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KARNATAKA RENEWABLE ENERGY DEVELOPMENT LIMITED

(Government of Karnataka Undertaking)

Letter no.: KREDL/07/SG/RPO/860MW/RFP/F-533/2017-18/1150-52 Date: 08 Feb 2018

Letter of Award and Allotment Letter

To

Ekialde Solar Private Limited

Address: 4th floor, Rectangle One, D-4,
Centre, Saket, New Delhi, South Delhi
DL – 110017, India

Dear Sir/ Madam,

Subject: Letter of Award and Allotment Letter for "Development of 860 MW (AC) Solar Power Projects in the State of Karnataka to be implemented in 43 Taluka/ Constituency" Notification dated 07 December 2017 (as per the clause 3.4.6 of RFP)

We refer to your Bid in response to our Request for Proposal (RFP) for the "Development of 860 MW (AC) Solar Power Projects in the State of Karnataka to be implemented in 43 Taluks/ Constituency" (hereinafter shall be referred as "the Project").

We are pleased to inform you that your tariff submitted for the below mentioned project has been accepted and you have been declared as one of the Selected Bidders for the Project.

The details of the project are as below:

Sr. No.	Taluka/ Constituency	Proposed Technology	Capacity (in MW _{AC})	Tariff (in INR/kWh)	
				In figures	In words
1	Afzalpur	Solar Photovoltaic	20 MW _{AC}	3.14	Indian Rupees Three and Fourteen Paise Only

Please note that the acceptance of your Bid is subject to the following terms and conditions:

- Submission of Facilitation Fee to KREDL before execution of Draft PPA by the way of demand draft, for a total value of **INR 2000000 (Indian Rupees Twenty lakh Only)**, calculated as INR 1,00,000/- (Rupees One Lakh Only) per MW_{AC} plus GST at prevailing rate on the total value of Facilitation Fee in favour of the Managing Director, Karnataka Renewable Energy Development Limited (KREDL).

- b) In terms of the clause 2.1.17 of the RFP, you are required to set up a Special Purpose Vehicle (SPV)¹ duly incorporated under the Companies Act 1956/ 2013. The constitution of such company should comply with the conditions of the shareholder commitments mentioned in the RFP.
- c) You are required to execute the Draft Power Purchase Agreement (PPA) with Gulbarga Electricity Supply Company Limited (GESCOM) within 30 days (Thirty Days) from the date of this Letter of Award, as per clause 3.4.7 of the RFP.
- d) In terms of the RFP and Draft PPA, you are requested to furnish the following documents before the signing of Draft Power Purchase Agreement (PPA) as a pre-requisite to sign the Draft PPA with GESCOM.
- i. A copy of the Certificate of Incorporation of the SPV (as applicable)
 - ii. Details of the promoters and their shareholding in the SPV, duly certified by the Company Secretary in original. (as applicable)
 - iii. Performance Security, by the way of irrevocable Bank Guarantees for a total value of **INR 20000000 (Indian Rupees Two Crore Only)** calculated as INR 10,00,000/- (Rupees Ten Lakh Only) per MW_{AC} in the form and manner as per the provisions of Clause 3.9 (Performance Security) of the RFP, in favour of the Managing Director GESCOM, and shall be valid up to a period of Twelve (12) months from Scheduled Commissioning Date as per Draft PPA.
 - iv. The total value of the Performance Bank Guarantee (PBG) shall be split into three (3) Performance Bank Guarantees as detailed hereunder:
- | PBG I – 20% of the total value | PBG II – 40% of the total value | PBG III – 40% of the total value |
|---------------------------------------|--|---|
| 4000000 | 8000000 | 8000000 |
| Indian Rupees Forty lakh Only | Indian Rupees Eighty lakh Only | Indian Rupees Eighty lakh Only |
- v. No deviation certificate on the letter head of the Bidding Entity stating that the selected Bidder shall not be entitled to seek any deviation in the Draft PPA, as per ANNEX-X (No Deviation Certificate) of the RFP.
 - vi. Information on commitment on the energy generation in Million kWh (MU) for the Project and the maximum CUF as per the Clause 5.6 of the Draft PPA.

¹ Where the Bidder is a Single Business Entity, it may at its option, form an appropriate Special Purpose Vehicle under the Companies Act, 1956/ 2013 (the "SPV") to execute the Draft PPA and implement the Project. In case foreign company bids as a Single Business Entity, it shall, prior to execution of the Draft PPA, incorporate an appropriate "SPV" in India only to execute the Draft PPA and implement the Project. In case the Bidder is a Consortium, it shall, prior to execution of the Draft PPA, incorporate as per the terms of the RfP, an appropriate "SPV" in India only to execute the Draft PPA and implement the Project.

Handwritten signature

Kindly note, that this communication by itself does not create any right or contractual relationship with Karnataka Renewable Energy Development Limited (KREDL) or Gulbarga Electricity Supply Company Limited, any such right or relationship shall come into effect only on your fulfilling the above conditions and execution of the Power Purchase Agreement.

You are requested to acknowledge this LoA within **seven (7) Days from the date of LoA** and also requested to indicate a suitable date for execution of the Power Purchase Agreement within a maximum timeline of thirty (30) days from the date of this LOA.

Yours faithfully,



(G V Balam)
Managing Director

Copy to:

- 1. The Managing Director, GESCOM, for kind information and needful.**
- 2. The PS to Additional Chief Secretary to Government (Energy), Government of Karnataka, with a request to place it before the Additional Chief Secretary to Government (Energy), Government of Karnataka for kind perusal.**