

GULBARGA ELECTRICITY SUPPLY COMPANY LIMITED

(A Government of Karnataka Enterprise)

Phone No: 08472 256881
E-mail: gescomdsm@gmail.com



Corporate Office,
GESCOM, Kalaburagi,
Pin Code.585 102.

No.GESCOM/CEE(O)/EEE(DSM)/AEE/2022-23/16884-912

Date: 30 JUN 2022

To,

M/s.Solarth Pvt. Ltd.,
No.316, 2nd Floor, 4th Main,
4th Phase, J. P Nagar,
Bengaluru-560078.

By Reg. Post / ACK Due.

Sir,

LETTER OF INTENT (LOI)

Sub:- "Empanelment of Vendors for Design, Supply, Installation, Testing & Commissioning of Solar RTPV Grid Connected Power Plants aggregating 3MWp on the Roof-tops of Residential/ RHS/RWA Buildings under Phase-II Scheme of MNRE in GESCOM jurisdictions including AMC for a period of 05 years- under "SOURA GRUHA YOJANE (SGY)"-Reg.

Ref:-

- 1) Bid Enquiry No:GESCOM/CEE(O)/EEE(DSM)/AEE/ AE/ SRTPV-SGY/103/2021-22/49615-42 Dtd:25.02.2022.
- 2) Techno-Commercial Bid opened on 13.05.2022.
- 3) Proceedings of the Tender Scrutiny Committee approved vide letter No.9527-33 Dtd:20.05.2022.
- 4) Price Bid opened on 26.05.2022.
- 5) Proceedings of Negotiation Meeting vide No.13361-64 Dtd:10.06.2022.
- 6) Firm offered price letter Dtd:10.06.2022.
- 7) Note approved by Hon'ble MD GESCOM vide para No.194 Dtd:14.06.2022.

* * * * *

Gulbarga Electricity Supply Company is pleased to issue LOI to your firm for the work of "Design, Supply, Installation, Testing & Commissioning of Solar RTPV Grid Connected Power Plants aggregating 3MWp on the Roof-tops of Residential/ RHS/RWA Buildings under Phase-II Scheme of MNRE in GESCOM jurisdictions including AMC for a period of 05 years- under "SOURA GRUHA YOJANE (SGY)" against the subject enquiry under the guidance of the MNRE, GOI vide OM No.32/24/2020-SPV Division Dtd:27.10.2021 and cost discovered through competitive process at following rates inclusive of all applicable taxes, subject to the following conditions:

(32)

Sl. No.	SRTPV Capacity Slabs	Discovered Rate by Tender (Rs/kWp) including GST	Capacity of SRTPV to be installed by Bidder	
			Minimum Capacity (kWp)	Maximum Capacity (MW)
1	1kWp	Rs.56,041	300kWp (10% of Allotted Capacity to GESCOM by MNRE)	Upto 3MW Depending upon No. of applications received during Contract Period.
2	>1kWp to 2kWp	Rs.51,523		
3	>2kWp to 3kWp	Rs.50,185		
4	>3kWp to 10kWp	Rs.48,956		
5	>10kWp to 100kWp	0		
6	>100kWp to 500kWp	0		

Consumer investment portion and CFA amount details for Individual Residential Consumers							
SRTPV Capacity (kW)	Awarded Price (Rs/kWp) Incl. GST	Total Capital Cost (In Rs) Incl. GST	CFA / Subsidy from MNRE			Consumer Investment	
			Benchmark Cost (Rs/kWp) Incl. GST.	Subsidy available for the Award/Benchmark Cost, whichever is lower	Subsidy Amt. (In Rs)	Amt. (In Rs)	Net Metering Cost
a	b	c = a*b	d		e	f = c-e	g
1	56041	56041	53398	'@ 40% for 1kW = Rs.21359	21359	34682	To be purchased
2	51523	103046	49093	'@ 40% for 2kW = Rs.39274	39274	63772	To be purchased
3	50185	150555	47819	'@ 40% for 3kW = Rs.57383	57383	93172	To be purchased
4	48956	195824	46648	'@ 40% for 3kW = Rs.55977 + @ 20% for 1kW = Rs.9330	65307	130517	To be purchased
5	48956	244780	46648	'@ 40% for 3kW = Rs.55977 + @ 20% for 2kW = Rs.18659	74637	170143	To be purchased
6	48956	293736	46648	'@ 40% for 3kW = Rs.55977 + @ 20% for 3kW = Rs.27989	83966	209770	To be purchased
7	48956	342692	46648	'@ 40% for 3kW = Rs.55977 + @ 20% for 4kW = Rs.37318	93296	249396	To be purchased
8	48956	391648	46648	'@ 40% for 3kW = Rs.55977 + @ 20% for 5kW = Rs.46648	102626	289022	To be purchased
9	48956	440604	46648	'@ 40% for 3kW = Rs.55977 + @ 20% for 6kW = Rs.55977	111955	328649	To be purchased
10	48956	489560	46648	'@ 40% for 3kW = Rs.55977 + @ 20% for 7kW = Rs.65307	121285	368275	To be purchased

