

**JAMMU & KASHMIR
ENERGY DEVELOPMENT AGENCY
(JAKEDA)**



**Invitation for Empanelment of EPC Contractors
for
Execution of Small Hydro Power (SHP) Projects in the
State of Jammu & Kashmir in Engineering, Procurement
and Construction (EPC) mode**



**DOCUMENT FOR INVITATION FOR EMPANELMENT FOR EPC
CONTRACTORS**

FOR

**Execution of SHP Projects in the State of Jammu & Kashmir
in EPC mode**

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PART – I

INVITATION for EMPANELMENT OF EPC CONTRACTORS



JAMMU & KASHMIR ENERGY DEVELOPMENT AGENCY

SCIENCE AND TECHNOLOGY DEPARTMENT

Tawanai Ghar Bemina Srinagar/16-New Rehari, Jammu

INVITATION FOR EMPANELMENT

Notice No: *ST/EDA/SHP-RFQ/60-II/2017/1775*

Date: 23.04.2018

JAKEDA intends to empanel experienced, credible, resourceful, sound and competent parties for Development of Small Hydro Power Projects in the State of Jammu & Kashmir, India in the EPC mode. The empanelment shall be for an initial period of three years from the date of issuance of Letter of Empanelment to the successful parties. It has been decided that only the empanelled EPC Contractors in association with the Local Entities / Startups empanelled by JAKEDA, by offering such Local Entities/Startups an stake of at least 10%, will be allowed to participate in EPC bids of the specified projects which would be up for bidding. Such condition is not mandatory for the Applicants owned by J&K Residents, which are free to bid solo, or in Joint Venture or in Consortium with any local / non-local competent parties including Local Entities / Startups empanelled by JAKEDA.

The scope of EPC contract shall include Planning, Design & Engineering; Supply of Equipment & materials, Civil Construction, all necessary additional Investigations; Design, manufacturing, Supply, Installation, Testing & Commissioning of Hydro mechanical and Electro-Mechanical Equipment/Machinery leading to successful operation and performance of the Generating units including Operation & Maintenance of the Projects for a minimum period of 05 years from the date of successful commissioning of the project. After the completion of the mandatory O&M period of 05 years, the same can be extended by JAKEDA on mutually agreed terms and conditions. The cost of O&M beyond the period of 05 years shall be mutually negotiated; however the negotiated cost shall be within the normative ceiling of O&M Cost as per the applicable regulations of JKSERC. In case the EPC contractor is not willing to run the project for O&M beyond the mandatory period of 05 years, JAKEDA shall be at liberty to take over the projects for carrying out the O&M on its own or can assign the O&M to any other entity/party as per the requirement of the Agency.

The Invitation for Empanelment document shall be available for download from JAKEDA website <http://www.jakeda.jk.gov.in>



JAMMU & KASHMIR ENERGY DEVELOPMENT AGENCY

SCIENCE AND TECHNOLOGY DEPARTMENT

Tawanai Ghar, SDA Colony, Sgr./16-NEW REHARI, JAMMU

Part I

INVITATION FOR EMPANELMENT for EPC CONTRACTORS

1. Jammu & Kashmir Energy Development Agency (JAKEDA), under the administrative control of the Department of Science and Technology, J&K Govt, hereinafter referred to as “the Owner”, responsible for planning, design, construction, operation and maintenance of Hydro Power Projects intends to implement SHP Projects in the State of Jammu & Kashmir, India on EPC basis under the Prime Minister Development Package for Jammu & Kashmir for which it invites application for empanelment of the EPC Contractors.
2. JAKEDA through this document intends to empanel sound, capable and competent EPC Contractorshaving good track records to carry out Development of Small Hydro Power Projects as per the below mentioned scope of work.The empanelled parties will be free to participate in EPC bid of the projects bid out by JAKEDA as per their capacity/resource in terms of MWs as fixed by JAKEDA during empanelment process. This capacity shall be reviewed after every three years depending upon the experience/growth or otherwise of the empanelled party.
3. **Brief Scope of Work for EPC Contractors in partnerships with the Local Entities / Startups:**
 - i. Overall Planning, design and engineering of all civil structures of the project such as dam/weir, gated barrage, temporary nallah diversion arrangements, intake structure for project, desilting basin, head race tunnel (including outlet and water supply tunnel)/ water conveyance system, surge shaft, pressure shaft cum penstock, surface power house, switchyard, tail pool& tailrace channel river and other allied ancillary works;
 - ii. Execution of all civil works of the project;
 - iii. Design, manufacturing, transportation, supply, erection, testing and commissioning of electrochemical works such as turbine generator units, complete in all respects



