

# Request for Qualification

## Implementation of 24x7 Water Supply System for the City of Coimbatore

Coimbatore City Municipal Corporation  
Coimbatore - 641 001  
Tamil Nadu



## **DISCLAIMER**

This Request for Qualification document (the “**RFQ**”), which expression shall comprise of and include all annexures, schedules, appendix or attachments and all subsequent amendments and addendums, if any issued pursuant to or in relation to this RFQ, is issued by CoimbatoreCity Municipal Corporation, a civic body constituted under the Coimbatore City Municipal Corporation Act, 1981 (Tamil Nadu Act 25 of 1981) (“**CCMC**”).The information contained in this RFQ and any clarifications subsequently provided in writing to the interested parties, which may be a sole applicant or a consortia of applicants (“**Applicant(s)**”), by or on behalf of CCMC or any of its employees or advisors duly authorized by CCMC, is provided to Applicant(s) subject to the terms and conditions set out in this RFQ.

The RFQ is not an agreement and is neither an offer nor invitation to offer made to the prospective Applicants or any other person nor shall this RFQ or any part of it form the basis of or be relied upon in any way in connection with, any contract relating to any shares, debentures or securities. The purpose of this RFQ is to provide interested parties with information that may be useful to them in the formulation of their application pursuant to this RFQ (the “**Application**”). This RFQ includes statements, which reflect various assumptions and assessments arrived at by CCMC in relation to the Project (hereinafter defined). Such assumptions, assessments and statements do not purport to contain all the information that each Applicant may require. Whilst the information in this RFQ has been prepared in good faith, it is not and does not purport to be comprehensive and each Applicant should therefore, conduct its own investigations and analysis and should check the accuracy, adequacy, correctness, reliability and completeness of the assumptions, assessments, statements and information contained in this RFQ and obtain independent advice from appropriate sources.

Information provided in this RFQ to the Applicant(s) is on a wide range of matters, some of which may depend upon interpretation of law. The information given is not intended to be an exhaustive account of statutory requirements and should not be regarded as a complete or authoritative statement of law. CCMC accepts no responsibility for the accuracy or otherwise for any interpretation or opinion on law expressed herein.

Neither CCMC, nor any of its officers or employees, nor any of its advisers nor consultants, accept any liability or responsibility for the accuracy, reasonableness or completeness of, or for any errors, omissions or misstatements, negligent or otherwise, relating to the proposed Project. CCMC does not make any representation or warranty, express or implied, with respect to the information contained in this RFQ or on which this RFQ is based or with respect to any written information made or to be made available to any of the Applicant(s) or their professional advisers and, so far as permitted by law and except in the case of fraud or misrepresentation by the party concerned, the liability of which is therefore hereby expressly disclaimed.

CCMC may, in its absolute discretion but without being under any obligation to do so, update, amend or supplement the information, assessment or assumptions contained in this RFQ. Neither CCMC and nor any of its officers, employees or any of its advisors or consultants undertakes to provide any of the Applicant(s) with access to any additional information or to update the information in this RFQ or to correct any inaccuracies therein which may become apparent. Nothing in this RFQ shall be construed

as legal, financial or tax advice. Each recipient must conduct its own analysis of the information contained in this RFQ and seek clarifications on any inaccuracies in this RFQ and is advised to carry out its own investigation into the proposed Project based on the clarification provided to the Applicant(s), the legislative and regulatory regime which applies thereto and by and all matters pertinent to the proposed Project and to seek its own professional advice on the concerns relating to legal, financial, regulatory and taxation that may result on account of the Applicant(s) entering into any agreement or arrangement relating to the proposed Project.

This RFQ includes certain statements, estimates, projections, designs, targets and forecasts with respect to the Project. Such statements, estimates, projections, targets and forecasts, designs reflect various assumptions made by the management, officers and employees of CCMC, which assumptions (and the base information on which they are made) may or may not prove to be correct. No representation or warranty is given as to the reasonableness of forecasts or the assumptions on which they may be based and nothing in this RFQ is, or should be relief on as, a promise, representation or warranty.

The issue of this RFQ does not imply that CCMC is bound to select and short-list pre-qualified Applications for Bid Stage (defined hereinafter) or to appoint any applicant, for the Project and CCMC reserves the right to reject all or any of the Applications without assigning any reasons whatsoever and annul the Bidding Process at any stage on its sole discretion.

The Applicant shall bear all its costs associated with or relating to the preparation and submission of its Application including but not limited to preparation, copying, postage, delivery fees, expenses associated with any demonstrations or presentations which may be required by CCMC or any other costs incurred in connection with or relating to its Application. All such costs and expenses shall be borne by the Applicant and CCMC shall not be liable in any manner whatsoever for the same or for any other costs or other expenses incurred by an Applicant in preparation or submission of the Application, regardless of the conduct or outcome of the Bidding Process.

CCMC may conduct the appointment and the Bidding Process as set out hereunder either by itself, or through or with the assistance of one or more advisors and agencies. The Applicant(s) consent to CCMC sharing the Application and all other information as may be provided by the Applicant during the Bidding Process and thereafter, with such advisors and agents. It is clarified that evaluation and selection of any applicant shall be made by CCMC at its sole discretion and that CCMC shall not be bound by any opinions or observations of its advisors or agents.

No extension of time shall be granted in specific to any particular Applicant for submission of its Application including, but not limited to, on the grounds that the Applicant did not obtain a complete set of the RFQ or on any other ground(s).

## **GLOSSARY**

Applicant(s)	as defined in the Disclaimer
Application	as defined in the Disclaimer
Application Due Date	as defined in Section III
Associate	as defined in Clause 3.8 Section II
Bid	as defined in Clause 1.6 Section II
Bidding Process	as defined in Clause 1.5 Section II
Bid Stage	as defined in Clause 1.5 Section II
BTO	as defined in Clause 3 Section I
Consortium	as defined in Clause 3.1 Section II
Concession Agreement	as defined in Clause 1.3 Section II
Conflict of Interest	as per Clause 3.6 Section II
Eligible Experience	as defined in Clause 2.1 Section V
Eligible Projects	as defined in Clause 2.1 Section V
Estimated Project Cost	as provided in Clause 3 Section I
Financial Capacity	as defined in Clause 1 (B) Section IV
GOI	Government of India
GOTN	Government of Tamil Nadu
Joint Bidding Agreement	as defined in Clause 3.3 Section II
Lead Member	as defined in Clause 3.1 Section II
LOA	as defined in Clause 1.3 Section II
Member	member of a Consortium
MoUD	Ministry of Urban Development, GOI
Net Worth	as defined in Clause 2 of Section IV
O&M	Operation and Maintenance
Project	as defined in the Letter of Invitation
PDS	as defined in Clause 1.3 Section II
PPP	as defined in Clause 3 Section I
Qualification Stage	as defined in Clause 1.5 Section II
RFP	as defined in Clause 1.5 Section II
RFQ	as defined in the Letter of Invitation
Rs.	Indian Rupees
Successful Applicant	as defined in Clause 3 Section I
SPC	as defined in Clause 1.3 Section II
Technical Capacity	as defined in Clause 1 (A) Section IV
Tender Scrutiny and Evaluation Committee	constituted under the Tamil Nadu Transparency in Tenders (Public Private Partnership Procurement) Rules 2012
Threshold Technical Capacity	as defined in Clause 1 Section IV

The words and expressions beginning with capital letters and defined in this document shall, unless repugnant to the context, have the meaning ascribed thereto herein above.

# Coimbatore City Municipal Corporation

## LETTER OF INVITATION

CCMC is responsible for overall management of the city of Coimbatore and in exercise of its functions it has proposed to upgrade the water supply system in the city of Coimbatore in the following manner:

“During a concession period of 25 years (“Concession Period”):

- (a) Operate and maintain initially the existing water supply infrastructure and subsequently the upgraded water supply system; and
- (b) Within a period of 4 years (forming part of the concession period of 25 years) undertake the progressive upgradation of the existing water supply infrastructure into a 24 x 7 water supply system.

(the above activities shall together comprise the “**Project**”).

In this connection, CCMC intends to select suitable developer cum operator, in two stages through transparent competitive Bidding Process within the definite time schedule and terms and condition as set out in this Request for Qualification (“RFQ”) issued in this regard. A copy of the RFQ so issued is available in the office of the Commissioner, CCMC or may be downloaded from the website of CCMC [www.ccmc.gov.in](http://www.ccmc.gov.in). <https://tntenders.gov.in>

Interested parties are requested to submit their Applications in response to this RFQ document upto **15.00** hours on **12.11.2015**. The Request for Qualification bid will be opened at **16.00** hours on **12.11.2015** at Main Office Conference Hall, Coimbatore City Municipal Corporation.

For any clarifications regarding RFQ, the Applicant(s) may contact

The Commissioner,  
Coimbatore City Municipal Corporation  
Coimbatore – 641001  
Tel :91-422-2390261,2396026  
Fax : 91-422-2390167

**Sd/---**  
**Commissioner**  
Coimbatore City Municipal Corporation  
Coimbatore

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## **SECTION I- GENERAL INFORMATION**

### **1. Introduction**

#### **1.1. About Coimbatore**

Coimbatore also known as Kovai, is a city in India. It is the second largest metropolitan city and urban agglomeration after Chennai in the Indian state of Tamil Nadu. It is one of the fastest growing tier-II cities in India and a major textile, industrial, commercial, educational, information technology, healthcare and manufacturing hub of Tamil Nadu. Other important industries include software services. It is the capital city in the Kongu Nadu region and is often been referred to as the Manchester of South India. The city is located on the banks of the Noyyal River surrounded by the Western Ghats and is administered by the Coimbatore Municipal Corporation. Coimbatore has been ranked 4th among Indian cities in investment climate by CII and ranked 17th among the top global outsourcing cities by Tholons. Coimbatore is the fourth largest metropolis in South India. Coimbatore city is the administrative capital of Coimbatore district.

#### **1.2. Demographic Characteristics**

As per the 2011 census, the Urban Local Body had a population of 1,601,438. In the urban agglomeration, males constitute 50.08% of the population and females 49.92%. Coimbatore has an average literacy rate of 89.23%, higher than the national average of 74.04%. Male literacy is 93.17% and female literacy is 85.3% with 8.9% of the population under 6 years of age. The Sex ratio was 964 females per 1000 males. In 2011, the population density in the city was 10,052 per km<sup>2</sup> (26,035 per mi<sup>2</sup>).

### **2. Rationale for the Project**

Water supply distribution, as a national scenario, is being performed as an intermittent service rendered, subject to limitations contained in various water supply schemes. Decision has been taken at national level that, as far as possible, water distribution in urban areas should be provided as a continuous service for 24 hours a day and 365 days in a year, with occasional minor interruptions as may be permitted by the relevant government authorities. This has been widely accepted by all the States in India. Efforts have been commenced for converting the existing water supply systems to 24 x 7 levels through appropriate improvements.

As a pioneer exercise of improving its service levels, the CCMC has decided to upgrade the existing water supply system in the core areas, so that it will provide 24 x 7 water supply to all its customers.

### **3. The Proposed Project**

CCMC is desirous that the Project shall be executed by the Applicant/bidder adjudged as successful pursuant to the Bidding Process. The Project shall be

implemented through public-private partnership (the “PPP”) model on Build, Transfer and Operate (the “BTO”) basis in two stages i.e., construction under the engineering, procurement and construction stage and the operation and maintenance of the Project under the O&M stage. A part of the capital expenditure required for the Project shall be incurred from the grants to be received from CCMC, the Government of India (“GOI”), Government of Tamil Nadu (“GOTN”) as per the provisions of the JNNURM scheme and the Tamil Nadu Infrastructure Development Board (“TNIDB”). A brief description of the Project may be seen in the General Information attached to this RFQ as Annexure V. Brief particulars of the Project are as follows:

Name	Broad Details of existing facilities	Estimated Project Construction Cost (In Rs. cr.)
Up gradation of the existing water supply and distribution system in the city of Coimbatore into a 24x7 water supply system	Feeder Mains – 105 kms Supply in 63 zones 1.50 lakh household connections	556.57

The CCMC intends to pre-qualify and short-list suitable Applicants for the Bid Stage which Applicants shall be eligible to submit their bids in response to the RFP, the Bidding Process and the relevant Applicable Legislations (each such Applicant “**Successful Applicant**”).