Note:

- All the above awarded costs are inclusive of total system cost including Photo-Voltaic solar modules, inverters, balance of systems including cables, Switches/Circuit Breakers /Connectors/ Junction Boxes, mounting structure, earthing, Lightning arrester, cost of meters (if any other than net meter), local connectivity cost, cost of civil works, foundations etc. and its installation, commissioning, transportation, insurance, capital cost of online monitoring, comprehensive maintenance charges for five years, applicable fees etc.
- The above-mentioned awarded costs are excluding net metering cost and battery back-up costs.

Scope of the Work:

The Scope of Work as per Clause 1.12 to 1.15.8 of Standard Bid Documents (SBD) pertains to "Design, Supply, Installation, Testing & Commissioning of Solar RTPV Grid Connected Power Plants aggregating 3MWp on the Rooftops of Residential/ RHS/RWA Buildings under Phase-II Scheme of MNRE in GESCOM jurisdictions including AMC for a period of 05 years- under "SOURA GRUHA YOJANE (SGY)".

The salient features include but not limited to the following:

- a. Identification of prospective beneficiaries and providing necessary assistance to the prospective beneficiary in submitting online applications for installation of RTS project.
 - b. Preparation of Detailed Project Report (DPR) of the proposed Proposal of Rooftop Solar Power Plant for allocated capacity.
 - c. Obtaining approval from GESCOM for providing grid connectivity.
 - d. Submission of proposal with all required documents to GESCOM for sanctioning of the project.
 - e. Execution of the work shall be carried out in an approved manner as per the technical specification of RFP. In case of any dispute, relevant MNRE/BIS/ ISI/NABL/ISO/IEC/ IS/GESCOM specification shall be followed and work shall be carried out as per the standard and workmanship satisfaction of the engineer in charge.
 - f. The vendor shall complete the work of Design, supply, civil work, erection, testing and commissioning of SPV grid connected Power Plant within contract period. In event of failure to install and commission the RTS system within the mentioned timeframe, the entire Performance Bank Guarantee will be forfeited and may also lead to disqualification of the vendor at the sole discretion of GESCOM. The penalty for non- completion will be on pro-rata basis.
 - g. The work covers Design, supply, installation, commissioning and Comprehensive Maintenance Contract (CMC) for 05 (Five) Years.
 - h. Empanelled vendors shall establish a service Centre to cater the 05 Years CMC. In case if it is not economically viable for an individual vendor then Group of vendors can establish a common service Centre. The details of all such service centres (address, contact no. etc.) will be made available on the GESCOM website <https://GESCOM.karnataka.gov.in>.
1. **Prices:-** the prices are FIRM. No price verification will be allowed the said contract price is inclusive of GST. GESCOM will not pay any other taxes and levies, whatsoever on respect of this contract any increase in the tax should be absorbed by the firm directly the contract and any reduction in that tax should be passed on to GESCOM.
 2. **Period/Duration of Empanelment / Validity of Price:-** The Empaneled agency has to install and commission atleast minimum capacity of 300kWp out of 3MWp allotted by MNRE (i.e. 10% of allotted capacity to GESCOM by MNRE vide No.318/331/2017 Dtd:19.02.2021) within **15 (Fifteen) Months** from the date of Letter of Intent including monsoon period or within 19.01.2024 as allotted by MNRE whichever is earlier as per Clause 4.1(j) of Section-1 of ITB.

Note: However, the bidder can execute more than 300kWp during the tenure of Contract Period depending upon No. of application received in GESCOM SRTPV Portal.