- along with associated auxiliaries and ancillary equipment and switchyard with all equipment etc;
- iv. Design, manufacturing, transportation, supply, erection, testing & commissioning of Hydro-mechanical works such as gates of main barrage & under-sluice gates, stop log & service gates, intake gates, trash rack and trash rack cleaning machine (TRCM), silt flushing system with control valves or gates, draft tube gates, pressure shaft liner and penstock, other regulation and control gates/mechanism etc.
 - v. SCADA for operation of the Power house including water regulation structures and all main components of the project.
4. Empanelment is open to Entities /Consortium from any country. Participation of Foreign companies shall be as per Ministry of Home, GoI regulations.
 5. Applicants may download the Invitation for Empanelment Document from the website of JAKEDA i.e. <http://www.jakeda.jk.gov.in>. The Applicants who chose to download the document shall submit a Non Refundable Fee of Rs.20,000/- (Rupees Twenty Thousand Only) by way of Demand Draft in favour of “Jammu & Kashmir Energy Development Agency” payable at Srinagar (J & K), India, along with their response, on or before 1700Hrs. (IST) on 15.05.2018 (Deadline).
 6. The document can also be procured from the office of JAKEDA on payment of Non Refundable Fee of Rs.20, 000/- (or US \$350). The non-refundable fee is to be paid in the form of a Demand Draft in favour of “Jammu & Kashmir Energy Development Agency” payable at Srinagar (J & K), India. The applicant may collect the documents in person or through an authorised agent on all working days (except Sundays and holidays) from 23.04.2018 upto 15.05.2018 (During working Hours) between 10:00 Hrs. to 16:00 Hrs.
 7. Submission of Applications for EMPANELMENT must be received in sealed envelopes. The envelope must be clearly marked “Application for Empanelment of EPC contractors for **EXECUTION OF SMALL HYDRO ELECTRIC PROJECT ON EPC BASIS**” The envelope must be either delivered by hand or by registered post to the undersigned not later than 1700Hrs.(IST) on 15.05.2018 .The Applications shall be opened immediately thereafter.
 8. Empanelment shall be for the purpose of inclusion of EPC Contractor’s name in the Master EPC Contractor Data Base (MECDB) at JAKEDA Head office for Development of Small Hydro Power Projects in the State of Jammu & Kashmir, India. JAKEDA reserves its right to short list EPC Contractors from the MECDB for regular issue of inquiries.
 9. Any application received after deadline for submission of application shall be returned unopened to the applicant. Any application received without the requisite Non-



refundable Fee of Rs.20, 000/- (Rupees Twenty Thousand Only) shall be liable for rejection.

10. Issuance of document will not construe that such applicants are automatically considered qualified. Only qualified Companies/Consortium will be invited to Bidding the next stage i.e. RFP. JAKEDA reserves the right to reject any or all applications without assigning any reasons thereof.
11. Upon the completion of the process of empanelment, JAKEDA will publish a list of Empanelled parties on its website.
12. Successful empanelment by JAKEDA is not a guarantee of any award or inclusion in a particular tender.
13. Once the initial qualification process has been completed and the successful Contractors are registered, the database is subjected to annual review. Any allowable re-application will be considered in the next annual review and successful EPC Contractors will be registered and the database updated.
14. Any corrigendum/modification to empanelment documents shall be available on website only and the Applicants are advised to visit the site regularly before deadline for submission of Application.
15. The Empanelled EPC Contractors shall form a Tie-up / Joint Venture / Consortium with the Local Entities / Startups empanelled by JAKEDA through a separate process for the purpose of participating in EPC bid of the specified projects. Such a tie up is not mandatory for the Applicants owned by J&K Residents which are free to bid solo or in Joint Venture or in Consortium with any local / non-local competent parties including Local Entities / Startups empanelled by JAKEDA.

For and on behalf of JAKEDA.