#### **4. Scope of Work**

4.1 The scope of work involved in the implementation of the Project shall be as follows:

4.1.1 Engineering, Procurement, and Construction (EPC) **stage**: The EPC stage would primarily focus on the up-gradation of the distribution system in the water supply, consisting of the following:

- a. Feeder Mains: 105 Km
- b. Sump, Pumpsets and Diesel Generators
- c. Service Reservoirs: 29 nos. with 40.20 ML Capacity
- d. Distribution system: 63 Zones of 1470 Kms Pipe length
- e. House Service Connections (1.5Lakh Nos.)
- f. Special Components such as:
  - Automatic Hand Held Meter reading System (5 Nos.)
  - Any Time Payment Machine (5 Nos)
  - Bulk Water Meter With Data Logger (101 Nos)
  - Gas Chlorination Disinfection (2Nos)
  - Rider Mains of 90 Kms Length



- g. Common Components such as:
  - Water Quality Test Laboratory (1 No)
  - SCADA for Monitoring (1 No)

4.1.2 Operation and Maintenance (O&M) stage: The O&M stage would primarily focus on operation management and maintenance of the 24x7 water supply system, broadly consisting of the following activities:

a. Operation of the 24X7 water supply system consisting of activities such as:

- Abstraction of water
- Treatment
- Transporting water
- Supply bulk water to wayside villages
- Storage and distribution of water to customers with the agreed boundary
- Billing, collection and entire customer service

b. Management and Maintenance of the 24x7 water supply system consisting of the following activities

- Leakage detection and prevention
- Providing new connections
- Repair and replacement of existing/newly created assets
- Monitoring and reporting  
Generating bills of the customers on behalf of CCMC, collection of moneys from such customers and depositing the same into an escrow account as well as timely submission of reports containing the details of the defaulters to CCMC for necessary action.

## SECTION II - INSTRUCTIONS TO APPLICANTS (ITA)

### 1. Scope of Project and Bidding Process

- 1.1. CCMC in its endeavor to improve the scenario of municipal water supply management in the city of Coimbatore, Tamil Nadu has decided to implement the Project. Fichtner Consulting Engineers India Private Limited, a consulting firm selected through a competitive tender process by CCMC, has prepared the Detailed Project Report (DPR) and the same has been approved under the JnNURMScheme for funding by the Ministry of Urban Development, GOI (“MoUD”). M/s InfraEn (India) Private Limited has been appointed as Transaction Advisor for the Project.
- 1.2. The Project, this RFQ and the Bidding Process shall be governed by the relevant provisions of the Tamil Nadu Transparency in Tenders Act, 1998, the Tamil Nadu Infrastructure Development Act, 2012, the Tamil Nadu Infrastructure Development Rules, 2012, the Tamil Nadu Infrastructure Development Board Regulations, 2013, the Tamil Nadu Transparency in Tenders (Public Private Partnership Procurement) Rules 2012 (“Applicable Legislations”) which includes any subsequent amendments thereto. It is hereby clarified that, in case of any inconsistency between the provisions of the Applicable Legislations and this RFQ, the provisions of relevant Applicable Legislations would prevail.
- 1.3. The Project is to be implemented by the Successful Applicant selected as the successful bidder pursuant to the Bid Stage, through a special purpose company incorporated under the provisions of under the Companies Act, 2013 (“SPC”) as defined in the Prequalification Data Sheet in Section III (the “PDS”) forming part of this RFQ. After issuance of the Letter of Award (“LOA”) the successful bidder would be required to incorporate the SPC for execution of agreement in relation to the grant of concession and the implementation of the Project (the “**Concession Agreement**”).
- 1.4. The broad parameters of the Project that are subject matter of this prequalification process are provided in the General Information, PDS and the indicative scope of work is provided under Section I.
- 1.5. CCMC will adopt a two-stage process (collectively referred to as the “**Bidding Process**”) for selection of the successful bidder for award of the Project. The first stage (the “**Qualification Stage**”) of the process involves the selection of Successful Applicant(s) from amongst the Applicants who submit their Applications in accordance with the provisions of this RFQ. While making an Application, an Applicant shall pay to CCMC a sum of Rs. 60,000/- (Rupees Sixty Thousand Only) in the form of a Demand Draft drawn in favour of “Commissioner, Coimbatore City Municipal Corporation” payable at Coimbatore as the cost of the RFQ. Applicants who are downloading the RFQ from the website of CCMC shall submit the demand draft, as stated above, along with their Applications. After the evaluation of the RFQ submissions, CCMC will announce a list of Successful Applicants who shall be eligible for participating in the second stage of the Bidding Process (the “**Bid Stage**”) comprising of issuance of Request for Proposal (the “**Request for Proposal**” or “**RFP**”) for the Successful Applicants to submit their proposals.

- 1.6. In the Qualification Stage, Applicant(s) would be required to furnish all the information specified in this RFQ. Only the Successful Applicants pre-qualified and short-listed by CCMC shall be invited to submit their technical and financial offer (“**Bid**”) for the Project in response to the RFP.

## 2. Source of Funds

The Project will be partly funded by the GOI, GOTN and CCMC as per the provisions of the JNNURM scheme. In addition the TNIDB shall be providing financial support in the form of a grant to CCMC. Further details regarding the financing details of the project shall be provided during the RFP stage.

## 3. Eligible Applicants

- 3.1. The Applicant may be a single entity, or a group of entities in the form of a “**Consortium**”, coming together to implement the Project. In case of Consortium, the maximum number of Members allowed shall be three, of which one of the members shall be the Lead Member. The Lead Member and each such Member in the Consortium whose financial capacity (net worth) or technical capacity is evaluated for the purposes of this RFQ shall subscribe to and commit to hold equity share capital in the SPC in the following manner:

- (i) Till the achievement of the commercial operation date of the Project, as per the Concession Agreement and until the expiry of 2 years there from each such Member in the Consortium whose financial capacity (net worth) or technical capacity is evaluated for the purposes of this RFQ shall subscribe and continue to hold equity share capital not less than (a) 26% (twenty six percent) of the paid up and subscribed equity share capital in the SPC and (b) at least 5% (five percent) of the Net Project Construction Cost<sup>1</sup>;
- (ii) The Members of the Consortium shall together hold at least 51% of the paid up and subscribed equity share capital in the SPC till the expiry of the Concession Period and the Member of the Consortium whose technical experience in Operations and Maintenance (O&M) were considered for qualification during the RFQ stage should hold not less than 11% of the paid up and subscribed equity share capital in the SPC from COD;

“**Lead Member**” in respect of an Applicant where the Applicant is a Consortium, shall mean:

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<sup>1</sup>For the purposes of the RFQ and/or RFP, the Net Project Construction Cost shall mean the Total Project Cost including the Project Cost as assessed by JNNURM, Project Cost Escalations for 4 years (2014-15 to 2017-18), and the Project Management Consultancy Cost, less the capital grants received from Centre and/or State and/or TNIDB and/or CCMC for this project.

- i) such Person identified as the Lead Member in the Application and the Joint Bidding Agreement or any agreement executed between the consortium members; and
  - (ii) who shall subscribe and continue to hold at least 26% (twenty six per cent) of the paid up and subscribed equity share capital in the Consortium..
- 3.2. Any person which is a member of one Consortium is not permitted to be a member of another Consortium. In the event a person is found to be a member of more than one Consortium, such member and such Consortium(s) shall be disqualified from participating in the Bidding Process and Applications submitted by both such member and the Consortium(s) shall be rejected. An Applicant may be a private, or public legal entity, or in case of a Consortium combination of them. The Successful Applicant will be required to incorporate an SPC, to execute the Concession Agreement and implement the Project.
- 3.3. In case the Applicant is a Consortium, it shall, comply with the following additional requirements:
- (i) the Application should contain the information required from each member of the Consortium;
  - (ii) The nomination(s) of the authorized person shall be supported by a Power of Attorney, executed as per the format attached as Annexure II, signed by all the other members of the Consortium.
  - (iii) The Application should include a brief description of the roles and responsibilities of individual members, particularly with reference to financial, technical and O&M obligations;
  - (iv) Members of the Consortium shall enter into a binding Joint Bidding Agreement, substantially in the form specified at Annexure I (the “**Joint Bidding Agreement**”), for the purpose of making the Application and submitting a Bid in the event of being short-listed. The Joint Bidding Agreement, to be submitted along with the Application, shall, *inter alia*:
    - Convey the intent to form an SPC in accordance with the shareholding/ ownership equity structure mentioned in Clause 3.1Section II of this RFQ and commitment of maintaining the minimum equity stake to be held by each member in accordance with the terms of this RFQ;
    - Commitment to incorporate a SPC as per the provisions of the Indian Companies Act, 2013 and meeting the condition stipulated in this Clause 3.3 Section II of this RFQ.
    - Commitment to execute the Concession Agreement and subsequently perform all the obligations of the concessionaire in terms of the Concession Agreement;
    - Clearly outline the proposed roles and responsibilities, of each member;
    - Commit that the members of the Consortium will not dilute their equity stake in the SPC below the required percent’s mentioned in

Clause 3.1Section II of this RFQ except as may be permitted in accordance with this RFQ or terms and conditions of the Concession Agreement upon its execution. Include a statement to the effect that all members of the Consortium shall be jointly and severally liable for all obligations of the Concessionaire in relation to the Project until the achievement of the commercial operation date of the Project, as per the Concession Agreement or until the completion of 5 years from the commencement of operations of the existing facilities, whichever is later.

Except as provided under this RFQ, there shall not be any amendment to the Joint Bidding Agreement without the prior written consent of the CCMC.

- 3.4. An Applicant shall submit only one Application, either individually or participating as a Member of a Consortium. An Applicant who submits, or participates in, more than one Application will cause all the Applications in which the Applicant has participated to be disqualified.
- 3.5. Applicants and all parties constituting the Applicant shall provide such evidence of their continued eligibility satisfactory to CCMC at the time of Bid submission as well.
- 3.6. **Conflict of Interest**

An Applicant shall not have a conflict of interest that affects the Bidding Process. An Applicant shall be deemed to have a conflict of interest affecting the Bidding Process, if:

- i. the individual Applicant, a Member of a Consortium or their Associate, as the case may be, (or any constituent thereof) and any other individual Applicant, a Member of another Consortium or any of their Associate thereof, as the case may be, (or any constituent thereof) have common controlling shareholders or other ownership interest; provided that this disqualification shall not apply in cases where the direct or indirect shareholding of an Applicant, a Member or an Associate thereof (or any shareholder thereof having a shareholding of more than 25% (twenty five per cent) of the paid up and subscribed equity share capital of such Applicant, Member or Associate, as the case may be) in the other Applicant, its Member or Associate is less than 25% (twenty five per cent) of the subscribed and paid up equity share capital thereof; provided further that this disqualification shall not apply to any ownership by a bank, insurance, company, pension fund or a public financial institution referred to in Section 2(72) of the Companies Act, 2013. For the purposes of this clause, indirect shareholding held through one or more intermediate persons shall be computed as follows:
  - a. where any intermediary is controlled by a person through management control or otherwise, the entire shareholding held by such controlled intermediary in any other person (the “**Subject Person**”) shall be taken into account for computing the shareholding of such controlling person in the Subject Person; and

- b. subject always to the sub-clause (a) above, where a person does not exercise control over an intermediary, which has shareholding in the Subject Person, the computation of indirect shareholding of such person in the Subject Person shall be undertaken on a proportionate basis; provided, however, that no such shareholding shall be reckoned under this sub-clause if the shareholding of such person in the intermediary is less than 26% (twenty six per cent) of the subscribed and paid up equity shareholding of such intermediary; or
- ii. a constituent of such Applicant is also a constituent of another Applicant; or
- iii. such Applicant, or any Associate thereof receives or has received any direct or indirect subsidy, grant, concessional loan or subordinated debt from any other Applicant, or any Associate thereof or has provided any such subsidy grant, concessional loan or subordinated debt to any other Applicant, its Member or any Associate thereof; or
- iv. such Applicant has the same legal representative for purposes of this Application as any other Applicant; or
- v. such Applicant, or any Associate thereof has a relationship with another Applicant, or any Associate thereof, directly or through common third party/ parties, that puts either or both of them in a position to have access to each other's information about, or to influence the Application of either or each other; or
- vi. such Applicant, or any Associate thereof has participated as a consultant to the CCMC in the preparation of any documents, design or technical specifications of the Project. Provided that this clause shall not apply where such advisor was engaged by the Applicant or Respondent, its member or associate in the past but such engagement expired or was terminated 6 (six) months prior to the date of issue of concerned tender document or where such advisor is engaged after a period of 3 (three) years from the date of commercial operation of the project.