3. **Commissioning of individual SRPTV: Within 90 to 120 Days** from the Date of Execution of Power Purchase Agreement (PPA) by the Consumer. (Note: Any problem, obstacle, hindrance should be cleared by the contractor. The AEE/EEE concerned Sub-Divisional / Divisional Officers shall stand by the contractor for removal of obstructions & hindrances and also extend necessary help and co-operation in successful commissioning of project).
4. **Cost of Metering:**
Consumer has to pay the cost of the bi-directional meter and the related necessary components of metering system.
5. **Annual Maintenance Period: 05 years** from the Date of Commissioning of all allotted capacity or total No. of applications received by bidder within contract period.
6. **Liquidated Damages:** If the bidder fails to commission the sanctioned project within specified time, the project will get cancelled and CFA will not be disbursed by GESCOM.
7. **Penalty Provisions:**
Penalty will be imposed on bidder by GESCOM if following conditions are encountered. The Bank Guarantee submitted by the bidder will be encashed and the bidder shall be blacklisted for 5 years from all Government tenders if:
 - i. If bidders demand for additional amount/remuneration against the installation of work on and above the discovered L1 rate for the identified package.
 - ii. If bidders are defaulting in submission of Bank Guarantee/ Required Relevant Documents during the bidding/ empanelment process.
 - iii. If bidders denied implementing projects in allocated districts/ regions/clusters etc.
 - iv. Non- performance of the RTS plant based on PR as mentioned in the clause No.9 of conditions of contract.
 - v. If bidders are failed to comply with DCR, ALMM and other mandatory requirements of Phase-II Guidelines and issued Amendments.
 - vi. Penalties may lead to the encashment of Partial/full Performance Bank Guarantee and subsequently debarring or blacklisting from the future State/Central Government Tender.
 - vii. To ensure the performance of the empaneled vendors, and declaration to take the liabilities of paying /submitting 5% CPG apart from other penal provisions of the tender in the event of non-performance of failure to fulfilment of contract obligations or terms and conditions of RFP required to be submitted on appropriate value of non-judicial stamp paper.

8. **Payment:-** The beneficiary/customer shall be solely responsible for financial transaction with the vendor for the net of CFA (Total cost – Admissible CFA) amount. The beneficiary/customer are advised to thoroughly check the documents/claims of the vendors and shall make only online payments wherever required. GESCOM in no way shall be responsible for disputes arising out of payments of agreements between vendor and the beneficiary as per clause 5.1 of Section-II of Bid Documents.

The net amount of project cost shall be paid by the concerned roof top owner to any of the empaneled vendors as per the following methodology:

- 20% payment in advance after signing of agreement.
- 20% payment after installation of structure.
- 20% payment after installation of SPV modules and inverters at site.
- 20% payment after completing plant installation (including net-metering) and submission of written inspection request to the implementing agency.
- Final 20% payment after commissioning of the plant and injection of power to the grid.

CFA

- The CFA shall be released by GESCOM, only after receipt of the same from MNRE.
- **The CFA shall be released to the Vendor only after the completion and successful commissioning of the Project(s) as per terms & conditions vide Clause No. 5 of Section-II.**
- The whole or part of the CFA shall be recovered from the Vendor's PBG or future Payments (to be released), in case of violation of any Terms & Conditions of MNRE/ GESCOM.

Note: The wastages and unused materials will be on your account and will not be considered for final payment.

9. **Contract Agreement:-** A contract agreement shall be executed with Chief Engineer Electy., (Operations), Corporate Office, GESCOM, Kalaburagi for contract price of **Rs.1,68,12,300/- (i.e.Rs.56041x300kWp) (Rupees One Crore Sixty Eight Lakhs Twelve Thousand & Three Hundred Only)** on a Rs.200/- stamp paper in the prescribed format within 15 days from this Letter of Intent as per Clause 1.14 of Definitions of Bid Documents.

10. **Contract Performance Guarantee:**

1st BG for SRTPV Installation & Commission: A Bank Guarantee at 5% of contract value issued by any Nationalized/Scheduled Public Sector banks for **Rs.8,40,615/- (Rupees Eight Lakhs Forty Thousand**

Six Hundred & Fifteen Only) towards contract performance guarantee, shall be valid upto **Sept-2023** for a period of **15 Months** as per Clause 10.5 Section-I of Bid Documents. The BG will be discharged without any interest after completion of empanelment period or 19.01.2024.

