

CORRIGENDUM No. 01

(EOI No: EOI/VL/1800/JSG/AUG/2018)

The following are corrigendum for the above mentioned Expression Of Interest:

7. INITIAL PRICE OFFER (IPO) :

The Bidder shall quote the Initial Price Offer (in Rs./kWh) at which it is prepared to deliver the energy at the delivery point. The price should be on the following basis:

- The delivery point shall be Vedanta Limited's CPP-1800 ex-bus connected to 400 kV OPTCL network of Odisha-STU.
- The rate of offered power (in Rs./kWh) should be quoted at the delivery point (i.e. VL ex-bus) and should be limited to 3 (three) decimal points. The Price/rate quoted should be on FIRM basis only and there shall be no change during the contractual period. The source of supply of power and trading margin is also required to be mentioned separately.
- Successful bidder(s) shall be applying for the Short term open access booking as per the latest open access Regulations/Guidelines in vogue. The successful bidder(s) shall be responsible for the delivery of power at VL ex-bus periphery.
- The transmission charges (POC Injection & Withdrawal charges), transmission losses (POC Injection & Withdrawal losses), Odisha STU Charges & Losses, RLDC/SLDC charges, application/concurrence charges or any other charges covered under Open Access Regulations notified by Central/Odisha Electricity Regulatory Commission (CERC/OERC) and the procedure for Open Access stipulated by the Central/State Transmission Utility (CTU/STU) (as amended up to date) for supply of energy up to the delivery point shall be borne by the Seller/bidder, if applicable.
- VL shall in no way be liable for any other charges up to delivery point except for the charges of energy delivered at delivery point on the basis of the REA/SEA data of ERPC/Odisha SLDC as per the latest open access regulations applicable. However, Cross Subsidy Surcharges, if any shall be borne by VL.
- Bidders shall offer only Round-the-Clock (0000–2400 Hrs.) powers to VL.

- If the offer is conditional / with any deviation to the mentioned terms, VL reserves the right to accept or reject the same without assigning any reason.

9. E – REVERSE AUCTION :

- After analyzing the bids received in IPO stage, VL may decide to perform Reverse Auction of the bids. The shortlisted Bidders after elimination will be intimated in advance individually by emails only.
- The Reverse auction shall continue for a period of 120 minutes. Provided that during the last 10 (ten) minutes before the scheduled close time of e-Reverse auction, if a price bid is received which is lower than the lowest prevailing price bid recorded in the system during e-Reverse auction, the close time of e-Reverse auction will be automatically extended by 10 (ten) minutes from the time of the last price bid received. This process of auto extension will continue till there is a period of 10 (ten) minutes during which no price bid are received which is lower than the prevailing lowest price bid.
- During the Reverse Auction, the shortlisted Bidders will have the option of reducing the tariff quoted by them in decrements of 1 (One) paisa or multiples thereof and to increase the quantum quoted by them by 10 MW or multiples thereof.
- During the Reverse Auction the prevailing Lowest Tariff would be visible to all the Bidders.
- The Bidders will have the option to increase the quantum of power up to the value corresponding to the EMD submitted along with IPO, but can decrease the Tariff during the e-Reverse Auction process without any capping.

10. OPEN ACCESS:

- Booking of Transmission Corridors: The successful bidder(s) shall apply for booking of the open access transmission corridor to nodal RLDC. They shall be fully responsible for the timely filing of open access application before the nodal RLDC and coordinating with the relevant RLDC / SLDC so as to get the timely consent & booking of the open access corridor. The energy shall be scheduled and dispatched as per the

relevant provisions of CERC/OERC regulations for Short term open access and Procedure for reservation of Transmission Capacity for Short Term open access customers (Inclusive of all the amendments till date).

- The successful bidder(s) shall apply for booking of advance reservation in such a manner so as to get the maximum quantum from the shortest route. It is therefore required from the bidder(s) to apply in STOA for the period of supply of power to VL.
- Refunds in case of Revision: In case VL surrenders the already booked Open Access corridor, VL shall bear the Open Access Charges, to be deducted by ERLDC for such surrender of booked corridor as per the prevailing open access regulations. The open access charges as payable by VL shall be reimbursed to the successful bidder(s) within 7 days of the receipt of the bill raised by bidder(s) if any. In case, the transmission corridor booked on advance reservation basis, is surrendered/cancelled by the trader/seller, then all the transmission charges shall be borne by Trader/Seller.

