

## **FAQs on RFP for Augmentation & Enhancement of Existing 8-inch Fab of SCL**

Since the launch of the RFP on Feb 19, 2025, many potential Bidders had shared their inputs via Pre-Bid queries. SCL has taken a considerate view of these inputs and issued *Corrigendum I to IV* over time. To ensure that there is no gap in understanding amongst the potential bidders, the following FAQs are being published. All Bidders are requested to go through these FAQs to further their understanding of the RFP requirements and make their bid submissions accordingly.

1. How does the negotiation and Letter of Award (LoA) issuance process work after Bid acceptance?

In the event of acceptance of the Bid of the Selected Bidder(s), the Authority shall invite the Selected Bidder(s) for negotiation of the terms of Contract Agreement.

The Selected Bidder(s) shall inform the Authority of their preferred process of negotiation. The Selected Bidder(s) and the Authority shall then negotiate the Contract Agreement as per a mutually agreed process.

Post successful negotiations of the Contract Agreement and subsequent to internal approvals, LoA will be issued to the Selected Bidder(s) as mentioned in *S. No 14 of Bid Schedule*. The Selected Bidder(s) on receipt of the LoA shall execute the previously negotiated Contract Agreement within 30 days unless the Authority consents to extension of time for executing the Contract Agreement.

2. What is the purpose of Bid Security?

Bid Security submitted in the form of Earnest Money Deposit (EMD) is to safeguard against the Selected Bidder(s) not coming forward for negotiation of the Contract Agreement or not executing the Contract Agreement post successful negotiations (i.e. post receipt of the LoA).

3. When are Bidder(s) required to submit the Earnest Money Deposit (EMD)?

All qualified Bidder(s) must submit the Earnest Money Deposit (EMD) along with a signed copy of an NDA with SCL before obtaining access to the Data Room and conducting Site Visit.

4. What is the duration of validity of Bid Security?

The Bid Security will be valid for 12 months. In the unlikely scenario that the Contract Agreement isn't signed during this period, the Selected Bidder(s) may be asked to extend the validity of the Bid Security.

5. Under what instances will the EMD be forfeited?

As stated in *Corrigendum IV* dated 9<sup>th</sup> May, the only event under which the EMD will be forfeited before awarding the LoA is as follows:

- a) If the Bidder, having been notified of the acceptance of its Financial Bid by the Authority, decides not to pursue this project before commencement of the negotiation of the terms of the Contract Agreement.
- b) If the Selected Bidder(s) completes successful negotiations with the Authority and receives the LoA but doesn't forward to execute the previously negotiated Contract Agreement, the EMD will be forfeited.

6. Could you provide guidance on the procedure for submitting the Earnest Money Deposit (EMD) on the CPPP Portal?

The timeline to submit EMD was changed as per *Corrigendum III* dated 11 April. All qualified Bidder(s) must submit the Earnest Money Deposit (EMD) along with a signed copy of an NDA with SCL before obtaining access to the Data Room and conducting Site Visit. However, CPPP Portal mandates EMD for successful submission of Pre-Qualification Bid.

To address this, the following steps are to be followed on the CPPP Portal:

- a) At the Pre-Qualification Bid stage, Bidder(s) shall checkmark EMD on the CPPP Portal
- b) In addition, Bidder(s) shall upload a letter citing "Change in EMD submission timeline as stated in *Corrigendum III* dated 11 April"
- c) At the Financial Bid stage, Bidder(s) shall submit a declaration of submission with EMD details.

A revised format of Bank Guarantee for Earnest Money Deposit, in line with the changes in *Corrigendum IV*, will be published later for qualified Bidder(s).

7. When is the Performance Security to be furnished?

Post the negotiation of the Contract Agreement, at the time of signing of this Contract Agreement, the Selected Bidder(s) shall furnish to the Authority a Performance Security, in the form of a bank guarantee to secure its obligations under the Contract Agreement(s).

8. Can a Bidder enter into a MoU with a technology partner or provider instead of a Consortium Agreement?

A Bidder – both single entity or a consortium – may enter into a Memorandum of Understanding (MoU) with a technology partner or provider at the Pre-Qualification Bid submission stage to meet the execution capability criteria as listed in *Section 1.23*. The copy of the MoU must be submitted with the Pre-Qualification Bid as part of proof of partnership in such a case. Such a Bidder must enter into a Formal Binding Agreement with the technology partner for successful execution of the relevant scope of work jointly, which shall be submitted during the Financial Bid stage.

9. Is the Formal Binding Agreement with the technology partner the same as Consortium Agreement?

Formal Binding Agreement & Consortium Agreement are 2 different partnership agreements. The Formal Binding Agreement with technology partner needs to be submitted during the Financial Bid stage (post submission of MoU that is to be submitted as part of the Pre-Qualification Bid). Whereas if the bidder is forming a Consortium, the Consortium Agreement shall be submitted with the Pre-Qualification Bid.

10. Is there a format for Formal Binding Agreement with the technology partner?

Yes, it will be uploaded on SCL website post the Pre-Qualification Bid.

11. Can a Bidder be a part of different consortiums for the same Bid Package or Item?

A Bidder bidding in an individual capacity cannot at the same time be Member of a Consortium for the same Bid Package or Item. Further, a member of a particular Bidder Consortium cannot be Member of any other Bidder Consortium for the same Bid Package or Item.

12. Can a Bidder bid for separate Bid packages or items?

The RFP is split into 3 Bid Packages and Bid package 2 is further split into 3 items (IPs). Bidder(s) have the choice to bid for any combination of the Bid Packages and/or items (i.e., Bid Package 1,

any items within Bid Package 2, and Bid Package 3) provided they are eligible and meet the Qualification Criteria as defined in *Section 1.23* (Technical Evaluation) for the quoted Packages or items.

13. What are the Financial Capacity requirements for Bidder(s) in Bid Package 1?

The Bidder(s) should have an average annual turnover of at least INR 1000 Crore during the last three audited financial years. In case of a Consortium, the average annual turnover will be based on percentage participation of each member as per *Section 1.7*. In case the Bidder(s) is an entity that has been in existence for less than three years and is a wholly owned subsidiary of a parent entity, the average annual turnover during the last three audited financial years of the parent entity will be considered. The Bidder(s) shall also submit relevant excerpts of audited financial statement as part of proof of Financial Capacity. Bidder must submit an undertaking/ letter of support from the parent entity to confirm that the Bidder would be able to draw resources from the parent company if required to fulfill the commitments.

14. Can a Bidder recommend changes to proposed plan for augmentation & enhancement?

Selected Bidder for Bid Package 1 will undertake Gap Analysis & Detailed Study in Stage 0 to determine precise requirements for cleanroom and utilities sources and distribution modifications/augmentations and validate proposed plan for augmentation of 8-inch line to at least 1500 WSPM. Any recommended changes/modifications to proposed equipment upgrades, replacement, and addition, the staging of the same, the scope of work for cleanroom and utilities sources and distribution modifications/augmentations shall be discussed and mutually aligned between the Contractor(s) and SCL.

15. After the acceptance of Gap Analysis & Detailed Study Report, if there are any mutually agreed deviations in the scope of work, can the Selected Bidder(s) revise the Total Cost quoted?

In such a case, the Authority & the Selected Bidder(s) shall enter into a Revised Contract Agreement for Bid Packages 1 and 3, commensurate with the incorporated changes or deviations, based on negotiations held with the Authority.

16. What does open-book or pass-through cost basis for spares mean?

All spares including consumables, non-consumables, backup parts will be supplied as per requirement on actual cost (original suppliers' invoice to be shared) plus mutually agreed margin at the time of contract signing.