2nd BG for Operations & Maintenance: The bidder shall furnish the performance bank guarantee of **Rs.8,40,615/- or more** for O&M based on the installed capacity. The PBG shall be submitted within 30 days from the end of the empanelment period and be valid for 05 Year + 03 Months. Bidders should submit Single PBG based on the installed capacity. The Performance Bank Guarantee shall be released after completion of the O&M period with the compliance of entire obligations in the contract.

11. Detailed program of action plan along with Bar & Pert charts shall be furnished.
12. A penalty to an extent of 1% per day of EMD subject to maximum of Rs.10,000/- will be levied for delay in complying the following requirements beyond prescribed time from the date of issue of LOI.
 - a) Acceptance of LOI within - 07 Days.
 - b) Bank Guarantee - 15 Days.
 - c) Contract Agreement - 15 Days.
 - d) Price Breakup - 15 Days.
 - e) Pert & Bar Chart - 15 Days.
 - f) Quality assurance plan for the contract - 15 Days.
 - g) Pert & Bar Chart - 15 Days.
13. This LOI is subjected to all other terms and conditions of the tender documents.
14. Detailed award will be issued on submission Acceptance of LOI of Bank Guarantee and execution of contract agreement.

Yours faithfully

**Chief Engineer Electy.,
(Operations),
Corporate Office,
GESCOM, Kalaburagi.**

Copy to :-

1. The Chief Financial Officer, GESCOM, Kalaburagi.
2. The Chief Engineer Electy., O&M Zone, GESCOM, Kalaburagi/Ballari.
3. The Financial Advisor (IA), Corporate Office, GESCOM, Kalaburagi.
4. All the Superintending Engineer El., (O & M Circle) GESCOM.
5. All the Executive Engineer El., O&M Division, GESCOM.
6. Sr.P.S. to MD/D(T) to place before the Managing Director/Director (Technical), GESCOM for kind information.
MF/OC.

GULBARGA ELECTRICITY SUPPLY COMPANY LIMITED
(FORMAT FOR REFUND OF EMD)

Received from the GESCOM a sum of Rs. _____ in words
Rupees _____ towards refund of
Earnest Money / Tender Deposit / Security Deposit paid by me / us Srimathi / Sri /
M/s. _____ with my / our tender
quotation the work relating to GESCOM / _____

The original receipt No. _____ dated. _____ For
Rs. _____ is enclosed herewith / mislaid & if traced no second claim will be
preferred on the same account in future.

Contents Received.

(For Firm Seal & Sign)

(For Office use)

_____ amount deposited _____
on the _____ Refund as the work is completed satisfactorily as the disposed
of other wise as sufficient reserve has been held in the final bill passed and
Cheque issued vide C.A. Cheque No. _____ Dated _____ The amount
is outstanding in the deposit schedule from _____ For

The original receipt granted from this office has been received back cancelled &
filed in this office or is not received & necessary certificate from the consumer has been
obtained. Passed for payment of Rs. _____

CERTIFICATE:

1. Certificate that the amount claimed in this bill been entered as received in the
deposit schedule for the month of _____ vide item
No. _____
2. Certificate that the necessary entries have been made in het deposits schedule
of this office to void a second claim against GESCOM.
3. Certificate that the amount is outstanding against the company.

Asst. Accounts Officer
Corporate Office,
GESCOM, Gulbarga.

Account Officer
Corporate Office,
GESCOM, Gulbarga.

GULBARGA ELECTRICITY SUPPLY COMPANY LIMITED

(A Government of Karnataka Enterprise)

Phone No: 08472 256881
E-mail: gescomdsm@gmail.com



Corporate Office,
GESCOM, Kalaburagi,
Pin Code.585 102.

No.GESCOM/CEE(O)/EEE(DSM)/AEE/2022-23/ 13361-64

Date: 10 JUN 2022

**Proceedings of the Negotiation meeting held on 10.06.2022
at Corporate Office, GESCOM, Kalaburagi.**

Presided over by : **Sri. Heera Singh R**
Chief Engineer Electy.,
(Operations) GESCOM.