For the purpose of the above clause, in addition to the Applicant, the Consortium Members should also individually comply with the requirements specified. Any Applicant, being a consortium and found to have a conflict of interest may be allowed permitted to continue in the Bidding Process subject to the condition that such an Applicant (consortium) within 10 days from the Application Due Date removes the member which suffers such conflict of interest.

- 3.7. An Applicant shall be liable for disqualification if any legal, financial or technical adviser of CCMC in relation to the Project is engaged by the Applicant, its Member or any Associate thereof, as the case may be, in any manner for matters related to or incidental to the Project. For the avoidance of doubt, this disqualification shall not apply where such adviser was engaged by the Applicant, its Member or Associate in the past but its assignment expired or was terminated 6 (six) months prior to the date of issue of this RFQ. Nor will this disqualification

apply where such adviser is engaged after a period of 3 (three) years from the date of commercial operation date of the Project in terms of the Concession Agreement.

For the purpose of the above clause, in addition to the Applicant, the Consortium Members should also individually comply with the requirements specified.

- 3.8. An individual Applicant including any Member or their Associate, as the case may be, should in the last 3 (three) years, have neither failed to perform on any contract, as evidenced by imposition of a penalty by an arbitral or judicial authority or a judicial pronouncement or arbitration award against the individual Applicant, Member or their Associate, as the case may be, nor has been expelled from any project or contract by any public entity nor have had any contract terminated by any public entity for breach by such Applicant, Consortium Member or Associate. Provided, however, that where an Applicant claims that its disqualification arising on account of any cause or event specified in this Clause is such that it does not reflect (a) any malfeasance on its part in relation to such cause or event; (b) any willful default or patent breach of the material terms of the relevant contract; (c) any fraud, deceit or misrepresentation in relation to such contract; or (d) any rescinding or abandoning of such contract, it may make a representation to this effect to the CCMC for seeking a waiver from the disqualification hereunder and the CCMC may, in its sole discretion and for reasons to be recorded in writing, grant such waiver if it is satisfied with the grounds of such representation and is further satisfied that such waiver is not in any manner likely to cause a material adverse impact on the Bidding Process or on the implementation of the Project.

For purposes of this RFQ, the term “Associate” shall mean, in relation to another company in which that other company has a significant influence, but which is not a subsidiary company of the company having such influence and includes a joint venture company. The term ‘significant influence’ means control of at least twenty six per cent of total share capital, or of business decisions under an agreement. For the purpose of this RFQ the term ‘control’ shall mean the right to appoint majority of the directors or to control the management or policy decisions exercisable by a person or persons acting individually or in concert, directly or indirectly, including by virtue of their shareholding or management rights or shareholders agreements or voting agreements or in any other manner.

3.9. **Change in composition of the Consortium**

- i. Change in the composition of a Consortium will not be permitted by CCMC during the Qualification Stage.
- ii. Change in the composition of a Consortium may be permitted by the CCMC, only where:
  - a. the application for such change is made no later than 15 (fifteen) days prior to the application due date at the RFP stage;
  - b. the Lead Member continues to be the Lead Member of the Consortium;
  - c. the substitute is at least equal, in terms of Technical Capacity and Financial Capacity, to the Consortium Member who is sought to be substituted;

- d. the modified Consortium shall continue to meet the pre-qualification and short-listing criteria for Applicants; and
- e. the new Member(s) expressly adopt(s) the Application and Responses already made on behalf of the Consortium as if it were a party to it originally, and
- f. is not an Applicant/Member/Associate of any other Consortium bidding for this Project.
- g. the new Member(s) do not have a Conflict of Interest in terms of the RFQ and the Tamil Nadu Transparency in Tenders Act, 1998 and Tamil Nadu Transparency in Tenders (Public Private Partnership Procurement) Rules, 2012.
- h. The approval for change in the composition of the Consortium shall be at its sole discretion of CCMC and shall be communicated to Applicant or Consortium in writing.
- i. The re constituted consortium shall submit a revised joint bidding agreement.

Notwithstanding anything to the contrary contained **in this Clause 3.9 Section II**, an Applicant may, within 10 (ten) days after the Application Due Date, remove from its Consortium any Member who suffers from a Conflict of Interest.

#### **4. Sections of Prequalification Document**

4.1. This RFQ comprises all the sections indicated below:-

- Section I General Information
- Section II Instructions to Applicants
- Section III Prequalification Data Sheet
- Section IV Eligibility Criteria
- Section V Evaluation Criteria
- Section VI Annexures

4.2. CCMC accepts no responsibility for the completeness of the RFQ and any Addendum unless they were obtained directly from CCMC from the person identified in this RFQ.

4.3. The Applicant is expected to examine all instructions, forms, and terms in the RFQ and to furnish all information or documentation required by the RFQ.

#### **5. Clarification of Prequalification Document**

5.1. A prospective Applicant requiring any clarification with regard to the RFQ shall contact CCMC in writing at the address indicated in the PDS. CCMC will respond in writing to any request for clarification provided that such request is received no later than the date specified in the PDS.

5.2. CCMC shall endeavor to respond to the questions raised or clarifications sought by the Applicants. However, CCMC reserves the right not to respond to any question or provide any clarification, in its sole discretion, and nothing in this RFQ shall be taken or read as compelling or requiring CCMC to respond to any question or to provide any clarification.



- 5.3. CCMC shall make available its response at the website in accordance with timeline mentioned in the PDS.
- 5.4. CCMC may also on its own motion, if deemed necessary, issue interpretations and clarifications to all Applicants. All clarifications and interpretations issued by CCMC shall be deemed to be part of the RFQ. Verbal clarifications and information given by CCMC or its employees or representatives shall not in any way or manner be binding on CCMC.

## **6. Amendment of Prequalification Document**

- 6.1. At any time prior to the deadline for submission of Applications, CCMC may, for any reason, whether at its own initiative or in response to clarifications requested by an Applicant, amend the RFQ by issuing addenda/ addendum.
- 6.2. Any addendum issued shall be part of the RFQ and shall be communicated as per provisions specified herein. In addition, CCMC may send such addendum in writing or via electronic mail, at the sole discretion of CCMC, to all the Applicants.
- 6.3. To give prospective Applicants reasonable time to take an addendum into account in preparing their applications, CCMC may, at its discretion, extend the deadline for submission of Applications. In the case of amendments, at least 15 (fifteen) days shall be provided between the date of amendment and the Application Due Date, and in case of minor amendments, at least 7 (seven) days shall be provided.

## **7. Cost of Applications**

- 7.1. The Applicant(s) shall bear all costs associated with the preparation and submission of their Applications. Neither CCMC nor any of their Associates will be responsible or liable for those costs, regardless of the conduct or outcome of the prequalification process.

## **8. Language of Application**

- 8.1. The Application as well as all correspondence and documents relating to the prequalification exchanged by the Applicant, with CCMC, shall be in English Language. Supporting documents and printed literature that are part of the Application may be in another language, provided they are accompanied by an accurate translation of the relevant passages in the English Language, duly authenticated and certified by the Applicant. Supporting material, which are not translated in the English language, may not be considered. For the purpose of interpretation and evaluation of the Application, the English Language translation shall prevail.

## **9. Documents Comprising the Application**

- 9.1. The Application shall comprise the following:
- Requisite Application Fees as indicated in this RFQ;
  - letter and formats in accordance with the relevant schedule/format attached to this document.
  - Documentary evidence establishing the Applicant's eligibility, in accordance with the terms of this RFQ.
  - Documentary evidence establishing the Applicant's Financial and Technical qualifications, in accordance with the terms of this document and
  - Power of Attorney for the Authorised Signatory in case of a Consortium
  - Documents in support of the Consortium i.e.; the Joint Bidding Agreement
  - Any other document required as specified in the ITA and/or the PDS.

## **10. Submission of Application**

The Applicant shall prepare the letter using the format of the forms furnished in Section III. This form must be completed without any alteration to its format.

## **11. Documents Establishing the Eligibility of the Applicant**

- 11.1. To establish its eligibility in accordance with Clause 3Section II, the Applicant shall complete the eligibility declarations in the letter format and Technical & Financial Capacity Forms, included in Section III. In case of a Consortium, the Applicant shall provide the necessary documentary proof in accordance with the various requirements as specified in this document.

## **12. Documents Establishing the Qualifications of the Applicant**

- 12.1. To establish its qualifications to implement the Project in accordance with Section IV, Eligibility Criteria, the Applicant shall provide the information requested in the corresponding information sheets included in Section VI.

## **13. Signing of the Application and Number of Copies**

- 13.1. The Applicant shall provide all the information sought under this RFQ. CCMC will only evaluate only those Applications that are received in the required formats and are complete in all respects. Incomplete and/or conditional Applications shall be liable to be rejected.
- 13.2. The Applicant shall prepare 1 (one) original set of the Application and clearly mark it "**ORIGINAL**". The original of the Application shall be typed or written in indelible ink and shall be signed by a person duly authorized to sign on behalf of the Applicant.
- 13.3. The Applicant shall submit 1(one) copy/number specified in the PDS of the signed original Application, and clearly mark them "**COPY**". In the event of any discrepancy between the original and the copies, the original shall prevail.

## **14. Sealing and Identification of Applications**

- 14.1. The Applicant(s) shall enclose the original and the copies of the application in the format attached in Annexure III in a sealed envelope and mark the envelope as ‘**APPLICATION FOR IMPLEMENTATION OF 24x7 WATER SUPPLY SYSTEM FOR THE CITY OF COIMBATORE**’ that shall:
- bear the name and address of the Applicant
  - be addressed to CCMC in accordance with terms of the ITA; and
  - bear the specific identification of this Prequalification process as well as the Name of the Project indicated in the PDS.
- 14.2. CCMC will accept no responsibility for not processing any envelope that was not identified as required.

## **15. Deadline for Submission of Applications**

- 15.1. The Applicant(s) may always submit their applications by Registered Post or by hand. Applications shall be received by CCMC at the address and no later than the deadline indicated in the PDS. CCMC may, at its discretion, extend the deadline for the submission of Applications by amending the RFQ, in which case all rights and obligations of CCMC and the Applicants subject to the previous deadline shall thereafter be subject to the deadline as extended.
- 15.2. The Applicants are encouraged to submit their respective Applications after visiting the Project areas and ascertaining for themselves the local conditions and any other matter considered relevant by them.
- 15.3. It shall be deemed that by submitting the Application, the Applicant has:
- a. made a complete and careful examination of the RFQ;
  - b. received all relevant information requested from CCMC;
  - c. accepted the risk of inadequacy, error or mistake in the information provided in the RFQ or furnished by or on behalf of CCMC; and
  - d. agreed to be bound by the undertakings provided by it under and in terms hereof.
- 15.4. CCMC shall not be liable for any omission, mistake or error in respect of any of the above or on account of any matter or thing arising out of or concerning or relating to the RFQ or the Bidding Process, including any error or mistake therein or in any information or data given by CCMC.

## **16. Late Applications**

Any Application received by CCMC after the deadline for submission of Applications prescribed will be summarily rejected.

### **16.1. Modification/Substitution/Withdrawal of Applications**

- a. The Applicant may modify, substitute or withdraw its Application after submission, provided that written notice of the modification, substitution or withdrawal is received by CCMC prior to the Application Due Date. No

Application shall be modified, substituted or withdrawn by the Applicant on or after the Application Due Date.

- b. The modification, substitution or withdrawal notice shall be prepared, sealed, marked, and delivered, with the envelopes being additionally marked “MODIFICATION”, “SUBSTITUTION” or “WITHDRAWAL”, as appropriate.
- c. Any alteration/ modification in the Application or additional information supplied subsequent to the Application Due Date, unless the same has been expressly sought for by CCMC, shall be disregarded.

