



GUIDELINES

FOR PRIVATE INVESTORS

FOR

PARTICIPATION IN SMALL

HYDRO PROGRAMME

(UPTO 5.00 MW)

IN

HIMACHAL PRADESH

INDEX

Sr. No.	Description	Page
1	Copy of advertisement	3
2	General Instructions to Private Investors	6-17
3	List of Identified Projects (Annexure-I)	18
4	Requirements/guidelines for self identified projects (Annexure-II)	19
5	Evaluation Criteria (Annexure-III)	20-24
6	Application format (Annexure-IV)	25-28

**GOVERNMENT OF HIMACHAL PRADESH
DEPARTMENT OF NES**

No. Himurja/SHP/Advt/2019-

Dated:

(INVITATION TO PRIVATE INVESTORS FOR EXPLOITING SMALL HYDRO POTENTIAL IN THE STATE)

Himachal Pradesh Government invites proposals from Private Investors for setting up Small Hydro Electric Projects upto 5.00MW capacity for 11 identified Project sites. The proposals are also invited for self identified Projects upto 5.00 MW capacity. The Private Investors will have to execute the project from beginning till commissioning including preparation of feasibility report, survey & investigation and preparation of DPR.

Details of the 11 Identified Small Hydro Electric Projects, application format and guidelines can be obtained from the office of the Director Himurja, SDA Complex, Kasumpti Shimla-9, from 26.9.2019 to **25.11.2019** against payment of application fee of Rs 10,000/- only (Rs. Ten Thousand) (non refundable) to be paid in the shape of Demand Draft in favour of "Director Himurja" payable at Shimla. The guidelines and application format can also be obtained from Himurja website: www.himurja.hp.gov.in. In such case the application fee of Rs.10, 000/- only is to be deposited with the application in the shape of Demand Draft payable at Shimla. The applications should be submitted **on or before 25.11.2019 upto 5 PM.**

The applicants have also to furnish Earnest Money Deposit (EMD) @ Rs 50,000/- per MW (Refundable in case of unsuccessful applicants and to be adjusted against security deposit in case of successful applicant) with the application in shape of Demand Draft in favour of Director Himurja payable at Shimla. The applications shall be submitted in sealed cover duly superscribed "**APPLICATION FOR ALLOTMENT OF IDENTIFIED/ SELF IDENTIFIED SMALL HYDRO ELECTRIC PROJECT**". Applications not submitted on the prescribed format or not accompanied with application fee and EMD shall not be accepted and shall be rejected outrightly.

IMPORTANT:

- 1 Small Hydro Electric Projects upto 2.00 MW capacity are exclusively reserved for Himachalis.
- 2 If the IPP is interested to apply for more than one project, separate application alongwith requisite application fee & EMD is to be submitted.
- 3 The Government of Himachal Pradesh reserves the right to reject any or all the applications without assigning any reasons.
- 4 The IPPs are advised to visit the sites before putting in application(s) for identified as well as self identified projects to ensure that the site does not clash with already allotted/identified or under investigation schemes of Himurja/Directorate of Energy/HPSEB Ltd./ by any other Government Agency. It will be the responsibility of the applicant to check with the record of concerned agency before putting in an application. In case of subsequent discovery of any overlap or duplication, the application will be rejected and application fee will not be refunded.
- 5 **No applications/proposals will be entertained on Tirthan River & its tributaries in Kullu district and on major rivers: Ravi, Satluj, Yamuna, Chanderbha & Beas.**

Chief Executive Officer,
Himurja, 8-A, SDA Complex
Kasumpti-SHimla-171009
[Tel:0177-2620365/2621783](tel:0177-2620365/2621783)

Principal Secretary (NES) to the
Government of Himachal Pradesh
Shimla-171002

Why - Small Hydro Power?

- ◆ Reliable, eco-friendly, mature and proven technology.

- ◆ More suited for the sensitive mountain ecology.

- ◆ Can be exploited wherever sufficient water flows - along small streams, medium to small rivers.

- ◆ Does not involve setting up of large dams or problems of deforestation, submergence or rehabilitation.

- ◆ Non-polluting entails no waste or production of toxic gases, environment friendly.

- ◆ Small capital investment and short gestation period.

- ◆ Minimal transmission losses.

- ◆ With careful planning and adoption of simplified and standardized designs, SHP installations are becoming increasingly competitive with thermal, diesel or gas based power generation.

HIMACHAL BECKONS YOU!

- Small Hydro Power potential of projects upto 5.00MW capacity is more than 2000 MW in H. P.
- An attractive package of incentives.
- Overwhelming response in the previous phases.
- Ever increasing demand of power in North India.
- Easy access by road/train/air.
- Escort service by HIMURJA.
- Well developed road network within the State and easy accessibility to the sites.
- Peaceful industrial climate - Excellent rapport between workforce and industry. A cooperative labour pool/workforce.
- A salubrious climate.
- Well knit communication network with FAX/ STD/ISD facilities available in all corners of the State
- An extensive network of high/medium/low tension lines enabling easy connectivity to grid.