Chief Executive Officer,

Jammu & Kashmir Energy Development Agency

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PART – II
INSTRUCTION TO APPLICANTS



1. Background

Jammu & Kashmir Energy Development Agency (JAKEDA) is the nodal agency in Jammu & Kashmir for promoting the use of renewable energy sources. JAKEDA was set up in the year 1989 under the administrative control of the Department of Science & Technology, Govt. of J&K.

JAKEDA invites EPC contractors to implement various micro/mini/small hydro power projects in the state.

2. Empanelled EPC Contractors to form Joint Venture / Tie-up / Consortium with eligible Local Entities / Startups (Empanelled through separate process) for the purpose of bidding for EPC Works of SHP Projects

Jammu & Kashmir is blessed with abundance of hydro energy potential of about 20,000 MW, however only about 15% of this potential has been harnessed so far, most of which is mainly through Medium & Large Hydroelectric Projects. The total identified potential of Small Hydel Projects (upto 25 MW) in the State is about 1500 MW which by no means is exhaustive. As new sites are being identified, this potential keeps on increasing. The estimated hydro power potential available from the SHP sector in the state upto 10 MWs capacity projects is roughly about 1000 MW.

Despite huge hydro potential, the state is strangely quite deficient in so far as the availability of local competent / resourceful parties to execute / develop the SHP projects is concerned as there has been no substantial development of the SHP sector in State particularly in the last 10-15 years. The State is therefore mainly reliant on non-local companies / contractors for the development / construction and even for routine maintenance of SHP Projects. This is not desirable as the development of infrastructure projects and availability of local resource normally go hand in hand. The State of Jammu & Kashmir somehow has lagged behind in this natural developmental cycle.

In this background it is opportune for the State to take advantage of the ambitious program of “Startup India” launched by GoI in order to build a strong eco-system for nurturing innovation and Startups in the country that will drive sustainable economic growth and generate large scale employment opportunities. An Action plan in order to fructify the initiatives has also been rolled out by the Government in January 2016. In order to meet the objectives of this initiative, the Government of Jammu & Kashmir aims to promote entrepreneurship among the people of the state by involving them in the development of Small Hydro Electric Plants. This would promote entrepreneurship and create an ecosystem for the growth of the local small scale companies and would enable them to participate on their own in future projects.



3. Qualification Criteria

- 3.1 The EMPANELMENT will be subject to Applicant's fulfilment of the Qualification Criteria set and stipulated hereunder, substantiated by authentic and relevant information and details. Additional information in support of their claims of achievements may be furnished in any form of their device and design.
- 3.2 The Applicant may be a Single Entity or a Consortium of Entities engaged in EPC of hydroelectric projects. In case of consortium, one of the partners has to be nominated as "Lead Partner" and the consortium partners shall have to submit a joint declaration confirming their intention for getting empanelled.
- 3.3 The Applicant should have experience and proven track record in EPC contractor of hydroelectric projects. The Applicant shall have experience and proven track record in construction of the above stated with responsibility for Planning, Design & Engineering, Civil, Hydro-mechanical and Electro-Mechanical works of the type, magnitude and nature similar to the items listed in Item 4 and should have financial capacity as listed in Item 5 hereunder. Only such experienced and capable contractors may apply for empanelment.
- 3.4 The Applicant shall not be blacklisted by any government agency. The company shall be incorporated under Company Act 2013. The Applicant shall also have to demonstrate that it is not a chronic litigant by sharing its litigation history with the client.
- 3.5 The EMPANELMENT will be based on Applicant fulfilling criteria set forth hereunder at the minimum:

4. TECHNICAL CRITERIA

The Applicant should have undertaken, in a period of 15 (fifteen) Years immediately preceding the deadline of submission of response to this document, the following:



- 4.1 The Applicant/s should have construction experience, as a Sole Contractor or as a Partner of JV (with at least 26% share) in any of the areas given below:

Executing entire EPC Contract of similar nature i.e. Construction of Hydro Electric Power project for at least 1 (one) project with a capacity of at least 3 (three) MW or at least 2 (two) projects with a capacity of at least 2 (two) MW each or at least 3 (three) projects with a capacity of at least 1 (one) MW each;

OR

Executing construction works of similar nature in Water Resource/Irrigation/ River Valley or Hydro Electric Power Projects, with a value of at least INR 25 Cr. (INR Twenty Five Crore) from a single project;

OR

Executing other Infrastructure Projects with an aggregate value of INR 50 Cr. (INR Fifty Crore), out of which at least INR 30 Cr. (INR Thirty Crore) shall be from a single work .