## **17. Opening of Applications**

- 17.1. The CCMC shall open the Applications at prescribed time on the Application Due Date, at the place specified in the PDS and in the presence of the Applicants who choose to attend.
- 17.2. Applications for which a notice of withdrawal has been submitted in accordance with Clause 16 Section II shall not be opened.
- 17.3. CCMC will subsequently examine and evaluate Application(s) in accordance with the Qualification Criteria and Requirements set out herein. Applicants are advised that the pre-qualification of Applicants will be entirely at the discretion of CCMC. Applicant will be deemed to have understood and agreed that no explanation or justification on any aspect of the Bidding Process or selection shall be given.
- 17.4. Any information contained in the Application shall not in any way be construed as binding on CCMC, its agents, successors or assigns, but shall be binding against the Applicant if the Project is subsequently awarded to it on the basis of such information.
- 17.5. CCMC reserves the right not to proceed with the Bidding Process at anytime without notice or liability and to reject any or all Applications(s) without assigning any reasons.
- 17.6. If any information furnished by the Applicant is found to be incomplete, or contained in formats other than those specified herein, CCMC may, in its sole discretion, exclude the relevant project from computation of the eligibility of the Applicant.
- 17.7. In the event that an Applicant claims credit for an Eligible Project, and such claim is determined by CCMC as incorrect or erroneous, CCMC shall reject such claim and exclude the same from computation of the eligible value, and may also, while computing and aggregate value of the Applicant make a further deduction equivalent to the claim rejected hereunder. Where any information is found to be patently false or amounting a material representation, CCMC reserves the right to reject the Application and /or Bid in accordance with the Clause 22.2 Section II.

## **18. Confidentiality**

- 18.1. Information relating to the examination, clarification, evaluation and recommendation for the short-listed pre-qualified Applicants shall not be disclosed to the Applicants or any other persons not officially concerned with such process or is not a retained professional advisor advising CCMC in relation to, or matters arising out of, or concerning the Bidding Process CCMC will treat all information, submitted as part of Application, in confidence and will require all those who have access to such material to treat the same in confidence. CCMC may not divulge any such information unless it is directed to do so by any statutory entity that has power under the law to require its disclosure or is to enforce or assert any right or privilege of the statutory entity and /or CCMC or as may be required by law or in connection with any legal process.
- 18.2. From the deadline for submission of Applications to the time of notification of the results of the prequalification, any Applicant that wishes to contact CCMC on any matter related to the prequalification process, may do so but only in writing and only at the address mentioned in the PDS.

## **19. Clarification of Applications**

- 19.1. To assist in the evaluation of Applications, CCMC may, at its discretion, ask any Applicant for a clarification on its Application which shall be submitted within a stated period of time. Any request for clarification and all clarifications shall be in writing.
- 19.2. If an Applicant does not provide clarifications of the information requested by the date and time set in CCMC'S request for clarification, its Application may be rejected.

## **20. Responsiveness of Applications**

- 20.1. CCMC may reject any application, which is not responsive to the requirements of the RFQ and no request for alteration, modification, substitution or withdrawal shall be entertained by the CCMC in respect of such Application.
- 20.2. Prior to evaluation of Applications, the CCMC shall determine whether each Application is responsive to the requirements of the RFQ. An Application shall be considered responsive only if:
  - i. it is received as per format specified under this RFQ;
  - ii. it is received through the modes mentioned in this RFQ and not later than the deadline indicated in the PDS including any extension thereof as per terms hereof;
  - iii. it is signed, sealed and marked as stipulated in this RFQ;
  - iv. it is accompanied by the Power of Attorney as stipulated in this RFQ;
  - v. it contains all the information and documents (complete in all respects) as required pursuant to this RFQ;
  - vi. it contains information in formats same as those specified in this RFQ;
  - vii. it is accompanied by the Joint Bidding Agreement (for Consortium), specific to the Project;
  - viii. it does not contain any condition or qualification; and
  - ix. it is not non-responsive in terms hereof.

## **21. Evaluation of Applications**

- 21.1. CCMC shall use the factors, methods, criteria, and requirements defined in Section V, Evaluation Criteria to evaluate the qualifications of the Applicants. The use of other methods, criteria, or requirements shall not be permitted.
- 21.2. In computing the Financial Capacity of the Applicant, the Financial Capacity of their Parent or Subsidiary companies shall also be considered, subject to the Applicant submitting the necessary documentary proof in support of the same. For the purpose of this RFQ, the term “Parent” company denotes the company which holds more than 50% of the paid up equity capital of the Applicant and the term “Subsidiary” company denotes the company in which the Applicant holds more than 50% of the paid up equity capital of such company.
- 21.3. Experience for any activity relating to a same project shall not be claimed by two or more Members of the Consortium. In other words, no double counting by a Consortium in respect of the same experience shall be permitted in any manner whatsoever.

## **22. CCMC’s right to annul the Bidding Process**

- 22.1. Notwithstanding anything contained in the RFQ, CCMC reserves the right to annul the Prequalification process and reject all applications at any time, without incurring any liability or any obligation for such acceptance, rejection or annulment without assigning any reasons therefore.
- 22.2. CCMC reserves the right to reject any Application and/ or Bid if:
  - a. at any time, a material misrepresentation is made or discovered, or
  - b. the Applicant does not provide, within the time specified by CCMC, the supplemental information sought by CCMC for evaluation of the Application.

If the Applicant is a Consortium, then the entire Consortium may be disqualified/ rejected. If such disqualification/ rejection occurs after the Bids have been opened pursuant to the Bid Stage and the successful bidder gets disqualified/ rejected, then CCMC reserves the right to:

    - i. invite the remaining bidders to match the Bid submitted by such disqualified bidder in accordance with the RFQ; or
    - ii. take any such measure as may be deemed fit in the sole discretion of CCMC, including annulment of the Bidding Process.
- 22.3. The Applicant shall submit its history of litigation as part of submission in Annexure III of the RFQ. CCMC upon evaluation reserves the right to reject those Applicants who have a continuous history of litigation and consequent delay in completing projects awarded to them.
- 22.4. The Applicant or any member of a Consortium in case such Applicant is a Consortium shall not be blacklisted or barred from participation in any tenders/ works by any agency or Department of Government of India, State Government, UT Government, Urban Local Bodies, Public Sector Enterprises or was declared ineligible by the any agency or Department of Government of India, State

Government, UT Government, Urban Local Bodies, Public Sector Enterprises in 5 years preceding the date of this RFQ. The Applicant shall provide a declaration in the format attached in Annexure IV duly attested by its authorized signatory (in case of a Consortium, separate declarations shall be submitted by each and every member forming part of the Consortium) in support of the same.

- 22.5. In case it is found during the evaluation or at any time before signing of the Concession Agreement or after its execution and during the period of subsistence thereof, including the rights thereby granted by CCMC, that one or more of the pre-qualification conditions have not been met by the Applicant, or the Applicant has made material misrepresentation or has given any materially incorrect or false information, the Applicant shall be disqualified forthwith if not yet appointed as the Successful Applicant either by issue of the LOA or entering into of the Concession Agreement, and if the Applicant/SPC has already been issued the LOA or has entered into the Concession Agreement, as the case may be, the same shall, notwithstanding anything to the contrary contained therein or in this RFQ, be liable to be terminated, by a communication in writing by CCMC to the Applicant, without CCMC being liable in any manner whatsoever to the Applicant and without prejudice to any other right or remedy which CCMC may have under this RFQ, the Concession Agreement or under applicable law.
- 22.6. CCMC reserves the right to verify all statements, information and documents submitted by the Applicant in response to the RFQ. Any such verification or lack of such verification by CCMC shall not relieve the Applicant of its obligations or liabilities hereunder nor will it affect any rights of CCMC there under.

### **23. Prequalification of Applicants**

- 23.1. The Applications shall be evaluated by the Tender Scrutiny and Evaluation Committee by using the criteria specified in this RFQ. The Applicants shall be assessed on the basis of whether they achieve the pre-specified minimum threshold requirements provided in this RFQ.
- 23.2. Once CCMC has completed the evaluation, each Applicant shall be notified in writing, whether or not it has been qualified for the RFP stage.
- 23.3. All documents and other information supplied by CCMC or submitted by an Applicant to CCMC shall remain or become the property of CCMC. CCMC will not return any Application or any information provided along therewith.

### **23.4. Proprietary data**

All documents and other information supplied by CCMC or submitted by the Applicant to CCMC shall remain or become the property of CCMC. The Applicants are to treat all information as strictly confidential and shall not use it for any purpose other than for preparation and submission of their Application. CCMC will not return any Application or any information provided along therewith.

### 23.5. **Correspondence with the Applicant**

Save and except as provided in this RFQ, CCMC shall not entertain any correspondence with any Applicant in relation to the acceptance or rejection of any Application.

### 24. **Invitation to Bid**

24.1. Promptly after the notification of the results of the prequalification CCMC may issue RFP documents to all the Applicants that have been pre-qualified.

24.2. The Successful Applicant shall be required to furnish a Bid Security, in the form, manner and of the amount specified in the RFP.

### 25. **FRAUD AND CORRUPT PRACTICES**

The Applicants and their respective officers, employees, agents and advisers shall observe the highest standard of ethics during the Bidding Process. Notwithstanding anything to the contrary contained herein, CCMC may reject an Application without being liable in any manner whatsoever to the Applicant if it determines that the Applicant has, directly or indirectly or through an agent, engaged in corrupt practice, fraudulent practice, coercive practice, undesirable practice or restrictive practice in the Bidding Process.

Without prejudice to any other rights of CCMC, if an Applicant is found by CCMC to have directly or indirectly or through an agent, engaged or indulged in any corrupt practice, fraudulent practice, coercive practice, undesirable practice or restrictive practice during the Bidding Process, such Applicant shall not be eligible to participate in any tender or RFQ issued by the CCMC during a period of 2 (two) years from the date such Applicant is found by CCMC to have directly or indirectly or through an agent, engaged or indulged in any corrupt practice, fraudulent practice, coercive practice, undesirable practice or restrictive practice, as the case may be.

25.1. For the purposes of this Clause, the following terms shall have the meaning hereinafter respectively assigned to them:

- (a) **“corrupt practice”** means (i) the offering giving, receiving, or soliciting, directly or indirectly, of anything of value to influence the actions of any person connected with the Bidding Process (for avoidance of doubt, offering of employment to, or employing, or engaging in any manner whatsoever, directly or indirectly, any official of CCMC who is or has been associated in any manner, directly or indirectly, with the Bidding Process or the LOA or has dealt with matters concerning the Concession Agreement or arising there from, before or after the execution thereof, at and time prior to the expiry of one year from the date such official resigns or retires from or otherwise ceases to be in the service of the CCMC, shall be deemed to constitute influencing the actions of a person connected with the Bidding Process); or (ii) engaging in any manner whatsoever, whether during the Bidding Process or after the issue of the LOA or after the



execution of the Concession Agreement, as the case may be, any person in respect of any matter relating to the Project or the LOA or the Concession Agreement, who at any time has been or is a legal, financial or technical adviser of the CCMC in relation to any matter conserving the Project;

- (b) **“fraudulent practice”** means a misrepresentation or omission of facts or suppression of facts or disclosure of incomplete facts, in order to influence the Bidding Process;
- (c) **“coercive practice”** means impairing or harming or threatening to impair or harm, directly or indirectly, any person or property to influence any person’s participation or action in the Bidding Process;
- (d) **“undesirable practice”** means (i) establishing contact with any person connected with or employed or engaged by the CCMC with the objective of canvassing, lobbying or in any manner influencing or attempting to influence the Bidding Process; (ii) having a Conflict of Interest; and
- (e) **“restrictive practice”** means forming a cartel or arriving at any understanding or arrangement among Applicants with the objective of restricting or manipulating a full and fair competition in the Bidding Process.

## **26. PRE-APPLICATION CONFERENCE**

- 26.1. A Pre-Application conference of the interested parties shall be convened at the designated date, time and place as provided in the PDS. A maximum of two representatives of each Applicant shall be allowed to participate on production of authority letter from the Applicant.
- 26.2. During the course of Pre-Application conference, the Applicants will be free to seek clarifications and make suggestions for consideration of the CCMC. The CCMC or the Transaction Advisor shall endeavour to provide clarifications and such further information as it may, in its sole discretion, consider appropriate for facilitating a fair, transparent and competitive Bidding Process.

## **27. MISCELLANEOUS**

- 27.1. The Bidding Process shall be governed by, and construed in accordance with, the laws of India and the courts at Tamil Nadu shall have exclusive jurisdiction over all disputes arising under, pursuant to and/or in connection with the Bidding Process.

