

Government of India
Ministry of Power

Shram Shakti Bhawan, New Delhi

Dated: March 16, 2016

To

All Bidders

Re: Tender Document for PSDF Support to Stranded gas based plants (Phase III) bearing Tender Document No. 4/2/2016-Th-I dated March 1, 2016 ("**SGP Tender Document**").

1. We refer to the financial bid under the SGP Tender Document, which was carried out by way of an e-auction on March 15, 2016. Within approximately 27 seconds of the initiation of the e-auction process, the financial bids at Rs. 0.00/- (Rupees zero only) per Unit were received from the Bidders and within the approximately next 8 minutes, the available e-bid RLNG (7.12 MMSCMD) was provisionally allocated to the Bidders by the electronic system. As per Clause 3.4.6 (a) of the SGP Tender Document, wherein it is stated that the Per Unit PSDF Support should be greater than or equal to Rs. 0.00/- (Rupees zero only) per Unit and therefore, the system did not have an option for bidding below Rs. 0.00/- (Rupees zero only) per Unit. Therefore, the Bidders did not get an opportunity to bid below Rs. 0.00 (Rupees zero only) per Unit, as there was no option for the same and thus, were prevented to better their bid by bidding below Rs. 0.00 (Rupees zero only) per Unit. In light of this, the Nodal Authority is of the opinion that the sufficient competition was not generated on account of Clause 3.4.6 (a) of the SGP Tender Document. However, in the SGP Tender Document, under Clause 5.7.4, the 'Negative Revised Per Unit Support' was contemplated and permissible in certain scenarios. Therefore, in light of the fact that the Bidders were not provided an opportunity to bid below of Rs. 0.00/- (Rupees zero only) per Unit, the sufficient competition might not have been generated and it may be possible to generate further competition amongst the Bidders.
2. Further, the Nodal Authority has annulled the tender process under the Tender Document for PSDF Support to gas based plants receiving domestic gas (Phase III) bearing Tender Document No. 4/3/2016-Th-I dated March 1, 2016 ("**DGP Tender Document**") for insufficiency of Technically Qualified Bidders. Therefore, the 'Available e-bid RLNG' earmarked under the DGP Tender Document, will be used for the tender process under the SGP Tender Document.

3. Therefore, in light of the aforesaid, the Nodal Authority is invoking its power under Clause 3.5 read with Clauses 3.8.3, 3.9.5 and 5.10 of the SGP Tender Document, and under approval from and pursuant to decisions taken by the Empowered Pool Management Committee, it is hereby notified to all the Bidders under the SGP Tender Document that:
- (i) The financial bid received by the Nodal Authority under the SGP Tender Document shall hereby stand cancelled.
 - (ii) Various criteria and other provisions of the SGP Tender Document shall stand modified as per the Corrigendum cum Addendum no. 4 to the SGP Tender Document, which is attached hereto.
 - (iii) The Technical Bid Due Date shall stand extended as per as per the timelines set out in the Corrigendum cum Addendum no. 4 and the financial bid shall be conducted afresh under the SGP Tender Document.
 - (iv) All the Bidders of the Eligible Gas Based Plants shall be eligible to file the technical bid under the SGP Tender Document as per the new timelines being notified under the Corrigendum cum Addendum no. 4.
 - (v) All Bidders who have already filed various documents for the technical bid are not required to file fresh documents and the existing documents including the Bid Security shall be sufficient for the same. Unless the said Bidders withdraw their technical bid, the said Bidders shall be deemed to have acknowledged and agreed to the provisions of this Notification and the Corrigendum cum Addendum no. 4.
 - (vi) Any of the Bidders who have already filed various documents for the earlier technical bid, may also withdraw their bid by intimation in writing to the Nodal Authority as per the timelines set out in the Corrigendum cum Addendum No. 4.
 - (vii) The Bidders shall be free to bid for Per Unit PSDF Support in the financial bid in negative numbers.
4. The Bidders are requested to take note of the aforesaid.

Nodal Authority
Ministry of Power