GENERAL INSTRUCTIONS TO THE PRIVATE INVESTORS

1. The applicants are advised to go through the guidelines and evaluation criteria before filling the application form.
 2. An Index should be placed immediately before the application format indicating sequence of the documents attached with the proposal.
 3. Proposal file should be page numbered and its binding should be properly done. The applicant should ensure that the pages are duly stamped and signed by the authorized person.
 4. Resolution of board of directors regarding authorized signatory be put immediately after application format.
 5. Following details of company/Directors & promoters of the company are to be furnished with the proposal.
 - (i) MOA & CIN
 - (ii) DIN in present & all other companies.
 - (iii) PAN in case of individual.
- (In case there is change in share holding of the company, certified copy of Registrar of Companies/Firms is to be attached with the MOA indicating latest share holding, failing which share holding of the original share holders in MOA will be considered for evaluation purpose).**
6. Partnership Firm should be duly registered.
 7. Evaluation shall be done strictly as per the terms and conditions given in the evaluation criteria and based on the documents attached with the proposal. No negotiation shall be done with the applicants after submission of the proposal.
 8. Technical capability shall not be considered for evaluation.
 9. Proposal shall be submitted in sealed envelope and all the proposals will be opened after the last date for submission of the proposals. No preference on "First Come" basis shall be given.
 10. Himachali applicant should specifically mention the name of Panchayat, district against the relevant column in the application format alongwith proof thereof.
 11. The requisite Certificates are to be submitted with the proposal otherwise preferential marks of Local Panchayat, Local District and to Himachalis shall not be awarded.
 12. Telephone number of the authorized signatory should be mentioned in application form. Authenticated proof of registered office of the applicant is to be furnished with the application.

13. Application fee/pre Processing fee and EMD are to be submitted in shape of DD only, otherwise the proposal shall not be accepted.
14. Net Worth should be got calculated from the competent authority i.e. approved valuar. Self evaluated property shall not be considered. The authenticated documents on the basis of which Net Worth has been calculated should also be attached with the proposal.
15. Separate proposal is to be submitted for each project accompanied with requisite fee and all required documents.
16. No separate letter will be sent to the unsuccessful applicant about rejection of his application. Only the list of successful applicants shall be displayed on Himurja website.
17. For submitting applications against self identified projects, applicants are advised to read carefully the instructions & other related terms & conditions as stipulated under **Annexure-II**.
18. Representation against rejection of application shall be made by the unsuccessful applicant to the Government/Himurja within 30 days of rejection, thereafter no request shall be entertained at all.
19. **No applications will be entertained for projects on Major Rivers namely: Beas, Satluj, Chandra Bhaga (Chenab), Yamuna and Ravi and also on Tirthan river & its tributaries in Kullu district.**
20. The application shall be submitted in sealed cover, superscribed "Application for allotment of Himurja identified Hydro Electric Project /Self identified Project."(Delete whichever is not applicable).
21. The applicant should mention complete postal address including PIN code and also mention Mail ID in the application.
22. An undertaking indicating the share holding of each promoter(s) in other already allotted projects is to be attached with the application.
23. Application duly filled in alongwith requisite documents and EMD is to be submitted in the office of the Director Himurja SDA complex Kasumpti Shimla-9, on or before 25.11.2019 upto 5 P.M. In case the last date of receipt of applications happen to be holiday the application shall be received till next working day.
24. **The Government of Himachal Pradesh reserves the right to reject any or all the applications without assigning any reasons.**

Contact Address-

Project Director-cum- Deputy Chief Executive Officer,
Himurja (H.P.Govt. Energy Development Agency)
Block 8 A, SDA Complex Kasumpti Shimla-171009.
Phone-0177-2621783.

SMALL HYDRO DEVELOPMENT PROGRAMME IN HIMACHAL PRADESH

A. PRIVATE SECTOR PARTICIPATION

The State Government has taken several initiatives to encourage private sector participation in small hydro power development. Himachal Pradesh is among the few States, which has streamlined and is continuously refining the various procedures/processes to minimize the bottlenecks.

The process of exploitation of hydel potential in small hydro sector through private sector participation began during 1995-96. Since then, the allotment of project sites has been a continuous process. Till 31st August, 2019, 800 Small hydro Electric Projects (ranging 100 KW upto 5.00MW capacity) with an aggregate capacity of 1740.50 MW have been allotted. Out of these 84 projects with an aggregate capacity of 312.45 MW have been commissioned. In State Sector Himurja has commissioned 10 Projects of total capacity 2.37 MW in remote and Tribal Areas. 3 project of an aggregate capacity 14.50 MW are being developed on BOT basis.

B. INVITATION TO PRIVATE INVESTORS FOR EXPLOITING SMALL HYDRO POTENTIAL IN THE STATE :

Projects upto 5.00MW are handled by HIMURJA in following modes:-

- a) Projects Identified by HIMURJA (refer detail at **Annexure-I**)
- b) Projects Identified by the IPPs designated as self identified projects (Refer requirement & Guidelines at **Annexure-II**).

Important:

- i) *The Small Hydro Electric Projects upto 2.00 MW capacity are exclusively reserved for bonafide Himachalis. The Co-operative Societies, Companies, Voluntary Societies, Trusts, Partnership concerns and Sole Proprietorship concerns comprising wholly of bonafide Himachalis will be eligible for allotment in this category. While allotting projects above 2.00 MW and upto 5.00 MW, preference will be given to the bonafide Himachalis and this including Co-operative Societies, Companies, Voluntary Societies/Trusts, Partnership concerns; Sole Proprietorship concerns comprising wholly of bonafide Himachalis. If there is more than one Himachali applicant then preference shall be accorded to applicants from the relevant area and district by way of providing additional/preferential marks.*
- ii) Not more than 3 projects shall be allotted for implementation to an IPP.

PROJECTS NOW BEING OFFERED FOR PRIVATE SECTOR PARTICIPATION

The H.P. Government offers projects sites with potential upto 5.00 MW capacity for private sector participation. The details are available at **Annexure-I** with this brochure.

C. GUIDELINES FOR PRIVATE INVESTORS:

- l) Any Private Investor whether Himachalis or outsiders such as Private Ltd. Company/Public Ltd. Company/Public Sector Undertakings/Partnership concern/Sole Proprietary and Cooperative Societies/Voluntary societies/trusts comprising wholly of bonafide Himachalis is eligible to apply for the allotment of these Small Hydel Projects.