Members Present:

Sriyuths/Smt:

- | | | |
|-----------------|---|------------|
| 1) Shankar Adki | : | EEE (DSM). |
| 2) Savita | : | AEE (DSM). |

Invitees:

- 1) M/s.Solarth Pvt. Ltd., Bengaluru.

The Chief Engineer Electy., Corporate Office, GESCOM welcomed all the members for the negotiation meeting.

"SOURA GRUHA YOJANE (SGY)":

The tender was floated for the work of Empanelment of Vendors For Design, Supply, Installation, Testing & Commissioning of Solar RTPV Grid Connected Power Plants aggregating 3MWp on the Roof-tops of Residential/ RHS/RWA Buildings under Phase-II Scheme of MNRE in GESCOM jurisdictions (Covering 7 Districts i.e. Bidar, Kalaburagi, Yadgir, Raichur, Koppal, Ballari & Vijayanagara) including Annual Maintenance Contract for a period of 05 years- under "SOURA GRUHA YOJANE (SGY)". vide Bid Enq. No: GESCOM/CEE(O)/EEE(DSM)/AEE/AE/SRTPV-SGY/103/2021-22/49615-42 Dtd:25.02.2022.

- a) M/s. Solarth Pvt. Ltd., Bengaluru is the lone responsive single LI Bidder who has quoted the prices against the benchmark cost as below:

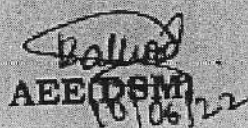
Sl. No.	Capacity Slabs	MNRE Benchmark Cost without GST (Rs./kWp) Base Value	Benchmark Cost with GST works out to (Rs./kWp)			Bidder Quoted Price	
			Material Cost (70% Base value +12% GST)	Labour Cost (30% Base value +18% GST)	Total Rs./kWp	Quoted Price (Rs./kWp) including GST	% (Excess) Over Benchmark Cost
			a	b	c=a+b		
1	1kWp	46923	36788	16611	53398	72720	36.18%
2	>1kWp to 2kWp	43140	33822	15272	49093	70360	43.32%
3	>2kWp to 3kWp	42020	32944	14875	47819	68590	43.44%
4	>3kWp to 10kWp	40991	32137	14511	46648	0	0
5	>10kWp to 100kWp	38236	29977	13536	43513	0	0
6	>100kWp to 500kWp	35886	28135	12704	40838	0	0

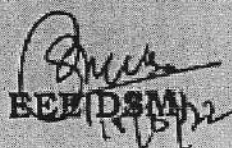
In this regard, the Chief Engineer Electy., (Operations) Corporate Office, GESCOM requested the firm for rate reduction. In response the firm has reduced the quoted price vide letter Dtd:10.06.2022 as below:

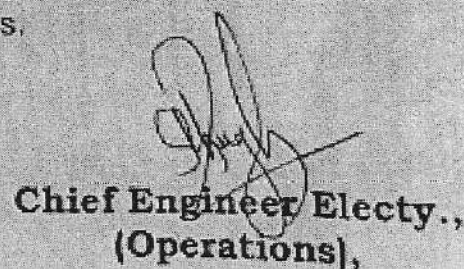
Sl. No.	Capacity Slabs	MNRE Benchmark Cost without GST (Rs./kWp) Base Value	Benchmark Cost with GST works out to (Rs./kWp)			Bidder Offered Price	
			Material Cost (70% Base value +12% GST)	Labour Cost (30% Base value +18% GST)	Total Rs./kWp	Offered Price (Rs./kWp) including GST	% (Excess) Over Benchmark Cost
			a	b	c=a+b		
1	1kWp	46923	36788	16611	53398	56041	4.95%
2	>1kWp to 2kWp	43140	33822	15272	49093	51523	4.95%
3	>2kWp to 3kWp	42020	32944	14875	47819	50185	4.95%
4	>3kWp to 10kWp	40991	32137	14511	46648	48956	4.95%
5	>10kWp to 100kWp	38236	29977	13536	43513	0	0
6	>100kWp to 500kWp	35886	28135	12704	40838	0	0

b) After detailed discussions it was decided to place the offered price given by the L1 bidder before Hon'ble Managing Director, GESCOM for kind directions.

The Meeting was concluded with vote of thanks.


AEE(DSM)
10/06/22


EEE(DSM)
10/06/22


Chief Engineer Electy.,
(Operations),