- 27.2. The CCMC, in its sole discretion and without incurring any obligation or liability, reserves the right, at any time, to;
- (a) Suspend and/ or cancel the Bidding Process and/ or amend and/ or supplement the Bidding Process or modify the dates or other terms and conditions relating thereto;
  - (b) Consult with any applicant in order to receive clarification or further information;
  - (c) Pre-qualify or not to pre-qualify any Applicant and/ or consult with any Applicant in order to receive clarification or further information;
  - (d) Retain any information and/ or evidence submitted to the CCMC by, on behalf of, and / or in relation to any Applicant; and/ or
  - (e) Independently verify, disqualify, reject and/ or accept any and all submissions or other information and/ or evidence submitted by or on behalf of any Applicant.
- 27.3. It shall be deemed that by submitting the Application, the Applicant agrees and releases the CCMC, its employees, agents and adviser, irrevocably, unconditionally, fully and finally from any and all liability for claims, losses, damages, costs, expenses or liabilities in any way related to or arising from the exercise of any rights and/ or performance of any obligations hereunder and the other documents forming part of this RFQ, pursuant hereto, and/ or in connection with the Bidding Process, to the fullest extent permitted by applicable law, and waives any and all rights and/ or claims it may have in this respect, whether actual or contingent, whether present or in future.

## SECTION III - PRE-QUALIFICATION DATA SHEET

<b>Contacts</b>	<p><b>(a) CCMC:</b> The Commissioner, Coimbatore City Municipal Corporation Coimbatore - 641 001</p> <p><b>(b) Technical Consultants</b> Fichtner Consulting Engineers India Private Limited Menon Eternity, 9<sup>th</sup> Floor No.165, St. Mary's Road Alwarpet Chennai 600 019</p> <p><b>(c) Transaction Advisors</b></p> <p>InfraEn (India) Private Limited #4932, High Point –IV, Palace Road, Bengaluru – 560001 Karnataka, India Tel: +91 80- 69000130 Ph: +91 94454 19753</p>
<b>Website</b>	<a href="https://www.ccmc.gov.in">https://www.ccmc.gov.in</a> <a href="https://tntenders.gov.in">https://tntenders.gov.in</a>
<b>Language of Correspondence</b>	<b>ENGLISH</b>
<b>Details of Application Fee</b>	<p>The requisite application fee shall be submitted along with “ORIGINAL” of the Application. The amount of fees to be paid is: INR 60,000/- (Rupees Sixty Thousand Only)</p> <p>The Application Fee is to be paid by Demand Draft in the name of ”Commissioner, Coimbatore City Municipal Corporation” payable at Coimbatore, India.</p>
<b>No of Copies to be submitted including the ORIGINAL Submission</b>	<b>TWO (2)</b>
<b>Address for sending queries</b>	<p>Email: commr.coimbatore@tn.gov.in,cbe24x7@gmail.com Post: Commissioner Coimbatore City Municipal Corporation, Coimbatore. Tel: : 91 - 422 - 2390261, 2396026 Fax: : 91 - 422 - 2390167 E-Mail: : commr.coimbatore@tn.gov.in, cbe24x7@gmail.com</p>
<b>Address for Submission of Application</b>	<p>The Commissioner, Coimbatore City Municipal Corporation, Coimbatore</p>

**Key Dates:**

<b>Date of Issue of RFQ</b>	<b>25-Jan-17</b>	<b>Online RFQ opening place</b>
<b>Pre-Application Conference</b>	<b>24-Feb-17 on 15.00 hours</b>	<b>Main office Conference Hall, Coimbatore City Municipal Corporation</b>
<b>Last date of submission of Application in response to RFQ</b>	<b>27-Mar-17 upto 15.00 hours</b>	<b>Main office Conference Hall, Coimbatore City Municipal Corporation</b>
<b>RFQ opening</b>	<b>27-Mar-17 on 16.00 hours</b>	<b>Main office Conference Hall, Coimbatore City Municipal Corporation</b>
<b>Announcement of Successful Applicants</b>	<b>12-Apr-17</b>	

## SECTION IV - ELIGIBILITY CRITERIA

1. To be eligible for pre-qualification and short-listing, an Applicant along with the requirements in Clause 3 Section II shall fulfil the following conditions of eligibility:

(A) **Technical Capacity:** The demonstration of technical capacity and experience with respect to implementation and operation and management (the “Technical Capacity”), the following shall be considered:

(A1) **Technical Capacity - Implementation**

The Applicant with respect to implementation of projects shall, over the past 5 (five) financial years preceding the Application Due Date, have:

- (i) paid for development of Eligible Project(s) in Category 1 and/or Category 2 specified in Clause 2 Section V; and/ or
- (ii) collected and appropriated revenues from Eligible Project(s) in Category 1 and/or Category 2 specified in Clause 2 Section V; and/or
- (iii) paid for, or received payments for, construction of Eligible Project(s) in Category 3 and/or Category 4 specified in Clause 2 Section V; and/ or

such that the sum total of the above is more than Rs.850 crores (Rs. Eight hundred crores) (the “Threshold Technical Capacity - Implementation”).

(A2) **Technical Capacity –O&M**

The Applicant with respect to operation and maintenance of projects shall, over the past 10 (ten) financial years preceding the Application Due Date, have

- (i) experience in operation and maintenance of continuous pressurized urban water supply distribution system with more than 50,000 (Fifty Thousand) drinking water connections for a continuous period of three (3) years in the last ten (10) years or for a period of five (5) years within the last ten (10) years with a continuous period of at least two (2) years in a city;
- (ii) experience in managing any one of the urban utility services viz., Water, Power, Telecom and Gas distribution involving billing, collection and customer management for more than Fifty Thousand(50,000) connections for a continuous period of three(3) years in the last ten (10) years or for a period five (5) years within the last ten (10) years with a continuous period of at least two (2) years in a city.

such that the Applicant meet the criteria under (A2) (i) and (ii) above (the “Threshold Technical Capacity – O&M”).

(B) **Financial Capacity:** The Applicant shall have a minimum Net Worth (the “Financial Capacity”) of Rupees one hundred and forty(140) crores at the close of the preceding financial year. In case of a Consortium, the Lead Member shall meet the required Financial Capacity.

In case of a Consortium, each such Member in the Consortium whose Financial Capacity (Net Worth) or Technical Capacity is evaluated for the purposes of this RFQ shall subscribe and continue to hold till the achievement of the commercial operation date of the Project, as per the Concession Agreement and until the expiry of 2 years there from equity share capital in the SPC not less than (a) 26% (twenty six percent) of the paid up and subscribed equity share capital in the SPC and (b) at least 5% (five percent) of the Net Project Construction Cost.

2. The Applicant shall enclose with its Application, to be submitted as per the format at Annexure III, complete along with its attachments, the following:
  - (i) Certificate(s) from statutory auditors of the Applicant or its Associates or the concerned client(s) stating the payments made/ received or works commissioned, as the case may be, during the past 5 (five) years in respect of the projects specified in Clause 1 Section IV above. In case a particular job/ contract has been jointly executed by the Applicant (as part of a consortium), it should further support its claim for the share in work done for that particular job/ contract by producing a certificate from its statutory auditor or the client; and
  - (ii) certificate(s) from statutory auditors of the Applicant or its Associates specifying the Net Worth of the Applicant, as at the close of the preceding financial year, and also specifying that the methodology adopted for calculating such Net Worth conforms to the provisions of this Clause 2 (ii) Section IV. For the purposes of this RFQ, net worth (the “Net Worth”) shall mean the sum of subscribed and paid up equity and reserves from which shall be deducted the sum of revaluation reserves, miscellaneous expenditure not written off and reserves not available for distribution to equity share holders.
3. The Applicant should submit a Power of Attorney as per the format at Annexure II, authorising the signatory of the Application to commit the Applicant. In the case of a Consortium, the Members should submit a Power of Attorney in favour of the Lead Member as per format at Annexure II.
4. In computing the Technical Capacity and Net Worth of the Applicant/ Consortium Members, the Technical Capacity and Net Worth of their respective Associates would also be eligible hereunder.
5. The following conditions shall be adhered to while submitting an Application:
  - (a) Applicants should attach clearly marked and referenced continuation sheets in the event that the space provided in the prescribed forms in the Annexes is insufficient. Alternatively, Applicants may format the prescribed forms making due provision for incorporation of the requested information;
  - (b) information supplied by an Applicant (or other constituent Member if the Applicant is a Consortium) must apply to the Applicant, Member or Associate named in the Application and not, unless specifically requested, to other associated companies or firms. Invitation to submit Bids will be issued only to

Applicants whose identity and/ or constitution is identical to that at pre-qualification;

- (c) in responding to the pre-qualification submissions, Applicants should demonstrate their capabilities in accordance with Clause 1 Section V; and
  - (d) in case the Applicant is a Consortium, each Member should substantially satisfy the pre-qualification requirements to the extent specified herein.
6. While qualification is open to persons from any country, the following provisions shall apply:
- (a) Where, on the date of the Application, 25% (twenty five per cent) or more of the aggregate issued, subscribed and paid up equity share capital in an Applicant or its Member is held by persons resident outside India or where an Applicant or its Member is controlled by persons resident outside India; or
  - (b) if at any subsequent stage after the date of the Application, there is an acquisition of 25% (twenty five per cent) or more of the aggregate issued, subscribed and paid up equity share capital or control, by persons resident outside India, in or of the Applicant or its Member;

then the Qualification of such Applicant or in the event described in sub clause (b) above, the continued Qualification of the Applicant shall be subject to approval of the CCMC from national security and public interest perspective. The decision of the CCMC in this behalf shall be final and conclusive and binding on the Applicant.

The holding or acquisition of equity or control, as above, shall include direct or indirect holding/ acquisition, including by transfer, of the direct or indirect legal or beneficial ownership or control, by persons acting for themselves or in concert and in determining such holding or acquisition, the CCMC shall be guided by the principles, precedents and definitions contained in the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, or any substitute thereof, as in force on the date of such acquisition.

The Applicant shall promptly inform the CCMC of any change in the shareholding, as above, and failure to do so shall render the Applicant liable for disqualification from the Bidding Process.

7. Notwithstanding anything to the contrary contained herein, in the event that the Application Due Date falls within 3 (three) months of the closing of the latest financial year of an Applicant, it shall ignore such financial year for the purposes of its Application and furnish all its information and certification with reference to the year preceding its latest financial year. For the avoidance of doubt, financial year shall, for the purposes of an Application hereunder, mean the accounting year followed by the Applicant in the course of its normal business.

## **SECTION V–EVALUATION CRITERIA**

### **1. Evaluation parameters**

- 1.1 Only those Applicants who meet the eligibility criteria specified in Clause 1 and Clause 2 of Section IV of this RFQ shall qualify for evaluation under this Section V. Applications of individuals / consortiums which do not meet the minimum score as per Scoring System in Clause 5 of this Section V shall be rejected.
- 1.2 The Applicant’s competence and capability and evaluation for the purposes of this Bidding Process is proposed to be established by the following parameters:
  - (a) Technical Capacity; and
  - (b) Financial Capacity.

### **2. Technical Capacity for purposes of evaluation**

- 2.1 Subject to the provisions of Clause 2 of Section IV of this RFQ, the following categories of experience would qualify for evaluation of Technical Capacity and eligible experience of an Applicant (the “**Eligible Experience**”) in eligible projects as stipulated in Clauses 2.3 and 2.4 of this of Section V (the “**Eligible Projects**”):

- Category 1: Project experience on Eligible Projects in water supply projects that qualify as per Clause 2.3
- Category 2: Project experience on Eligible Projects in core sector projects that qualify as per Clause 2.3
- Category 3: Construction and O&M experience on Eligible Projects in water supply projects that qualify as per Clause 2.4
- Category 4: Construction and O&M experience on Eligible Projects in core sector projects that qualify under Clause 2.4

For the purpose of this RFQ:

- (i) water supply projects shall include projects in water supply, waste water treatment, wastewater treatment and supply, sewerage system and supply, waste management; and
  - (ii) core sector project shall mean and include projects in roads, ports, airports, metro rail, railways, pipelines, irrigation, telecom, power, industrial parks/ estates, logistic parks and real estate development.
- 2.2 Eligible Experience in respect of each category shall be measured only for Eligible Projects.
  - 2.3 For a project to qualify as an Eligible Project under Categories 1 and 2:
    - (a) It should have been undertaken as a PPP project on BOT, BOLT, BOO, BOOT or other similar basis for providing its output or services to a public



sector entity or for providing non-discriminatory access to users in pursuance of its charter, concession or contract, as the case may be. For the avoidance of doubt, a project which constitutes a natural monopoly such as an airport or port should normally be included in this category even if it is not based on a long-term agreement with a public entity;

- (b) the entity claiming experience should have held, in the company owning the Eligible Project, a minimum of 26% (twenty six per cent) equity during the entire year for which Eligible Experience is being claimed;
- (c) the capital cost of the project should be more than Rs. 120 crores (Rs. One hundred and twenty crores); and

2.4 For a project to qualify as an Eligible Project under Categories 3 and 4, the Applicant should have paid for execution of its construction works or received payments from its client(s) for construction and O&M works executed, fully or partially, during the 5 (five) financial years immediately preceding the Application Due Date, and only the payments (gross) actually made or received, as the case may be, during such 5 (five) financial years shall qualify for purposes of computing the Threshold Technical Capacity. However, payments/receipts of less than Rs.120 crores (Rs. One hundred and twenty crores) shall not be reckoned as payments/receipts for Eligible Projects. For the avoidance of doubt, construction works and O&M shall not include supply of goods or equipment except when such goods or equipment form part of a turn-key construction contract/ EPC contract for the project. Further, the cost of land shall not be included hereunder.