17. COMPENSATION FOR DEFAULT IN SCHEDULING:

- It is mandatory on the part of the successful bidder(s) to apply for corridor for each and every month of the contract period through STOA for the corresponding applicable period. In case, the successful bidder(s) fails to timely apply for corridor, compensation shall be levied on the full contracted quantum.
- The successful bidder(s) shall ensure that actual scheduling does not deviate by more than 15% (Fifteen Percent) of the contracted power as per the approved open access on monthly basis.
- In case, deviation from the successful bidder(s) is more than 15% of contracted energy for which open access has been allocated on monthly basis, the successful bidder(s) shall pay compensation @ Re.1.00/kWh or the differential ex-bus tariff for the power arranged from any alternate source, whichever is higher, for the quantum of shortfall in excess of permitted deviation of 15% while continuing to pay open access charges as per the contract.
- In case, deviation from VL side is more than 15% of contracted energy for which open access has been allocated on monthly basis, VL shall pay compensation to the successful bidder(s) at Re.1.00/kWh for the

quantum of shortfall in excess of permitted deviation of 15% and pay for the open access charges to the full extent revised by VL.

- The compensation shall be calculated based on the energy supplied at the delivery point.
- The indicated percentage limitation of quantum is only to meet any technical problems due to poor PLF or due to shortage of fuel or due to some forced outage in the transmission line and not for utilizing the balance quantum for sales with 3rd parties. If it is found that the successful bidder(s) indulge in such practices, such quantum of energy sold shall carry compensation of Rs.10.00/kWh (Rupees Ten per unit). However, this will not be applicable when VL directs the successful bidder(s) to reduce the scheduling and such quantum reduced can be sold after getting the concurrence of VL.

Annexure D

Format of the unconditional and Irrevocable Bank Guarantee for EMD

(To be on Non- Judicial stamp Paper of appropriate value as per stamp Act relevant to place of execution)

BANK GUARANTEE FOR EMD

To:

XXXXX,
XXXXX

In consideration of _____ (Insert Name of Bidder) submitting the Bid inter alia for supply of power on short/Medium term basis for the period _____(Insert Date) to _____, (Insert Date) through tariff based Competitive Bidding Process in response to the Tender specification _____ issued by _____ (herein after referred to as “Procurer”) agreeing to consider the bid of _____ (Insert Name of Bidder) as per the terms of the bid document and the _____ (Insert Name of Bank) a Banking company registered under the Companies Act 1956 and having its licensee to carry out Banking Business under the Banking Regulation Act 1949 at having the registered office at _____ (Insert the address of the Bank) (hereafter referred to as Guarantor Bank) hereby agrees unequivocally, irrevocably and unconditionally to pay to - _____(Insert Name of “Procurer”) or its authorized representative forthwith on demand in writing from _____(Insert Name of Bidder) or any representative authorized by it in this behalf an amount not exceeding Rupees _____, on behalf of _____(Insert Name of Bidder)

This guarantee shall be valid and binding on Guarantor Bank up to and including 60 days (sixty days) from the last date of submission of bids i.e. up to _____ and shall not be terminable by notice or any change in the constitution of the Bank or by any other reasons whatsoever and our liability hereunder shall not be impaired or discharged by any extension of time or variations or alternations

made, given, or agreed with or without our knowledge or consent, by or between concerned parties.

Our liability under this Guarantee is restricted to Rupees. _____ (Insert Amount). Our Guarantee shall remain in force until _____ (Insert date). The procurer shall entitle to invoke this guarantee until _____ (Insert date).

The Guarantor Bank hereby expressly agrees that it shall not require any proof in addition to the written demand by the Procurer or authorized representative, made in any format, raised at the above mentioned address of the Guarantor Bank, in order to make the said payment to the Procurer or authorized representative.

