                     |
| L4           | Solarcraft Power India 9 Private Limited  | 50                     | 2.52              | 70                          | 2.51               | 120                       | 2.5142                                     |
| <b>Total</b> |   | <b>500</b>             |                   | <b>360</b>                  |                    | <b>860</b>                |  |

- 9.2. Apart from the directives of the Commission in this Order, the Petitioner to sign the Power Purchase Agreement(s) with the successful bidders with allocated capacity and tariff as per above table.
- 9.3. We direct the Petitioner to submit the copies of duly executed PPAs to the Commission alongwith an affidavit stating that the Articles/provisions of the PPAs executed are as per the directions as stated above, provisions of Act, Rules, bidding guidelines and deviations approved by the Commission from time to time and that there are no other deviations taken by the Petitioner in the bidding documents other than those earlier approved by the Commission. We also direct the Petitioner that for the purpose of transparency, after execution of the PPAs, publicly disclose the name(s) of the successful bidder(s) and the tariff quoted by them together with the breakup with the component, for 30 days on its website in terms of Clause 10.3 of the bidding guidelines as amended for knowledge and information of the stakeholders.
10. Order accordingly.
11. With this order the present Petition stands disposed of.

**Sd/-**  
**[S. R. Pandey]**  
**Member**

**Sd/-**  
**[Mehul M. Gandhi]**  
**Member**

Place: Gandhinagar.  
Date: 19/05/2023.