2.5 The Applicant shall quote experience in respect of a particular Eligible Project under any one category only, even though the Applicant (either individually or along with a member of the Consortium) may have played multiple roles in the cited project. Double counting for a particular Eligible Project shall not be permitted in any form. Provided however, a single project can be considered as Eligible Projects under Threshold Technical Capacity – Implementation and Threshold Technical Capacity – O&M.

2.6 Subject to the provisions of Clause 2.7, an Applicant’s experience under Threshold Technical Capacity – Implementation shall be measured and then multiplied by the applicable factor in Table A below. In case the Applicant has experience across different categories, the value for each category would be computed as above and then aggregated to arrive at its Threshold Technical Capacity – Implementation.

**Table A: Factors for Experience across categories**

Categories	Factor
Category 1	1.25
Category 2	1.00
Category 3	0.75
Category 4	0.50

- 2.7 Experience for any activity relating to an Eligible Project shall not be claimed by two or more Members of the Consortium. In other words, no double counting by a Consortium in respect of the same experience shall be permitted in any manner whatsoever.

### **3. Details of Experience**

- 3.1 The Applicant should furnish the details of Eligible Experience for the last 5 (five) financial years in the case of 'Technical Capacity – Implementation' and for the last 10 (ten) financial years in the case of 'Technical Capacity – O&M'. The Eligible Experience, so claimed, shall be for the financial years immediately preceding the Application Due Date.
- 3.2 The Applicants must provide the necessary information relating to Technical Capacity as per format at Annexure III.
- 3.3 The Applicant should furnish the required Project-specific information and evidence in support of its claim of Technical Capacity, as per format at Annexure III.
- 3.4 The Applicant must establish eligibility compliance under Section IV (A1) and (A2)

### **4 Financial information for purposes of evaluation**

- 4.1 The Application must be accompanied by the Audited Annual Reports of the Applicant (of each Member in case of a Consortium) for the last 3 (three) financial years, preceding the year in which the Application is made.
- 4.2 In case the annual accounts for the latest financial year are not audited and therefore the Applicant cannot make it available, the Applicant shall give an undertaking to this effect and the statutory auditor shall certify the same. In such a case, the Applicant shall provide the Audited Annual Reports for 3 (three) years preceding the year for which the Audited Annual Report is not being provided.
- 4.3 The Applicant must establish the minimum Net Worth specified in Clause 1 of Section IV, and provide details as per format at Annexure III.

### **5. Scoring System**

The scoring based on the Eligibility Criteria shall be tabulated for Applicants as per the table below. The minimum marks to be scored in each of the criteria listed from Sl. No. 1 to 4 are provided in column (5). Applicants who obtain the minimum marks for each criteria shall only be considered responsive to the Section IV – Eligibility Criteria of this RFQ.

Sl. No.	Ref No.	Criteria	Scoring System	Minimum pre-qualification marks
(1)	(2)	(3)	(4)	(5)
1	A1	Technical Capacity – Implementation	Threshold Technical Capacity – Implementation: Rs.800 crores – 5 marks Every additional Rs.200 crores – 2.5marks	5 marks
2	A2: i	Technical Capacity – O&M (water supply distribution system)	Threshold Technical Capacity – O&M as per A2 (i): 50,000 connections as per A2 (i)– 5 marks Every additional 10,000 connections as per A2 (i) – 2.5marks	5 marks
3	A2: ii	Technical Capacity – O&M (customer management of urban utility services)	Threshold Technical Capacity – O&M as per A2 (ii): 50,000 connections as per A2 (ii)– 5 marks Every additional 10,000 connections as per A2 (ii)– 2.5marks	5 marks
4	B	Financial Capacity	Net Worth at the close of the preceding financial year - 140 crores - 5 marks Every additional 20% of Rs. 140 crore – 2.5mark	5 marks

## 6. Short-listing of Applicants

- 6.1 The credentials of eligible Applicants shall be measured in terms of their meeting the specified Threshold Technical Capacity and Financial Capacity. In case of a Consortium, the aggregate capacity of each of its Members, who have an equity share of at least 26% in such Consortium, shall be summed up for arriving at the combined Aggregate Technical and Financial Capacity of the Consortium. The minimum marks required for short listing of the Applicant shall be 25 (twenty five) marks.

## SECTION VI - ANNEXURES

### **Annexure I** **Joint Bidding Agreement**

**(To be executed by and between the Consortium Members, as applicable on Non-Judicial Stamp Paper of Rs.100 and duly notarized.)**

THIS JOINT BIDDING AGREEMENT is entered into on this the ..... day of ..... 2015 (the “**Agreement**”) **AMONGST**

1. [●], a company incorporated under the (Indian) Companies Act, 1956/2013 and having its registered office at ..... (hereinafter referred to as the “**First Party**” which expression shall, unless repugnant to the context include its successors and permitted assigns);

**AND**

2. [●], a company incorporated under the (Indian) Companies Act, 1956/2013 and having its registered office at ..... (hereinafter referred to as the “**Second Party**” which expression shall, unless repugnant to the context include its successors and permitted assigns)

**AND**

3. [●], a company incorporated under the (Indian) Companies Act, 1956/2013 and having its registered office at ..... (hereinafter referred to as the “**Third Party**” which expression shall, unless repugnant to the context include its successors and permitted assigns)

The above mentioned parties of the **FIRSTPARTY**, **SECONDPARTY** and **THIRD PARTY** are collectively referred to as the “**Parties**” and each is individually referred to as a “**Party**”.

**WHEREAS,**

- A. The Coimbatore City Municipal Corporation, hereinafter referred to as “**CCMC**”) has invited applications by its Request for Qualification No. .... dated ..... (the “**RFQ**”) for qualifying and selecting applicant for implementing a 24x7 water supply system by upgrading the existing water supply infrastructure in the city of Coimbatore into a 24x7 water supply system to be implemented on build, operate, manage and maintain basis (the “**Project**”) under Build, Transfer and Operate model;
- B. The Parties are interested in jointly bidding for the Project as members of a Consortium (as defined below) and in accordance with the terms and conditions of this RFQ; and
- C. It is a necessary condition under the RFQ that the members of the Consortium shall enter into a joint bidding agreement and furnish a copy thereof with the Application.

**NOW IT IS HEREBY AGREED as follows:**

**1. Definitions and Interpretations**

In this Agreement, the capitalised terms shall, unless the context otherwise requires, have the meaning ascribed thereto under the RFQ.

**2. Consortium**

2.1 The Parties do hereby irrevocably constitute a consortium (the “**Consortium**”) for the purposes of jointly participating in the Bidding Process for the Project.

2.2 The Parties hereby undertake to participate in the Bidding Process only through this Consortium and not individually and/or through any other consortium constituted for the Project, either directly or indirectly or through any of their Associates.

**3. Covenants**

The Parties hereby undertake that in the event the Consortium is declared the successful bidder pursuant to the Bid Stage and awarded the Project, it shall incorporate the SPC under the Companies Act, 2013 for entering into a Concession Agreement with CCMC as required by and in accordance with the RFQ for performing all its obligations as the concessionaire in terms of the Concession Agreement for the Project.

**4. Role of the Parties**

The Parties hereby undertake to perform the roles and responsibilities as described below.

(a) The First Party shall be the Lead Member of the Consortium and shall have the power of attorney from all Parties for conducting all business for and on behalf of the Consortium during the Bidding Process and until the Appointed Date under the Concession Agreement when all the obligations of the SPC shall become effective.

(b) The Second Part and Third Part shall respectively perform the following obligations in relation to the implementation of the Project:

(i).....

(ii).....

**5. Joint and Several Liabilities**

The Parties do hereby undertake to be individually, jointly and severally responsible for all obligations and liabilities relating to the Project in accordance with the terms of the RFQ, the Concession Agreement and for the performance of the concessionaire’s obligations under the Concession Agreement.

## **6. Shareholding in the SPC**

- (a) The Parties agree that the percentage of shareholding among the Parties in the SPC shall be as follows:  
First Party:[●]  
Second Party: [●]  
Third Party:[●]
- (b) Subject to the terms of the Concession Agreement, the Parties undertake that, except with the prior written consent of CCMC, they shall not permit and ensure that the SPC shall not permit a change in the above state shareholding pattern of the SPC so that the Parties are in compliance with the following restrictions:
- (i) Till the achievement of the commercial operation date of the Project, as per the Concession Agreement and until the expiry of 2 years there from each such Member in the Consortium whose financial capacity (net worth) or technical capacity is evaluated for the purposes of this RFQ shall subscribe and continue to hold equity share capital not less than (a) 26% (twenty six percent) of the paid up and subscribed equity share capital in the SPC and (b) at least 5% (five percent) of the Net Project Construction Cost;
- (ii) The Members of the Consortium shall together hold at least 51% of the paid up and subscribed equity share capital in the SPC till the expiry of the Concession Period and the Member of the Consortium whose technical experience in Operations and Maintenance (O&M) were considered for qualification during the RFQ stage should hold not less than 11% of the paid up and subscribed equity share capital in the SPC from COD.
- (c) The Parties undertake that they shall comply with all equity lock-in requirements set forth herein or the Concession Agreement.
- (d) The parties undertake that all members of the Consortium shall be liable jointly and severally for all obligations of the concessionaire in relation to the Project until the completion of EPC works and the First Party will in any case remain liable until the completion of the O&M Period.

## **7. Representation of the Parties**

Each Party represents to the other Parties as of the date of this Agreement that:

- (a) such Party is duly organised, validly existing under the laws of its incorporation and has all requisite power and authority to enter into this Agreement;
- (b) the execution, delivery and performance by such Party of this Agreement has been authorised by all necessary and appropriate corporate or governmental action and a copy of the extract of the charter documents and board resolution/power of attorney in favour of the person executing this Agreement for the delegation of power and authority to execute this Agreement on behalf of the Member of Consortium is annexed to this Agreement, and will not, to the best of its knowledge:

- (i) require any consent or approval not already obtained;
  - (ii) violate any applicable law presently in effect and having applicability to it;
  - (iii) violate the memorandum of association and articles of association, by-laws or other applicable organisational documents thereof;
  - (iv) violate any clearance, permit, concession, grant, license or other governmental authorisation, approval, judgment, order or decree or any mortgage agreement, indenture or any other instrument to which such Party is a party or by which such Party or any of its properties or assets are bound or that is otherwise applicable to such Party; and
  - (v) create or impose any liens, mortgages, pledges, claims, security interests, charges or any other encumbrances or obligations to create a lien, charge, pledge, security interest, encumbrances or mortgage in or on the property of such Party, except for encumbrances that would not, individually or in the aggregate, have a material adverse effect on the financial condition or prospects or business of such Party so as to prevent such Party from fulfilling its obligations under this Agreement;
- (c) this Agreement is the legal and binding obligation of such Party, enforceable in accordance with its terms against it; and
- (d) there is no litigation pending or, to the best of such Party's knowledge, threatened to which it or any of its affiliates is a party that presently affects or which would have a material adverse effect on the financial condition or prospects or business of such Party in the fulfilment of its obligations under this Agreement.