- II) The applications for the identified projects/self identified projects shall be received after advertisements issued by Government/HIMURJA in Giriraj and in leading Newspapers. Applications shall be scrutinized by HIMURJA and approved by the Government.
- III) As the some of the potential sites appearing at Sr. No 1,2,3,4, 6, 8 & 9 of Annexure-I, have been identified on the basis of preliminary reconnaissance only, the interested Private Investors should, in their own interest, visit the potential sites, (which are essentially the rivulets/streams on which the small hydro Projects can be developed), for verifying various Project related parameters viz. discharge, head, water availability, habitation etc. Himurja can not be held responsible for any kind of variation. They shall also ensure that the Project components do not fall in the wild life sanctuaries, national parks, eco protection zones etc. and also do not interfere / overlap with the existing/ ongoing proposed Hydel Projects of Directorate of Energy, H.P. Govt Undertakings such as HPSEBL, HPPCL, Himurja, Government of India undertakings and Private Investors, before submitting their offers on the prescribed format. Detailed Project Reports, even some of the clearances, stand obtained in respect of the projects appearing at Sr. No 5,7,10 & 11 of Annexure-I. In case the projects are allotted, the allottee will have to bear the cost of DPR and other expenditure incurred, if any, as per actual.
- IV) The application shall be accepted on the prescribed format and should have accompanied with the application fee & requisite documents. The application shall include along with the application the information regarding, name of the stream/nallah, estimated capacity, assessed head and assessed design discharge, layout sketch of the Project which should show the elevations of the main components of the Project, names of the Projects already allotted upstream/downstream of the proposed site, if any etc. Application with the same name as that of the Project already allotted upstream/ downstream has to be avoided. The Joint inspection, in case of self identified projects shall be carried out to ascertain the overlapping, if any, with the existing Projects.
- V) If IPP is interested to apply for more than one Project, separate application for each Project shall be submitted along with application fee.
- VI) The application must be complete in all respects, supported with the requisite documents accompanied with an application fee (Non refundable) of Rs. 10,000/- (Rs ten thousands only) and EMD @ Rs.50,000/- only (fifty thousand only) per MW. EMD is refundable in case of unsuccessful applicant and in case of successful applicant the same will be adjusted against the security deposit. The application fees and EMD shall be furnished by the applicant in the shape of a demand draft in favour of "Director HIMURJA" payable at Shimla. The application form is appended as Annex-IV. Financial appraisal of the application shall be done on the basis of "Net Worth" of the applicant. **No interest shall be paid on the EMD to be refunded or adjusted against security.**
- VII) (a) For the projects upto 2.00MW capacity reserved for Himachalis, the applicant should have Network of Rs. 40.00 lakhs (Forty lakhs) per MW to become eligible for further processing of their application, failing which the proposal shall be rejected outrightly. Whereas for the projects above 2.00 MW upto 5.00 MW Net Worth of Rs.60.00 lakhs (Rs. Sixty lakhs only) per MW shall be required by Himachali applicant to become eligible.
- (b) For Non Himachali Network of Rs 200 lakhs (two hundred lakhs only) per MW shall be required to become eligible for further processing the application, failing which the proposal shall be rejected outrightly.

(After qualifying the eligibility criteria mentioned in point VII a & b above, further assessment of marks shall be done as per the formula given in the evaluation criteria appended as **Annexure-III**)

- VIII) If the project is approved for allotment to a particular applicant, consent letter for exclusive time bound right for preparation of Detailed Project Report (DPR) for the Small Hydro Electric project shall be issued.
- IX) Subsequent to issuance of the consent letter, the IPP shall fulfill the following pre requisite criteria:

1. FR FINALIZATION :

The IPP shall submit a comprehensive Feasibility Report (FR) to Himurja prepared by a reputed consultant within six months of issuance of this letter. Feasibility Report (FR) shall be based on actual Survey & Investigation containing site detail, hydrological data, location of project components, power studies for capacity determination, land requirements, layout plan, single line diagram, E & M equipment specifications and cost analysis etc. Extension of three (3) months subject to payment of extension fee @ Rs 10,000/- per MW per month is allowable. If the IPP fails to submit Feasibility Report within extended period project is liable to be cancelled or further extension in this period will be granted (with or without extension fee) only on valid grounds for delay as specified in the hydro power policy 2006 and subsequent amendments from time to time.

IPP will have to deposit security, processing fee, upfront premium based on the allotted capacity within two months from the date of issuance of the consent letter otherwise Govt. can withdraw the consent letter and forfeit the EMD.

2. SECURITY (REFUNDABLE):

The Security charges shall be based on the capacity allotted. EMD @ Rs.50,000/- per MW furnished by the successful applicant while submission of application, will be adjusted against the security charges, If the IPP does not furnish the requisite documents such as FR, upfront premium and post allotment processing fee etc as prescribed in the consent letter in time, the consent letter will be withdrawn and amount of the EMD will be forfeited.

In case TC is accorded the above security will be refunded after signing of Implementation Agreement.

3. PROCESSING FEE (NON-REFUNDABLE):

Furnishing of the Processing Fee (non-refundable) in shape of Demand Draft in favour of "Director, HIMURJA" payable at Shimla. The processing fee for Sole Proprietary, Cooperative societies/Voluntary Societies/Trusts/Partnership Concerns all comprising of the bonafide Himachalis shall be Rs. 25,000/- upto 2.00 MW and beyond 2.00 MW upto 5 MW @ Rs.25,000/- + Rs.10,000/- per MW (for the capacity exceeding 2.00 MW). For others i.e. Non- Himachalis the processing fee shall be Rs. 2.00 lac per Project.

If an IPP enhances the capacity of the allotted Project after Techno Economic Clearance/TC/ signing of IA then the IPP shall be required to furnish the processing fee afresh at the rate specified above.

4.(a) UP-FRONT PREMIUM (NON REFUNDABLE):

Up-front premium (non refundable), in shape of demand draft shall be charged as per Hydro Power Policy 2006 read with subsequent amendments notified from time to time. Presently upfront premium is charged at following rates:

- i) Upto 2.00 MW upfront premium is exempted.
- ii) Above 2.00 MW upto 5.00 MW up-front premium will be @ Rs 90,000/per MW to be charged in two stages i.e. @ Rs. 45000/- per MW at the time of allotment of the project to be deposited within two months from the date of issuance of consent letter and @ Rs 45000/- per MW at the time of signing of the IA.