- 4.2 The Applicant is required to submit the Copies of Work / Contract Orders and Completion Certificates on the Letterhead of the issuing authority and duly signed & stamped by the designated official of the issuing authority in support of the works executed as stated above. In cases where the completion certificates are not available, the applicant may produce evidence of substantial completion of the project. Substantial completion shall mean completion of at least 80% of the contract value.
- 4.3 In case of a Consortium / JV the aforementioned Technical Criteria shall be entirely met by ONE of the Members of the Consortium and the said Member shall have at least 26% stake in the Consortium/JV.



¹ As defined by Reserve Bank of India vide circular 2012-13/297 dated Nov 20th 2012, 2013-14/378 dated Nov 25th 2013 and 2013-14/429 Jan 6th 2014

5. FINANCIAL CRITERIA

5.1 Annual Turnover

Annual turnover, of the sole Applicant/Consortium, from EPC Business in ANY of the preceding 5 (five) Financial Years (i.e. FY13, FY14, FY 15, FY 16 and FY 17) shall be a minimum of INR 10 Cr.

5.2 Profitability

Each member of Consortium should have earned net profit (before taxes) for at least 3 (three) Financial Years out of preceding 5 (Five) Financial Years (i.e. FY13, FY14, FY 15, FY 16 and FY 17). However, if losses are reported in 2 Financial Years, it should not be in the two consecutive Financial Years prior to the due date for submission of Applications.

5.3 Net worth

The Net Worth of each member of the Consortium should be positive and not less than the amount of its Equity capital including Share premium in three (3) out of preceding 5 (five) Financial Years (i.e. FY13, FY14, FY 15, FY 16 and FY 17). The net worth shall be calculated as Net Tangible assets less all liabilities.

5.4 Working Capital

The Applicant's Working Capital in ANY of the preceding 5 (five) Financial Years (i.e. FY 13, FY 14, FY 15, FY 16 and FY 17) shall be a minimum of INR 3.0 Cr. The Applicants shall provide an undertaking that they shall submit, along with their technical bid at the RFP stage, an unconditional and irrevocable commitment of financing from their bankers.

If the application for empanelment is submitted by a Consortium / Joint Venture, the Turnover and Working Capital requirement, as specified in Clause 5.2 and 5.4, respectively shall be met by each Member in Consortium / Joint Venture in the proportion of their share in Consortium.



Note: The Applicant's financial evaluation vis-à-vis the requirement stipulated above shall be done on the basis of the duly audited financial statements (Balance Sheets, Profit & Loss Accounts etc.) for the immediately preceding five(5) Financial Years (i.e. FY13, FY14, FY 15, FY 16 and FY 17), to be submitted by the Applicant.

In case of the Applicants whose Audited Annual Accounts for FY 18 are available, the same may be considered for assessment of the Financial Criteria for such Applicants. In such case the five (5) Financial Years will be considered as FY 14 to FY 18.

6. Eligible Capacity

The intent of this process is to empanel the EPC contractors, for a capacity (in MW), they would be eligible to execute the contracts for. In all the cases where applicants meet the Technical Criteria, computation of such eligible capacity, would be based on the minimum of following:

- (a) A capacity (in MW) calculated on the basis of Annual Turnover considering INR 1.0 Cr for each MW.
- (b) A capacity (in MW) calculated on the basis of Working Capital considering INR 0.30 Cr for each MW.

Illustration: Eligible capacity of the applicant, who has met all the Technical Criteria and has the Annual Turnover and Working Capital (as ascertained in clause 5) of INR 50 Cr. and INR 12Cr. respectively, shall be determined as under:

- i. Maximum allowable Capacity based on the Annual Turnover – 50 MW (INR 50 Cr. / INR 1.0 Cr.)
- ii. Maximum allowable Capacity based on Working Capital – 40 MW (INR 12 Cr. / INR 0.30 Cr.)

Consequently the Eligible Capacity would be minimum of the two i.e. 40 MW.

