

CLARIFICATION TO AMENDMENT-II dated 18.09.2018

Some of the Prospective Bidders raised query regarding ambiguity in following clauses:

As per Sr. No. 08 [Clause No. 18.3, Page No. 37, Section-II (ITB) of RfS] of Amendment-II

In case of SPVs:

In case of Solar PV Power Plant, the successful Bidder, shall ensure that its shareholding in the SPV/ Project Company executing the PPA, shall not fall below 51% at any time prior to 01 (One) year from the commissioning of last Solar PV Power Plant of the entire allocated capacity or commissioning of entire obligated manufacturing capacity whichever is later, except with the prior approval of SECI.

In case of Manufacturing, the successful Bidder, shall ensure that its shareholding in the SPV/ Project Company executing the Manufacturing Contract, shall not fall below 50% at any time prior to 01 (One) year from the commissioning of last Solar PV Power Plant of the entire allocated capacity or commissioning of entire obligated manufacturing capacity whichever is later, except with the prior approval of SECI.

In the event the successful bidder is a consortium, then the combined shareholding of the consortium members in the SPV/ Project Company executing the PPA, shall not fall below 51% or 50% as the case may be at any time prior to 01 (One) year the commissioning of last Solar PV Power Plant of the entire allocated capacity or commissioning of entire obligated manufacturing capacity whichever is later, except with the prior approval of SECI. However, in case the Project is being set up by a listed Company, SECI reserves the right to take suitable action on case to case basis due to change in Controlling Shareholding.

The SPV should be registered as per Companies Act and shareholding pattern need to be finalized prior to execution of PPA/ Manufacturing Contract Agreement. The finalized Shareholding Pattern of the SPV will not be allowed to change till 01 (One) year from the commissioning of last Solar PV Power Plant of the entire allocated capacity or commissioning of entire obligated manufacturing capacity whichever is later, except with the prior approval of SECI.

As per Sr. No. 10 [Clause No. A.6, Page No. 48, Section-III (QR) of RfS] of Amendment-II

A Bidder which has been selected as Successful Bidder based on this RfS can also execute the Projects through Special Purpose Vehicle (SPV) i.e. Project Companies especially incorporated as a fully owned subsidiary Company (100% subsidiary) of the successful bidder for setting up of the Project which has to be registered under the Indian Companies Act, 2013, before signing of PPA. The Bidder can setup the Solar Manufacturing Plant through one SPV and can setup the Solar PV Power Plants through separate SPVs. In case the Bidder wishes to execute the Project through more than one SPV, the Bidder shall submit the EMD and PBGs for the entire Project. The Bidder shall undertake to comply with all obligations of the SPD under the RfS vide covering letter Format 7.1.

Clarification by SECI

It is hereby being clarified that, the Successful Bidder can use a SPV, which has to be its fully owned subsidiary (100%) for signing and execution of PPAs and Manufacturing Contract. Further Successful Bidder is allowed to dilute its shareholding in the SPV, such that its shareholding in the SPV does not fall below 51% (in case of Solar PV Power Plant SPV), and 50% (in case of Solar Manufacturing Plant SPV), at any time prior to 01 year from the date of commissioning.

This clarification is being issued based on the query raised by various prospective bidders and without prejudice to the RfS documents including its Amendments. The other clauses shall remain unchanged.