(b) If after enhancement of capacity, the capacity of the project remains upto 5.00 MW the IPP shall have to pay upfront premium @ Rs 90,000/- per MW on whole capacity.

5. The IPP or his agents shall carry out the requisite detailed investigations and techno economic studies of the Project and shall submit a Detailed Project Report to HIMURJA within a period of 24 months from the date of issuance of the consent letter.

6. The IPP shall submit monthly discharge data and quarterly overall progress reports to Himurja on the prescribed format.'

7. Following milestones shall be binding on the IPP:-

Sr. No.	Milestones	Time Period
1	Feasibility Report Submission	Within six months from the date of Consent Letter before preparation of DPR. Extension of 3 months allowable subject to payment of extension fee @ Rs. 10,000/- per MW per month.
2	Feasibility Report Approval	Himurja will approve the Feasibility Report within two months from its submission.
3	Obtaining of all clearances/approval/consent	Within 24 months from the date of Allotment.
4	Submission of Detailed Project Report (DPR) .	Within 24 months from the date of issuance of Consent Letter. For the projects in Lahaul & Spiti and Pangri area of Chamba district within 36 months. Extension in time period upto 3 months will be allowed subject to payment of extension fee @ Rs. 10,000/- per MW per month.

5	Grant of Technical Concurrence and concurrent action.	Technical Concurrence shall be accorded by Directorate of Energy (DoE), on behalf of the Government within 45 days from the date of submission of DPR to DOE.
6	Confirmation of Interconnection Point	Two months after the approval of FR, the IPP shall apply to the appropriate authority (Distribution/Transmission Licensee) for finalization/confirmation of interconnection point.
7	Signing of IA	Within 15 days of Technical Concurrence.
8	Achieving Financial closure including PPA if required and work started. Concurrent action: Any balance clearances, consent/approval to be obtained.	Within six (6) months after signing of IA. For the projects in Lahaul & Spiti and Pangri area of Chamba district within 12 months after signing of IA.
9	Project Commissioning	Within 24 months from the date start of work. For projects in Lahaul & Spiti district & Pangri valley of Chamba district within 48 months from the date of start of work. Extension in time period upto 6 months will be allowed subject to payment of extension fee @ Rs. 10,000/- per MW per month.

- 8 The IPP shall stick to the time schedule for the investigation of the project and submission of the FR and DPR. In the event of the IPP being unable to submit the FR and DPR within the stipulated period as mentioned in clause 7 above, the IPP can seek extension for the delay for valid reasons within one month alongwith extension fee and maximum extension shall be as mentioned in clause No 7 above. Non submission of DPR within the extended period will result into cancellation of the project or further extension in this period will be granted (with or without extension fee) only on valid grounds for delay as specified in the hydro power policy 2006 and subsequent amendments from time to time.

Where applicable, the extension fee/ charges will be levied @Rs.10, 000/= per MW per month

9. Detailed Project Report submission date shall be reckoned only after it has been found that the report is in conformity with CEA/ CWC guidelines and within allotted/approved elevations & stream. The reports and studies shall be prepared by reputed consultants who have experience of handling the complete task of geological & hydrological investigation, construction, erection, commissioning and operation of hydroelectric projects.

10. HIMURJA, on receipt of Detailed Project Report (DPR), will scrutinize the DPR from the angle of parameters as per FR (Feasibility Report) and related aspects of the project as well as optimum utilization of the potential. After its scrutiny the HIMURJA will forward the DPR to Director of Energy for accordancy of Technical Concurrence. During examination of DPR HIMURJA/Director of Energy, may point out the defects and deficiencies affecting the Technical Concurrence. IPP is expected to make good the defects promptly and remove the defects or deficiencies, as pointed out by the HIMURJA/ Director of Energy, within three months from the dispatch of the communication. The IPP will obtain Techno Concurrence (TC) from Director of Energy., within 45 days from the date of submission of DPR. Extension in this period will be granted only on valid grounds for delay as specified in the hydro power policy 2006 and subsequent amendments from time to time.
11. If the performance of the consent or of any obligation of IPP is prevented, restricted or interfered with for any reasons of; fire, explosion, epidemic, cyclone, earthquake, flood, unforeseen natural calamity, war, revolution, requirement of any Government or any sub-division, authority or representative of any such Government; or any other act whatsoever, whether similar or dissimilar to those enumerated, beyond the reasonable control of the party hereto; the party so affected upon giving prompt notice to other party shall be excused from such performance to the extent of such prevention, restriction of interference for the period it persists provided that the party so affected shall make its best efforts to avoid or remove causes of non- performance, if possible, and shall continue performance hereunder with the utmost dispatch whenever such causes are removed. If the force majeure such as war, civil war, riots, revolutions, fires, floods, epidemics, earthquakes, cloudbursts, landslides and excessive snow persists for continuous period of the consent letter or more, the parties shall meet and decide about the further course of action.
12. In case the IPP does not find the Project to be feasible from techno economic considerations or from any other aspect, the IPP shall hand over to the HIMURJA all the Project Reports and any other connected documents etc. as may have been collected and/or prepared by the IPP during the course of investigations alongwith physical possession of the project site.
13. The Government after having concluded that the Project is techno economically viable may enter into an Implementation Agreement within 15 days of accordancy of TC. IPP will give request for signing of IA for execution of the project and will deposit requisite charges for signing of IA. If the IPP fails to sign IA within this period, letter of consent will be withdrawn. However extension in this period will be granted only on valid grounds for delay as specified in the hydro power policy 2006 and subsequent amendments from time to time. Where applicable, the extension fee/ charges will be levied @Rs.10, 000/- per MW per month.
14. The IPP shall set up its office within State of Himachal Pradesh after signing of Implementation Agreement and furnish the proof thereof to Himurja.
15. The IPP will obtain the following clearances/NOCs/approvals within 24 months from the date of allotment. Remaining NOCs/Clearances, if any, will be obtained within 6 months from the date of signing of Implementation Agreement before starting the construction activities:
 - a) Non-statutory/statutory clearances listed below:-
 - (i) NOCs from the departments viz; PW, I&PH, Wild Life, Fisheries and Revenue.
 - (ii) NOC from Gram Panchayat.
 - (iii) FRA Certificate.