The Guarantor Bank shall make payment hereunder on first demand without restriction or conditions and notwithstanding any objection, disputes or disparities by the Bidder or any other person. The Guarantor Bank shall not require the Procurer or its authorized representative to justify the invocation of this BANK GUARANTEE, nor shall the Guarantor Bank have any recourse against the Procurer or its authorized representative in respect of any payment made hereunder.

This BANK GUARANTEE shall be interpreted in accordance with the laws of India and the courts at Mumbai (Maharashtra) shall have exclusive jurisdiction.

The Guarantor Bank represents that this BANK GUARANTEE has been established in such form and with such content that it is fully enforceable in accordance with its terms as against the Guarantor Bank in the manner provided herein.

This BANK GUARANTEE shall not be affected in any manner by reason of merger, amalgamation, restructuring or any other change in the constitution of the Guarantor Bank.

This BANK GUARANTEE shall be a primary obligation of the Guarantor Bank and accordingly the Procurer or its authorized representative shall not be obliged before enforcing this BANK GUARANTEE to take any action in any court or arbitral proceedings against Bidder, to take any claim against or any demand on Bidder or to give any notice to the Bidder to enforce any security held by the Procurer or its authorized representative or to exercise, levy or enforce any distress, diligence or other process against the Bidder.

The Guarantor Bank acknowledges that this BANK GUARANTEE is not personal to the Procurer or its authorized representative and may be assigned, in whole or in part, (whether absolutely or by way of security) by Procurer to any entity to whom the Procurer is entitled to assign its rights and obligations under the RFP documents.

The Guarantor Bank hereby agrees and acknowledges that the Procurer or its authorized representative shall have a right to invoke this Bank Guarantee either in part or in full, as it may deem fit.

“Notwithstanding anything contained herein:

1. Our liability under this Bank Guarantee shall not exceed Rs. _____(Insert Amount)
2. This Bank Guarantee shall be valid up to _____(Insert Date) and
3. We are liable to pay the guaranteed amount or any part thereof under this Bank Guarantee only if the Procurer” or its authorized representative serves upon us a written claim or demand on or before _____(Insert Date).

In witness whereof the Bank, through its authorized officer, has set its hand and stamp on this _____(Insert Date) at _____(Insert Address).

Witness

1. _____

Signature

Name and Address

2. _____

Designation with Bank

Stamp Name and Address

For:

_____(insert Name of Bank)

Banker’s stamp and full address

Annexure E

Format of the unconditional and Irrevocable Bank Guarantee for CPG

(To be on Non- Judicial stamp Paper of appropriate value as per stamp Act relevant to place of execution)

BANK GUARANTEE FOR CPG

Bank Guarantee No. _____

Dated _____

This deed of guarantee is made on this _____ day of _____ between Vedanta Limited-Aluminium & Power a Company incorporated and registered under the Companies Act, 1956 having its Registered Office at : Vedanta limited, 1st floor, 'C' wing, Unit 103, corporate avenue, Atul projects, Chakala, Andheri(East), Mumbai – 400093, Maharashtra, India. and having its, plant at Village - Bhurkamunda, Jharsuguda – 768 202 , Orissa , INDIA (hereinafter referred to as “Purchaser” which expression shall unless excluded by or repugnant to the context include its successors and assigns) of the one part and the _____ [Name of Bank] operating through its branch at _____ (hereinafter referred to as “Bank” which expression shall unless excluded by or repugnant to the context include its successors and assigns) of the other part.

Whereas the Purchaser has entered into Contract No. _____ dated _____ (hereinafter referred to as the “Agreement”) for _____ [Description of Equipment] at a Contract Price of _____ with M/s. _____ having its Registered office at _____ (hereinafter called the “Supplier” which expression unless repugnant to the subject or context include its successors and assigns). The Agreement provides that the Supplier shall furnish a Bank Guarantee to the extent of Rs. _____ (Rupees _____) being _____% of the Value of the Agreement as security for satisfactory working of the Equipment as per the Agreement.