## **8. Termination**

This Agreement shall be effective from the date hereof and shall continue in full force and effect till the full and final satisfaction of all obligations under the Concession Agreement in accordance with the terms thereof, in case the Project is awarded to the Consortium. However, in case the Consortium is either not pre-qualified for the Project or does not get selected for award of the Project, the Agreement will stand terminated in case the Applicant is not pre-qualified in the Qualification Stage or is unsuccessful in the Bid Stage whereupon the bid security is returned by CCMC, as the case may be.

## **9. Miscellaneous**

This Joint Bidding Agreement shall be governed by laws of India.

The Parties acknowledge and accept that this Agreement shall not be amended by the Parties without the prior written consent of CCMC.

IN WITNESS WHEREOF THE PARTIES ABOVE NAMED HAVE EXECUTED AND DELIVERED THIS AGREEMENT AS OF THE DATE FIRST ABOVE WRITTEN. SIGNED, SEALED AND DELIVERED

For and on behalf of the FIRST PARTY by:  
(Signature)

(Name)  
Designation)  
(Address)

For and on behalf of SECOND PARTY  
(Signature)

(Name)  
(Designation)  
(Address)

For and on behalf of THIRD PARTY  
(Signature)

(Name)  
(Designation)  
(Address)

In the presence of:

- 1.
  
  
  
  
  
  
  
  
  
  
- 2.

Notes:

1. The mode of execution of the Joint Bidding Agreement should be in accordance with the procedure, if any, laid down by the applicable law and the charter documents of the executant(s) and when it is so required, the same should be under common seal affixed in accordance with the required procedure.
2. Each Joint Bidding Agreement should attach a copy of the extract of the charter documents and documents such as resolution/power of attorney in favour of the person executing this Agreement for the delegation of power and authority to execute this Agreement on behalf of the Member of Consortium.
3. For a Joint Bidding Agreement executed and issued overseas, the document shall be legalized and notarized in the jurisdiction where the Power of Attorney has been executed.



**Annexure II**  
**Format of Power of Attorney**

**(To be executed on Non-Judicial Stamp Paper of Rs.100 and duly notarized)**

KNOW ALL MEN by these presents that we, \_\_\_\_\_ [name of the company], company incorporated under the Companies Act 1956, having its Registered Office at .... [address of the company] (hereinafter referred to as “Other Member 1”) and \_\_\_\_\_ [name of the company], a company incorporated under the Companies Act 1956<sup>9</sup>, having its Registered Office at .... [address of the company] (hereinafter referred to as “Other Member 2”):

WHEREAS M/s \_\_\_\_\_, M/s \_\_\_\_\_ and M/s \_\_\_\_\_ (insert name and registered office address of all the members) are forming a Consortium to submit their application in response to the Request for Qualification (“RFQ”) for Implementation of 24x7 Water Supply System in the City of Coimbatore (the “Project”) and is desirous of appointing an attorney for the purpose thereof.

NOW THEREFORE KNOW ALL MEN BY THESE PRESENTS, that M/s \_\_\_\_\_ [name of the Other Member 1] and M/s \_\_\_\_\_ [name of the Other Member 2] do hereby nominate, constitute and appoint M/s \_\_\_\_\_ [name the Lead Member company] as its/their true and lawful Attorney to do and execute all or any of the following acts, deeds and things for the Consortium in its/their name and on its/their behalf, that is to say:

To act as the Lead Member of the Consortium for the purposes of the Project;

In such capacity, to act as the Consortium’s official representative for submitting the Application for the Project and other relevant documents in connection therewith;

To sign all papers for all proposals, offers, Project documents, necessary documents, papers, applications, representations and correspondence necessary and proper for the purpose aforesaid;

To procure tender documents, receive and make inquiries, make the necessary corrections and clarifications to the Project documents, as may be necessary;

To sign and execute contracts relating to the Project, including variation and modification thereto;

To represent the Consortium at meetings, discussions, negotiations and presentations with CCMC, Government Authorities, Competent Authorities and other Project related entities;

To receive notices, instructions and information for and on behalf of the Consortium;  
To do all such acts, deeds and things in the name and on behalf of the Consortium as necessary for the purpose aforesaid.

AND the Consortium hereby covenants with the said Attorney to ratify and confirm all and whatever the attorney may lawfully do or cause to be done by virtue of these presents.

IN WITNESS WHEREOF the Consortium member(s) puts its/their hand and seal to this Power of Attorney on this [day, month & year].

<p>The common seal of ( name of the other member 1) was here unto affixed pursuant to a resolution passed at the meeting of Committee of Directors and held on ----- day of -----, 2015 in the presence of (name &amp; designation of the person) and countersigned by (name &amp; designation of the person) of the Company of ( name of the company</p>	<p>)          )          ).....          ) (name and designation of the person)          )          )          ).....          ) (name and designation of the person)</p>
<p>The seal of the other member 2( name of the other member 2) was hereunto affixed pursuant to a resolution passed at the meeting of Committee of Directors and held on ----- day of -- -----, 2015 in the presence of (name &amp; designation of the person) and countersigned by (name &amp; designation of the person) of the Company of ( name of the company</p>	<p>)          )          ).....          ) (name and designation of the person)          )          )          ).....          ) (name and designation of the person)</p>

**Annexure III**  
**Letter Comprising the Application for Pre-Qualification**

Dated:

To,

.....  
.....  
.....

Sub: Application for pre-qualification for the 24x7 Water Supply Project in Coimbatore City Municipal Corporation

Dear Sir,

1. With reference to your RFQ document dated ....., I/we, having examined the RFQ document and understood its contents, hereby submit my/our Application for Qualification for the aforesaid project. The Application is unconditional and unqualified.
2. I/ We acknowledge that the Authority will be relying on the information provided in the Application and the documents accompanying such Application for pre-qualification of the Applicants for the aforesaid project, and we certify that all information provided in the Application and in Attachments I to V are true and correct; nothing has been omitted which renders such information misleading; and all documents accompanying such Application are true copies of their respective originals.
3. This statement is made for the express purpose of qualifying as a Successful Applicant for the development, construction, operation and maintenance of the aforesaid Project.
4. I/ We shall make available to the CCMC any additional information it may find necessary or require to supplement or authenticate the Qualification statement.
5. I/ We acknowledge the right of the CCMC to reject our Application without assigning any reason or otherwise and hereby waive, to the fullest extent permitted by applicable law, our right to challenge the same on any account whatsoever.
6. I/ We certify that in the last three years, we/ any of the Consortium Members or our/ their Associates have neither failed to perform on any contract, as evidenced by imposition of a penalty by an arbitral or judicial authority or a judicial pronouncement or arbitration award, nor been expelled from any project or contract by any public authority nor have had any contract terminated by any public authority for breach on our part.
7. I/ We declare that:
  - (a) I/ We have examined and have no reservations to the RFQ document, including any Addendum issued by the CCMC;

- (b) I/ We do not have any conflict of interest in accordance with the provisions of the RFQ document;
  - (c) I/We have not directly or indirectly or through an agent engaged or indulged in any corrupt practice, fraudulent practice, coercive practice, undesirable practice or restrictive practice, as per the RFQ document, in respect of any tender or request for proposal issued by or any agreement entered into with the CCMC or any other public sector enterprise or any government, Central or State; and
  - (d) I/ We hereby certify that we have taken steps to ensure that in conformity with the provisions of the RFQ document, no person acting for us or on our behalf has engaged or will engage in any corrupt practice, fraudulent practice, coercive practice, undesirable practice or restrictive practice.
8. I/ We understand that you may cancel the Bidding Process at any time and that you are neither bound to accept any Application that you may receive nor to invite the Applicants to Bid for the Project, without incurring any liability to the Applicants, in accordance with the RFQ document.
  9. I/ We believe that we/ our Consortium/ proposed Consortium satisfy(s) the Net Worth criteria and meet(s) all the requirements as specified in the RFQ document and am/ are qualified to submit a Bid.
  10. I/ We declare that we/ any Member of the Consortium, or our/ its Associates are not a Member of a/ any other Consortium applying for pre-qualification.
  11. I/ We certify that in regard to matters other than security and integrity of the country, we/ any Member of the Consortium or any of our/ their Associates have not been convicted by a court or indicted or adverse orders passed by a regulatory authority which could cast a doubt on our ability to undertake the Project or which relates to a grave offence that outrages the moral sense of the community.
  12. I/ We further certify that in regard to matters relating to security and integrity of the country, we/ any Member of the Consortium or any of our/ their Associates have not been charge-sheeted by any agency of the Government of India, Government of Tamil Nadu or any other state government or convicted by a court.
  13. I/ We further certify that no investigation by a regulatory authority is pending either against us/ any Member of the Consortium or against our/ their Associates or against our CEO or any of our directors/ managers/ employees.
  14. I/We further certify that we/ any Member of the Consortium or any of our/ their Associates are not barred by the Government of India, Government of Tamil Nadu or any other state government or any entity controlled by it, from participating in any project (BOT or otherwise), and no bar subsists as on the date of Application.

15. I/ We undertake that in case due to any change in facts or circumstances during the Bidding Process, we are attracted by the provisions of disqualification in terms of the provisions of this RFQ, we shall intimate CCMC of the same immediately.
16. The Statement of Legal Capacity as per format provided at Attachment V in Annexure III of the RFQ document, and duly signed, is enclosed. The power of attorney for signing of Application and the power of attorney for Lead Member of consortium, as per format provided at Annexure IV respectively of the RFQ, are also enclosed.
17. I/ We understand that the Successful Applicant shall either be an existing company incorporated under the Indian Companies Act, 1956/2013, or shall incorporate as such prior to execution of the Concession Agreement.
18. I/ We hereby confirm that we shall comply with the O&M requirements specified in Section I of the RFQ.
19. I/ We hereby irrevocably waive any right or remedy which we may have at any stage at law or howsoever otherwise arising to challenge or question any decision taken by the CCMC in connection with the selection of Applicants, selection of the Successful Applicant, or in connection with the selection/Bidding Process itself, in respect of the above mentioned Project and the terms and implementation thereof.
20. I/ We agree and undertake to abide by all the terms and conditions of the RFQ document.
21. I/ We certify that in terms of the RFQ, I/we meet the Technical and Financial Capacity.
22. We agree and undertake to be jointly and severally liable for all the obligations of the Concessionaire under the Concession Agreement till occurrence of Financial Close in accordance with the Concession Agreement.
23. The requisite payment of Rs.60,000/- (Rupees Sixty Thousand Only) is enclosed herewithas per following details:

*[Please insert details]*

In witness thereof, I/ we submit this Application under and in accordance with the terms of the RFQ document.

Yours faithfully,

Date: (Signature, name and designation of the Authorized Signatory)  
Place: Name and seal of the Applicant/ Lead Member

## Attachment –I

### Particulars of the Applicant

1.
  - (a) Name:
  - (b) Country of incorporation:
  - (c) Address of the corporate headquarters and its branch office(s), if any, in India:
  - (d) Date of incorporation and/ or commencement of business:
  
2. Brief description of the Company including details of its main lines of business and proposed role and responsibilities in this Project:
  
3. Particulars of individual(s) who will serve as the point of contact/ communication for the Applicant:
  - (a) Name:
  - (b) Designation:
  - (c) Company:
  - (d) Address:
  - (e) Telephone Number:
  - (f) E-Mail Address:
  
4. Particulars of the Authorised Signatory of the Applicant:
  - (a) Name:
  - (b) Designation:
  - (c) Address:
  - (d) Phone Number:
  
5. In case of a Consortium:
  - (a) The information above (1-4) should be provided for all the Members of the Consortium.
  - (b) A copy of the Jt. Bidding Agreement should be attached to the Application.
  - (c) Information regarding the role of each Member should be provided as per table below:

Sl. No.	Name of Member	Role	Percentage of equity in the Consortium
1.			
2.			
3.			
4.			

6. The following information shall also be provided for the Applicant, including each Member of the Consortium:

**Name of Applicant/ member of Consortium:**

No.	Criteria	Yes	No
1.	Has the Applicant/ constituent of the Consortium been barred by the [Central/ State] Government, or any entity controlled by it, from participating in any project (BOT or otherwise)?		
2.	If the answer to 1 is yes, does the bar subsist as on the date of Application?		
3.	Has the Applicant/ constituent of the Consortium paid liquidated damages of more than 5% of the contract value in a contract due to delay or has been penalized due to any other reason in relation to execution of a contract, in the last three years?		