The IPP shall submit the proposal to the concerned Deputy Commissioner for obtaining approvals/NOCs from different departments including Gram Panchayat. Deputy Commissioner shall forward the same to concerned departments within seven days. Deputy Commissioner shall convene a meeting of all concerned departments on the basis of reports and ensure issuance of required approvals/NOCs within 30 days period in the form of single window clearances.

- (iv) Forest Land Clearance
 - (v) Private Land Transfer (Permission under Section 118)
 - (vi) PCB
 - (vii) Essentiality Certificate: Above mentioned NOCs/clearances shall not be required for issuing EC. EC should be only for maximum quantum of land required for the purpose at project site without mentioning Khasra Number because actual forest land and lease land at site will be decided by forest and Revenue Departments based on ceiling under EC
- b) Finalize Power Purchase/Wheeling Agreement(s).
 - c) Such other clearances as may be specified by the Government subsequent to allotment/signing of Implementation Agreement.

Further extension in time period for obtaining the above clearances/commencement of construction activities (achieving zero date for commencement of construction activities) shall be granted with or without extension fee only on valid grounds for delay as specified in the hydro power policy 2006 and subsequent amendments from time to time, provided that the IPP has applied for the respective Clearances/NOCs, Lease of Government land complete in all respects within the stipulated time frame corresponding to respective milestones.

Where applicable extension fee/charges will be levied at the @ rate Rs. 10,000/- per MW per month.

Single joint committee will clear all aspects of projects for statutory clearances.

For transfer of Forest /Govt. Land, Private Land acquisition and PCB clearances concerned departments will accept the request of the power producer on the basis of approved feasibility Report (FR).

16. Self attested copies of NOCs obtained from different Departments shall be submitted to the HIMURJA. The IPP is required to furnish an affidavit, on Rs. 50/- stamp paper duly notarized, to the effect that "all the conditions in the NOCs obtained from the different Departments and Gram Panchayat shall be abided by them, in case an IA is signed with the IPP later on."
17. The IPP will acknowledge receipt of consent letter within one month and furnish affidavits, security charges, processing fee, upfront premium within two months from the date of issue of consent letter. In case, IPP's confirmation is not received or security, processing fee and other relevant essential documents are, not deposited by the due date it shall be presumed that IPP is not interested in taking up the project and consent shall be withdrawn.

18. ROYALTY:

In the event Implementation Agreement is signed by the IPP with the H.P. Government for execution of the project, the IPP shall provide the royalty on water usages in shape of free power royalty (Energy) as per the following rates or the rates applicable as per policy of the State Govt. at the time of signing of Implementation Agreement.

The Free Power Royalty for all the new hydro projects to be allotted in future under Private Sector shall be levied as per the provisions contained in the National Hydro Power Policy i.e levy of royalty in the shape of free power will be at uniform rate of 12% for the entire agreement period.

The IPP shall provide an additional 1% (one percent) free power over and above the rates mentioned above, for Local Area Development Fund (LADF) aimed at providing regular stream of revenue for income generation and welfare schemes, creation of additional infrastructure and common facilities etc. on a sustained and continued basis over the life of the project. This fund would be available in the form of an annuity over the entire life of the project.

19. The balance energy, after adjustment of free energy, may be used/sold by the IPP in the following manner :-

- (a) **Balance energy shall be made available by the IPP at the interconnection point to the HPSEBL, wherein HPSEBL will mandatorily purchase the entire power generated from the projects upto 5.00 MW capacity at the HPERC determined tariff.**

Solid tap connectivity at the nearest 11 kV or 22 kV line upto 2 MW capacity generation capacity will be allowed, with appropriate protection.

No wheeling/transmission charges shall be payable for free energy from the generating station to the interconnection point.

- (b) Make captive use within the State or evacuate power for captive use or third party sale outside the State.

Wheeling for captive use within the State shall be allowed by HPSEB at a fee determined based on the regulations notified by HP Electricity Regulators from time to time.

For sale/captive use of power outside the State the HPSEB shall levy wheeling charges prevailing from time to time as per regulations of HPERC applicable at that(including system losses) of the energy received (excluding royalty) at the interconnection point for wheeling/transfer of power up to the mutually agreed inter-state point.

No open access charges for the use of interstate transmission network shall be payable by hydro projects having capacity upto 5 MW.

20. **TRANSFER OF PROJECT TO SUBSIDIARY GENERATING COMPANY/DILUTION OF SHARES.**

Non Himachali to Non Himachalis:

The Government may consider the request of the allottee company for change in name/dilution of shares of original allottee company subject to the condition that the Original allottee shall retain the controlling interest i.e. 49% equity in the new entity upto 2 years after actual commissioning of the project and thereafter allowed to freely sell/divest the project.

Non Himachalis to Himachalis:

Non Himachali allottee can sell/divest 100% equity shares to Himachalis at any stage after allotment. In the event of any contravention, the Government of H.P. shall terminate the IA forthwith at any stage.