And whereas at the request of the Supplier, the Bank hereby agrees and covenants with the Purchaser as follows:

1. The Bank hereby irrevocably and unconditionally guarantees to the Purchaser that the Equipment contracted is capable of performing the work as agreed in the Agreement. In the event of Equipment failing to perform to the satisfaction of the Purchaser, which shall be final and conclusive of the factum of non-performance, the Bank shall indemnify and keep the Purchaser indemnified to the extent of Rs. (Rupees) against any loss or damage that may be caused to or suffered by the Purchaser consequent to non-performance of the contacted Equipment supplied by the Supplier, without any reference to the supplier and irrespective of the fact whether the Supplier admits or denies such claim.

2. The Bank further agrees, that the Purchaser shall be the sole judge as to whether the Supplier has failed to abide by the terms of said Agreement or has failed to perform the said Agreement in any respect, or the whole or part of the payment made by the Purchaser has become re-payable. Any demand made on the Bank by the Purchaser shall be conclusive and binding upon the Bank.

3. The Bank shall pay forthwith the amount demanded by the Purchaser notwithstanding any dispute, if any, between the Purchaser and the Supplier. The Bank further undertakes to pay the Purchaser any amount claimed under this Guarantee, notwithstanding any suit proceeding before any Court or Tribunal, the liability of Bank under this Guarantee being absolute and unequivocal.

4. This Guarantee shall not be affected by any change in constitution of the Supplier, the Purchaser or the Bank nor shall it be affected by any change in constitution or by any amalgamation or absorption or reconstruction thereof.

5. The Bank further agrees that the Purchaser shall have the fullest liberty without affecting in any way obligation of the Bank hereunder, with or without consent or knowledge of the Bank to vary any of the terms and conditions of the said Agreement. The Bank shall not be relieved from its liability by reason of any such variation or any indulgence or forbearance shown or any act or omission on the part of the Purchaser or by any such matter or thing whatsoever under the law relating to sureties would but for this provision have the effect of so relieving the Bank.

6. It shall not be necessary for Purchaser to proceed against the Supplier or give notice to the Supplier, before proceeding against the Bank and the Guarantee herein contained shall be enforceable against the Bank, notwithstanding any security which Purchaser may have obtained or obtain from the Supplier at any time or when proceeding taken against the Bank, hereunder, be outstanding or realised. The Bank further agrees, that in order to give full effect to the guarantee herein contained the Purchaser shall be entitled to act as if the Bank were principal debtors of the Purchaser in respect of claim against the Supplier hereby guaranteed by the Bank as aforesaid and the Bank hereby expressly waive its rights of suretyship and other rights if any which are in any way inconsistent with the above or any other provision of this Guarantee.
7. The Bank further agrees that this Guarantee shall not be revoked by the Bank at any time during its currency without previous consent in writing of the Purchaser accompanied by Original Bank Guarantee. The Bank further agrees to not to entertain any request/representation from the Supplier for revoking this bank Guarantee and/or not making payment to the Purchaser for any reasons whatsoever.
8. Any demand made under this bank guarantee shall be conclusive final and binding on the bank without any further proof as regards the non-compliance with the terms and conditions contained in the Agreement.
9. Any notice by request, demand or otherwise may be sent by post, courier or any other means to the Bank at any of its addresses mentioned above. Any Certificate by an officer of the Purchaser that the envelope was so posted shall be conclusive and sufficient to prove that the envelope containing notice was posted/served on the bank within the validity period of guarantee.
10. The Bank further agrees that any legal action or proceedings arising out of this Guarantee shall be brought in the courts or tribunals at Jharsuguda in India and irrevocably submit themselves to the jurisdiction of such courts and tribunals.
11. Notwithstanding anything contained herein before, the liability of the Bank under this guarantee is restricted to Rs _____(Rupees _____) and shall remain in force up to _____ unless a claim under the Guarantee is filed against the Bank on or before _____90 days beyond the expiry date of the Guarantee)[Thus if the Guarantee is valid up 1st April, 2006 the claim lodging period shall be upto 30th June, 2006] and expires in full automatically, irrespective of whether the Guarantee is returned to the Bank or not.