7. Existing Empanelled EPC Contractors

While JAKEDA intends to invite bids for the empanelment from the new bidders. However, existing EPC Contractors who have been empanelled through Notice No. ST/EDA/SHP-RFQ/60/2017/2701 dated 17th August 2017 have an option to submit the document for revision in their Eligible Capacity. However non-submission of the document by the existing players would keep their empanelment at the Eligible Capacity as per Notice No.



ST/EDA/SHP-RFQ/60/2017/2701 dated 17th August 2017. The Last date of submission by the Existing Players shall be 15.05.2018

8. Litigations

- (a) The Current litigation information may be submitted by the applicants to enable the client to make an informed opinion about the applicant's capability and track record. The applicant including each partner of Joint- Venture/ Consortium should provide complete information and present status on any history of litigation/arbitration resulting from contracts executed in last ten years and/or currently under execution.
- (b) The applicant including its each partner of Joint- Venture/ Consortium should not be involved in any major litigation that may have an impact of affecting or compromising the delivery of services.
- (c) The applicant who have been blacklisted/ debarred by Government of India or any Department / undertaking thereof or any national/ international multilateral infrastructure financing/ funding institution like ADB, World Bank etc shall not be eligible to participate in case the debarment is in force and effective on the last date of submission. In case the applicant has been debarred by any of the above authority after the submission date and such debarment is in force and effective on the date of empanelment, the applicant shall be deemed to be disqualified for empanelment without incurring any liability towards the applicant.

9. Corrupt & Fraudulent Practices.

JAKEDA requires that Contractors and Suppliers observe the highest standard of ethics during the procurement and execution of the contracts. In pursuance of this policy, JAKEDA:

- (a) Defines, for the purposes of this provision, the terms set forth below as follows:
 - (i) "Corrupt-practice" means the offering, giving, receiving or soliciting of anything of value to influence the action of a public official in the procurement process or in contract execution; and
 - (ii) "Fraudulent practice" means a misrepresentation of facts in order to influence a procurement process or the execution of a contract to the detriment of JAKEDA, and includes collusive practice among Applicants (prior to or after bid submission) designed to establish bid prices at artificial non- competitive levels and to deprive JAKEDA of the benefits of free and open competition;



- (b) will reject a proposal for award if it determines that the Applicants recommended forward has engaged in corrupt or fraudulent practices in competing for the contract in question;
- (c) will declare a firm ineligible, either in definitely or for a stated period of time, to be awarded a contract if it at any time determines that the firm has engaged in corrupt or fraudulent practices in competing for or in executing a contract of JAKEDA.

10. Dispute Resolution:-

In the event of a dispute, disagreement or difference (a "Dispute"), arising out of or relating to the Agreement between the Parties, the following provisions shall apply:

- (a) In case of a Dispute, both the Parties will attempt in good faith, negotiate and, use their best endeavors at all times to resolve the Dispute mutually. If Disputes cannot be settled mutually, they shall be first adjudicated by a Dispute Adjudication Committee (DAC). JAKEDA and the Contractor shall appoint the DAC comprising of three (3) eminent engineers /contract specialists within twenty (20) working days of receipt of written notice from either Party stating the material particulars of the Dispute. Each Party shall nominate one representative of the DAC. The JAKEDA and the Contractor shall mutually agree upon and appoint the 3rd member who shall act as chairman of DAC. In case agreement is not reached on the third nominee same shall be appointed by the Administrative Secretary with the approval of the Hon'ble Minister.
- (b) Either Party shall give to the DAC a written notice setting out the material particulars of the Disputes and requiring DAC to meet personally at Srinagar/Jammu or at any other mutually agreed place. The DAC shall give speaking and reasoned award within sixty (60) working days of the date of receipt of such notice by the DAC strictly in accordance with the terms and conditions of the Agreement.
- (c) Neither Party will approach the Arbitral Tribunal prior to issuance of the award by the DAC.
- (d) Each Party shall bear the costs for appointment of its member in title in DAC. The terms of remuneration of the Chairman DAC shall be mutually agreed upon by the Parties and both the Parties shall pay one half of the agreed remuneration of the Chairman DAC.
- (e) If any of the party or both parties do not accept the award of the DAC, the dispute resolution will be referred to the Minister Incharge of the concerned Department for resolution whose judgement will be final and binding on both parties.