From Himachali to Himachali promoters:-

In case of bonafide Himachalis /Co-operative Societies/Companies/Voluntary Societies /Trust/Partnership concerns/Sole Proprietorship concerns comprising wholly of bonafide Himachalis to whom project upto 2.00 MW and above 2.00 MW to 5.00 MW capacity is allotted, the Government may consider the request of the promoters to transfer ownership wholly or partially to any other bonafide Himachalis / Co-operative Societies/Companies/Voluntary Societies/Trust/Partnership concerns/Sole Proprietorship concerns comprising wholly of bonafide Himachalis, at any stage after allotment.

From Himachali to Non-Himachali promoters:-

In case of bonafide Himachalis to whom Projects upto 2.00 MW capacity are allotted, the Government may consider the request of promoters to sell/transfer 49% equity shares to Non-Himachalis at any stage after allotment of projects and full disinvestment after two years of commissioning.

In case of bonafide Himachalis to whom Projects above 2.00 to 5.00 MW capacity are allotted, the Government may consider the request of promoters to sell/transfer 51% equity shares to Non-Himachalis at any stage after allotment of projects and full disinvestment after two years of commissioning.

In lieu of allowing sell/transfer of equity shares upto 49 % of projects upto 2.00 MW capacity from Himachali promoters to Non-Himachali and to sell/transfer equity shares upto 51 % of Projects above 2.00 MW to 5.00 MW capacity from Himachali to Non-Himachali, a fee shall be charged at the uniform rate of Rs. 25,000/per MW, to be deposited at the time of signing of Tripartite Agreement for transfer of Project in the name of new entity.

21. Alongwith the acceptance letter of the consent, the IPP shall also furnish an affidavit on a stamp paper of Rs.50/-only (duly notarized) to the effect that "not more than three projects (including this project) are under execution with the allottee company/firm and the promoters of the company /firm".
22. Other conditions of Hydro Power Policy 2006 read with amendments to the same notified from time to time shall be applicable to the developer/IPP which shall also be mentioned as, "that the Hydro Power Policy, 2006 alongwith amendments from time to time shall be abided by him during the occupancy of the project", in the affidavit to be submitted under point no. 21 above as second point.
23. HIMURJA/ H.P. Government shall provide necessary assistance in obtaining clearances at State level.
24. The incentives/concessions offered by the MNRE/Himachal Pradesh Government would be applicable as notified from time to time.

25. Escort Service shall be provided by HIMURJA.
26. Consent letter will be issued in lieu of MOU and no separate MOU shall be signed by the government.
27. If the private land of any person /farmers are acquired for the purpose of setting up of power/ other projects in the State and concerned beneficiaries claim/ opt for exchange of Govt. Land instead of money compensation and if the exchange of Govt. Land is approved by the Government on availability of land the cost of Govt. Land will be paid/ recovered from the concerned firm /executive agency of the project.
- 28. Note:-**
- (1) The DPR shall clearly bring out the percentage potential utilization of the site and it would be preferable if the DPR demonstrates that the proposal shall lead to more than 75 % of the potential utilization of the site in a 75% dependable year.
- (2) Capacity firmed up in the DPR shall be treated as final for according TC and signing of IA subject to approval from Govt. in case of enhancement.
29. The projects up to capacity of 10.00 MW (in this case upto 5.00MW) for captive use of power for existing industries or for new industrial units within the State of Himachal Pradesh shall be allocated without competitive bidding after assessing the capabilities of the applicant company on MOU route on the similar terms and conditions as per the prevailing Hydro Power Policy for allotment and in accordance with the power requirement of the industrial units already setup or to be set up subject to fulfillment of all the legal, regulatory and procedural requirements.

In case of default of any of the time frame and/or conditions of the consent letter, the Government shall be at liberty to withdraw the consent and forfeit the security and the project can thereafter be granted to other suitable party.

ANNEXURE-I**LIST OF PROJETS IDENTIFIED BY HIMURJA**

Sr. No.	Name of Project	Capacity in MW	Tentative Elevations in mtrs		Stream/River Basin	River Basin	Toposheet Reference
			± WS	TR			
District Shimla							
1	Nati Hydel Project	2.20	1590	1390	Nati/Tons/Yamuna		53-F/9,
2	Machhad-I	3.00	1307	1160	Machhada/Satluj		53 E/11
3	Basari	4.00	1760	1565	Basari/Giri		53-F/5
4	Basari-I	2.80	2000	1770	Basari/Giri		53-F/5
5	Sechi Gad	3.80	2595	2210	Sechi/Satluj		53-E/10
District Chamba							
6	Khared	2.00	1035	820	Khared/ Ravi		52-D/2
7	Hared	3.00	1600	1080	Hared/Ravi		52-D/2
8	Joiner-II	3.00	1201	1131	Joiner nallah/Ravi		52-D/1 & D/5
District Kullu							
9	Kyali Hydel Project	0.50	1350	1220	Kyali/Kurpan/Satluj		53-E/7,11
District Kangra							
10	Upper Neogal	5.00	2210	1960	Katora, Obera & Nair/Ravi		52-D/12
District Kinnaur							
11	Rupi Tikada	4.50	1985	1275	Tikada Gad (Rupi)/Satluj		53-I/3

REQUIREMENTS/GUIDELINES FOR SELF IDENTIFIED PROJECTS

To ensure proper identification of projects under self identified category and to avoid cascading of the projects and to make Small Hydro Electric projects more environment friendly, the applicants are advised to meet the following minimum requirements before putting in an application for self identified project:

- I) Application should clearly mention the following information in their project proposal to be attached with the application:
 - a. Coordinates of Weir Site, Power House & and tailrace alongwith elevations.
 - b. Name of Stream (s).
 - c. Basin.
 - d. Copy of Topo sheet indicating the coordinates & elevations.
 - e. Elevations of upstream & downstream projects on the same stream, if any.
- II) Applicants should ensure minimum elevation difference of 50 mtrs or horizontal distance of 250 mtrs between two projects, depending upon the topography and terrain of the area to have visible flow of water in the original stream.
- III) Elevations should be fixed w.r.t. Survey of India bench mark or some authenticated reference point already established. Some sort of identification mark should be put at site and photographs of weir site and power house location should be attached with the proposal. Proposals submitted without photographs will be rejected.
- IV) No proposal/application shall be accepted on the streams and elevations for which applications received in the past and are held up due to court cases, for clarifications the applicants may consult Himurja.
- V) Applications for elevations & streams clashing with already allotted, identified or under investigation schemes either by Himurja/Directorate of Energy/HPSEB Ltd./by any other Government Agency are liable to be rejected and application fee shall stand forfeited. It will be the responsibility of the applicant to check with the record of concerned agency before putting in an application.
- VI) Applications not found fit from an environmental/ecological view point are liable to be rejected.
- VII) No applications will be entertained for projects on major Rivers such as Beas, Satluj, Chandra Bhaga (Chenab), Yamuna and Ravi and also on Tirthan River & its tributaries in Kullu district.
- VII) Prefeasibility Report to be attached with the proposal.

CRITERIA FOR EVALUATION OF SMALL HYDRO PROJECTS (upto-5 MW)

The following marking pattern shall be followed:-

Capacity	Upto 2 MW (Exclusively reserved for Himachalis)	above 2MW to 5 MW
a) Financial Capability		
Net worth	70 marks	70 marks
b) Himachali/Co-operative Society/ Voluntary Society/Firms/Trusts/ Company promoted by the people of:		
i) Local Panchayat	30 marks.	-----
ii) Local District	20 Marks	-----
iii) Other Himachali	10 Marks	
c) Himachalis	-----	30 marks

ILLUSTRATION OF (b) ABOVE:

If a Co-operative Society/Firms/NGO/Company are promoted by the people of Local Panchayat /Local District and Other Himachalis, the marks are to be awarded by adding total marks of Local Panchayat/Local District/Other Himachalis, the marks shall be awarded on prorata basis. For example: if there are 6 persons in a Firm/Society/NGO/company promoted by people of Himachalis i.e. 2 from local Gram Panchayat, 3 from Local District and 1 other Himachali, the marks shall be calculated/awarded as under:

(a) 2 from Local Gram Panchayat = $2 \times 30 = 60$

(b) 3 from Local District = $3 \times 20 = 60$

(c) 1 other Himachali = $1 \times 10 = 10$

 Total = 130 Divided by total number of Persons
 $\frac{130}{6} = 21.67$ marks

i.e. 21.67 marks out of 30.

- Preference will be given to Himachali having better financial capability in case two or more Himachali applicants getting equal marks.

- Preference will be given to Himachali in case Himachali and Non Himachali getting equal marks.
- Preference will be given to the Non Himachali having better financial capability than other non Himachalis, in case both non Himachali applicants getting equal marks..
- In case of individual, property of Parents/Grand Parents and other relatives shall not be considered for evaluation.
- NRI and its property outside the country shall not be considered.
- Property of Himachali applicant outside the State shall be considered for evaluation.

Private Investors claiming themselves to be resident(s) of a particular Panchayat, where the project is being located, should attach proof of their permanent residence from the Secretary of that particular Panchayat and countersigned by concerned BDO/Tehsildar. The applicant(s) should also submit their Bonafide Himachali Certificate (s) along with. Similarly Private Investors claiming themselves resident of the district/Himachal should attach the Bonafide Himachali Certificate issued by Executive Magistrate of that area. In the absence of these certificates claim of the Private Investor for resident of a Panchayat/District/Himachal shall not be considered.

FINANCIAL EVALUATION:

1. The financial capability of the investors is to be assessed on the basis of Audited Accounts/Published Accounts /un audited financial statements and net means in the case of individuals/newly formed entities. The Balance sheets of the Private Investors pertaining to the last accounting period as supplied by the Private Investors because of variation in Accounting period or otherwise, is to taken into consideration.
2. In case of newly formed entities such as companies, Partnership concerns, Co-operative Societies, Voluntary Societies/Trusts, if the above criteria could not fulfilled, the means of each member/promoter will be evaluated jointly for this purpose. The proof/ documents in support of the above shall be submitted by the individual/ promoters.
(New Entity shall include the Companies, The Cooperative Societies, Voluntary Societies, Trusts, Partnership Concerns formed within recent year or registered in the preceding years but could not raise Networth because of non performance of any activities)

3. In case of new entities Weightage shall be assigned on the basis of financial standing of the promoters and of the applicant company. Prorata share of each partner/member shall be calculated as applicable.
4. Since, financial strength is the Prime factor in execution of Projects; the following assumptions have been made:
 - a) The probable cost of the Project as per the market rate has been considered as Rs. 9.00 crore per MW.
 - b) The capacity of the project shall be considered for calculation of financial strength for qualification/ evaluation.

5. DEFINITION OF FINANCIAL TERMS

Following definitions have been adopted for different financial terms used in the evaluation of financial strength.

Net Worth	Paid up Capital + Reserves created out of profit/loss account – intangible assets.
Non cash items of Balance sheet	Depreciation on assets etc. accounted for in the books only but physical cash is not available.
Reserves created Out of Profit/Loss account.	Net profit after tax (-) Dividend to Share Holders (-) interest on debentures etc.
Paid up Capital	It is the capital generated by the Company by way of equity shares.
Intangible Asset	Accumulated Losses & Misc. Expenditure (to the extent not written off or adjusted)
Market Value	The value of an assets (Land, Building, Jewellery etc.) duly approved by the approved valuer (latest evaluation certificate)

- 6 Net Worth calculation in the case of individual/Societies shall be based on following information:-

Cash in hand/Bank	Name of the bank, nature of Account & account No./F.D.R. No./amount invested/date of maturity (with proof).
Detail of Assets owned	Full description of property, purchase price, market value, details of title deed, whether free from encumbrance. (Land, Building and other immovable assets) (with proof)
Details of investments, if any	Name of the Company/No. of Shares/Units/Bonds etc. with face value/Present market Value /NSCs Jewellery etc. (with proof)

Loans & Advances	Loans/advances given which can be realized in ordinary course. (with proof)
Insurance policies on own Life held.	Policy No., amount insured, surrender value, date of commencement/maturity, annual premium, whether encumbered. (with proof)
Other assets valued at Movable Depreciated cost/ market Value & Unencumbered	Fixed assets, Car, security deposits etc. with complete details and proof thereof.

Less:-

Details of borrowings	Amount of loans /borrowing, from whom borrowed, Security offered, when payable.
Details of personal Guarantees given, if any	Amount of guarantee given, in whose favour, purpose of guarantee.
Any other liabilities if any	Give complete details.
Total Income	Copy of IT returns for the last three years to be enclosed in case of income Tax payee.

7. Marks shall be allotted for screening/evaluating financial strength as follow:-

For projects upto 2.00 MW:

- i) Minimum net worth of Rs. 40.00 lakhs per MW would be required to become eligible for evaluation.
- ii) The marks shall be awarded as per the following formula:-

$$\frac{\text{Net worth} \times 70}{900}$$

For projects above 2.00MW and upto 5.00MW

- i) Minimum net worth of Rs. 60.00 lakhs per MW for Himachali and Rs. 200 lakhs per MW for non Himachalis would be required to become eligible for evaluation.
- ii) The marks shall be awarded as per the following formula:-

$$\frac{\text{Net worth} \times 70}{900}$$

Note: The above criteria is for 1.00MW, which shall be further considered/computed/adjusted on prorata basis for various capacity of projects other than 1.00MW (Plus/Minus).

8. Considerations relating to existing (in hand) projects and applications for more than one project
 - a) Net Worth of the applicant/developer shall be adjusted first against projects in hand/under implementation and remaining portion only shall be used for evaluation against fresh application.
 - b) In the case of projects applied by a applicant are more than one, the applicant/developer shall indicate the net worth clearly for each project for allocation of financial strength for evaluation purpose, otherwise the net worth shall be considered against each applied project in proportionate to their capacity.

**APPLICATION TO BE FILLED IN BY THE PRIVATE INVESTOR FOR IDENTIFIED/SELF
IDENTIFIED PROJECTS**

(DELETE WHICH EVER IS NOT APPLICABLE)

1. NAME AND COMMUNICATION DETAILS

1.1 Full legal name / structure of applicant :

1.2 Registered Office Address :

1.3 (i) Telephone :

(ii) Fax :

(iii) Mail ID :

iv) PIN Code :

1.4 Name and address of authorized person and
Mobile No. :

1.5 Correspondence Address of
Applicant (**PIN code mandatory**)

2. NATURE/STATUS OF APPLICANT (Whether sole
proprietary/Partnership/Private Ltd./Public
Limited/Public Sector/Society/Co-operative Society)

(i) Copy of Registration certificate of applicant.

(ii) Memorandum of articles of Association in case
of company:

(iii) Partnership deed, in case of firm

(iv) Copy of Bye Laws of Society /
Co-operative Society alongwith
list of Members:

v) In case of individual declaration on stamp paper of Rs.
10/- only, duly notarized, to the effect that he/she is
applying for the project as a sole proprietary.

3 Category of Applicant:-

i) Belonging to Panchayat of the Project area : Yes /No.
(Proof to be attached)

ii) Belonging to the District of the Project area : Yes / No.
(Proof to be attached)

iii) Himachali : Yes/ No.
(Proof to be attached)

(In case of the share holders in an entity happen to be from
local panchayat, local District and other Himachali, the
applying applicant should specifically, mention this effect in
the application with proof thereof.)

4 Details of the project site:

i) Project Name :

ii) Capacity :

iii) Project Code (write Sr. No. of the project as
mentioned in the list of identified Project. In
case of Self Identified project, the applicant
should write the word Self-Identified).

iv) Location:

Coordinates :

Weir Site:

Power House / Tail Race:

v) Elevations (w.r.t. SOI or any other

established reference mark and write location
of reference mark):

- a) Weir Site :
- b) Power house/Tailrace :
- vi) Stream / Sub Tributary/ Tributary :
- vii) Basin :
- viii) District :

5 Has the site of the project
applied for been visited by you : Yes / No
Photographs of site (Weir Sit/Power House/Tail Race)

6. Have the applicant /share holders in the company
been allotted projects in the past
(individually or as share holders in other companies) ? If Yes

(i) Name of the project allotted:

(ii) Stream/ Sub tributary/Tributary/ Basin :

(iii) Name of the company where they were share
holders

iv) Status of the projects

(a) Commissioned :

(b) Under implementation :

7.1 FINANCIAL DETAILS OF APPLICANT

(i) Net Worth of the applicant : Rs.

(ii) In case newly formed entity such as Company/
Cooperative Society, Voluntary society, Trusts,
Partnership concern, Net worth of each
shareholder of that entity:

(proof of Net Worth and the documents on the basis of which net worth has been worked out should be attached with application

7.2 Detail of share holders of the applicant:

(i) Name and address

(ii) Number of Shares/
Percentage of shares.

7.3 In case the applicant has applied for more than one project, percentage (%age) of Net Worth to be considered against each project should be clearly mentioned:

7.4 Details of proposal to finance the project (In case project is allotted to you)

8. LIST OF INDUSTRIES IN HIMACHAL PRADESH (either owned by the IPP or a third party, where the IPP may like to use the power generated from the project):

If yes, energy requirements :

9. ANY OTHER INFORMATION :

Note:- No Solvency Certificate from any bank shall be considered. Fixed deposit /cash balance in bank should be duly certified by the concerned Bank and proof thereof be attached with the proposal for Net Worth evaluation.

Date :

Place:

**(Name, Designation/Title of
Person Signing) With Seal**