7. A statement by the Applicant and each of the Members of its Consortium (where applicable) or any of their Associates disclosing material non-performance or contractual non-compliance in past projects, contractual disputes and litigation/ arbitration in the recent past is given below (Attach extra sheets, if necessary):

**Attachment II**  
**A1 Technical Capacity – Implementation**

Applicant type (1)	Member Code (2)	Project Code (3)	Category (4)	Experience (Equivalent Rs. crore)			Total (8)	Multiplier for the Category (9)	Value =(8) * (9) (10)
				Payments made for development of Eligible Projects in Categories 1 and 2 (5)	Revenues appropriated from Eligible Projects in Categories 1 and 2 (6)	Payments made/ received for construction and O&M of Eligible Projects in Categories 3 and 4 (7)			
Single entity Applicant		a							
		b							
		c							
		d							
Consortium Member 1		1a							
		1b							
		1c							
		1d							
Consortium Member 2		2a							
		2b							
		2c							
		2d							
<b>Aggregate Value =</b>									



**Attachment II**  
**A2 Technical Capacity – O&M**

**(A2) (i) Operation & Maintenance of Water Supply Scheme**

Name of the Applicant/ Associate:

<b>Sl. No.</b>	<b>Project Name</b>	<b>Client</b>	<b>Mode of Implementation and Project Components</b>	<b>% of Equity held by the Applicant in the Project company owning the Eligible Project (if applicable)</b>	<b>No. of Connections Served</b>	<b>Project Start date and End Date</b>
<b>(1)</b>	<b>(2)</b>	<b>(3)</b>	<b>(4)</b>	<b>(5)</b>	<b>(6)</b>	<b>(7)</b>

**(A2) (ii) Experience in Billing, Collection & Customer Management**

Name of the Applicant/ Associate:

<b>Sl. No.</b>	<b>Project Name/ Sector</b>	<b>Client</b>	<b>Mode of Implementation and Project Components</b>	<b>% of Equity held by the Applicant in the Project company owning the Eligible Project (if applicable)</b>	<b>No. of Connections</b>	<b>Project Start date and End Date</b>
<b>(1)</b>	<b>(2)</b>	<b>(3)</b>	<b>(4)</b>	<b>(5)</b>	<b>(6)</b>	<b>(7)</b>

**Attachment-III**  
**Financial Capacity of the Applicant**

(In Rs. crore)

<b>Applicant type</b>	<b>Member Code</b>	<b>Net Worth as on _____</b>
(1)	(2)	(3)
Single entity Applicant / Lead Member of Consortium		
Consortium Member 1		
Consortium Member 2		
<b>TOTAL</b>		

**Attachment-IV**  
**Details of Eligible Projects (for A1)**

**Project Code:**

**Member Code:**

<b>Item</b> (1)	<b>Refer Instruction</b> (2)	<b>Particulars of the Project</b> (3)
Title & nature of the project		
Category	5	
Year-wise (a) payments received/ made for construction, (b) payments made for development of PPP projects and/ or (c) revenues appropriated	6	
Entity for which the project was constructed/ developed	7	
Location		
Project cost	8	
Date of commencement of project/ contract		
Date of completion/ commissioning	9	
Equity shareholding (with period during which equity was held)	10	
Whether credit is being taken for the Eligible Experience of an Associate (Yes/ No)	15	

**Certificate from the Statutory Auditor for Category 1 & 2**

Based on its books of accounts and other published information authenticated by it, this is to certify that ..... (*name of the Applicant/Member/Associate*) is/ was an equity shareholder in ..... (*title of the project company*) and holds/held Rs. .... cr. (Rupees ..... crore) of equity (which constitutes .....% of the total paid up and subscribed equity capital) of the project company from ..... (*date*) to ..... (*date*). The project was/is likely to be commissioned on ..... (*date of commissioning of the project*).

We further certify that the total estimated capital cost of the project is Rs. .... cr. (Rupees .....crore), of which Rs. .... cr. (Rupees ..... crore) of capital expenditure was incurred during the past five financial years as per year-wise details noted below:

.....  
.....

We also certify that the eligible annual revenues collected and appropriated by the aforesaid project company in terms of the RFQ during the past five financial years were Rs. .... cr. as per year-wise details noted below:

.....  
.....

Name of the audit firm:

Seal of the audit firm:

Date:

(Signature, name and designation  
of the authorized signatory)

**Certificate from the Statutory Auditor/ Client for Category 3 & 4**

Based on its books of accounts and other published information authenticated by it, {this is to certify that ..... (*name of the Applicant/Member/Associate*) was engaged by ..... (*title of the project company*) to execute ..... (*name of project*) for ..... (*nature of project*). The construction of the project commenced on ..... (*date*) and the project was/ is likely to be commissioned on ..... (*date, if any*). It is certified that ..... (*name of the Applicant/ Member/ Associate*) received/paid Rs. .... cr. (Rupees ..... crore) by way of payment for the aforesaid construction works.

We further certify that the total estimated capital cost of the project is Rs. .... cr. (Rupees .....crore), of which the Applicant/Member/Associate received/paid Rs. .... cr. (Rupees ..... crore), in terms of the RFQ, during the past five financial years as per year-wise details noted below:

.....  
.....

*{It is further certified that the payments/ receipts indicated above are restricted to the share of the Applicant who undertook these works as a partner or a member of joint venture/ consortium.}*

Name of the audit firm:

Seal of the audit firm:

Date:

(Signature, name and designation of the  
authorized signatory).

**Certificate from the Statutory Auditor/ Company Secretary regarding Associate**

Based on the authenticated record of the Company, this is to certify that more than 20% (twenty per cent) of the subscribed and paid up voting equity of ..... (*name of the Applicant/ Consortium Member/ Associate*) is held, directly or indirectly, by ..... (*name of Associate/ Applicant/ Consortium Member*). By virtue of the aforesaid share-holding, the latter exercises control over the former, who is an Associate in terms of the RFQ.

A brief description of the said equity held, directly or indirectly, is given below:

*{Describe the share-holding of the Applicant/ Consortium Member and the Associate. In the event the Associate is under common control with the Applicant/ Consortium Member, the relationship may be suitably described and similarly certified herein. }*

Name of the audit firm:

Seal of the audit firm:

(Signature, name and designation of Date:  
the authorised signatory).

**Attachment -V**  
**Statement of Legal Capacity**

*(To be forwarded on the letterhead of the Applicant/ Lead Member of Consortium)*

Ref. Date:

To,

.....  
.....  
.....

Dear Sir,

We hereby confirm that we/ our members in the Consortium (constitution of which has been described in the Application) satisfy the terms and conditions laid out in the RFQ document.

We have agreed that ..... (insert member's name) will act as the Lead Member of our consortium.<sup>\$</sup>

We have agreed that ..... (insert individual's name) will act as our representative/ will act as the representative of the consortium on its behalf<sup>\$</sup> and has been duly authorized to submit the RFQ. Further, the authorised signatory is vested with requisite powers to furnish such letter and authenticate the same.

Thanking you,

Yours faithfully,

(Signature, name and designation of the authorised signatory)

For and on behalf of.....

\_\_\_\_\_

<sup>\$</sup>Please strike out whichever is not applicable.

**Annexure IV**  
**Format of Self Declaration**

We hereby declare that [Name of the Applicant] having its registered office at [Address of the Applicant] has not been blacklisted or barred from participation in any tenders/ works by any agency or Department of Government of India, State Government, UT Government, Urban Local Bodies, Public Sector Enterprises or was declared ineligible by the any agency or Department of Government of India, State Government, UT Government, Urban Local Bodies, Public Sector Enterprises for corrupt and fraudulent practices in last 5 years.

**[Authorized Signature]**

**[Name, Designation and Address of the Authorized Signatory]**

## **Annexure V**

### **General Information**

#### **Background**

Coimbatore City Municipal Corporation (CCMC) has a population of 11.11 lakh (base year 2014) and covers an area of 105.60 sq.km. The city has a water demand of 175 MLD (base year 2014) which is currently being met through two combined water supply scheme, with 125 MLD of intake from the Pillur Dam across Bhavani River and 75 MLD released by the Government of Kerala from Siruvani dam across Siruvani river.

JNNURM approved the project in October 2013 at an estimated Project Cost of Rs. 451.66 crore, with Rs. 225.83 crore (50% of JNNURM approved project cost) as central assistance, Rs. 90.33 crore (20% of approved project cost) as State Government share and the balance Rs. 135.5 crore (30% of approved project cost) as CCMC's share. In addition to the JNNURM approved project cost, a provision of Rs 88.70 crore was incorporated for the cost escalations during the four year construction period and a provision of Rs 16.21 crores was incorporated for Project Management Consultancy costs to arrive at an overall Project Construction Cost of Rs 556.57 crores. Further to the grant support for the project under JNNURM, TNIDB may provide grant support to CCMC to the extent of 20% of the Staggered Annuity payable in each of the first four years subject to a maximum of 20% of the total project cost excluding any cost escalations.

#### **Rationale for the Project**

Coimbatore City population has grown from 9.31 lakh in 2001 to 10.61 lakh in 2011, with an average annual growth rate of 1.69% and an average decadal growth rate of 16.78%. The estimated population in the base year 2014 is 11.11 lakh, covering an area of 105.60 sq.km of the local planning authority.

Although bulk water supply is adequate in Coimbatore, the infrastructure to cater the bulk water to the end user, including distribution network, is in a dilapidated condition.

The current service level of CCMC ranges from 75 lpcd to 125 lpcd (based on sample studies made by CCMC), with intermittent supply of 3-4 hours a day, and once in 3-4 days a week,



with the residual pressure ranging from 0.1 m to 2 m at the house service connections(based on sample studies made by CCMC).

The present water supply system experiences frequent leaks and bursts and the inadequate pipe size and pressure resulting in inequitable supply and non-coverage of a number of layouts.

Therefore, improving and revamping the present feeder mains and distribution system in the erstwhile Coimbatore Corporation area is proposed to be taken up at 135 lpcd regular supply to Coimbatore City on a 24x7 basis.

The impact of this project will be the significant improvement in the current scenario of intermittent and unpredictable supply of water. It and will also lead to an overall improvement of the socio-economic scenario in the Corporation.

The proposed project intervention would enhance coverage, efficiency and reliability of water supply in the CCMC core area covering 60 wards out of the 100 wards under CCMC. The following tables demonstrate the outcome of the proposed project intervention.

<b>Existing &amp; Proposed Water Supply System</b>		
<b>Components</b>	<b>Existing</b>	<b>Proposed</b>
Feeder Mains	79 Kms	105 Kms
Distribution System Zones	45 Zones	63 Zones
Distribution System Length	1122 Kms	1470 Kms
Service Reservoirs	34 Nos	29 Nos
House Service Connections	1.34 Lakhs	1.50 Lakhs
Disinfection	- Nil -	Gas Chlorination at each MSR (2 Nos)
Bulk Water Meter	- Nil -	Outlet of Each SR (101 Nos)
Water Quality Lab	- Nil -	1 Number
SCADA System	- Nil -	1 Number

<b>Water Supply - Project Benchmarks</b>		
<b>S. No</b>	<b>Proposed Indicator</b>	<b>After Implementation</b>
1	Coverage of Water Supply Connection	100 %
2	Per capita availability of Water at Consumer End	135 lpcd
3	Extent of Metering of Water Connections	100 %
4	Extent of Non – revenue water	5 %
5	Continuity of Water Supply	24 X 7
6	Efficiency in Redressal of Customer Complaints	90 %
7	Adequacy of Treatment & Disinfection and quality of water supplied	100 %
8	Cost Recovery in water supply services	100 %
9	Efficiency in Collection of Water Supply related charges	95 %
10	Number of persons receiving less than 70 lpcd	0 %

### **Project Details**

Project aims to upgrade the existing water supply and distribution system in the city of Coimbatore into a 24x7 water supply system and consists of the following components:

**Engineering, Procurement, and Construction (EPC):** The EPC Component would primarily focus on the up-gradation of the distribution system in the water supply, consisting of the following (As approved by JNNURM):

- a. Feeder Mains: 105 km
- b. Sump, Pumpsets and Diesel Generators
- c. Service Reservoirs: 29 nos. with 40.20 ML capacity
- d. Distribution system:63 Zones of 1470 Kms Pipe length

- e. House Service Connections (1.5 lakh nos.)
- f. Special Components such as:
  - Automatic Hand Held Meter reading System (5 Nos.)
  - Any Time Payment Machine (5 Nos.)
  - Bulk Water Meter with Data Logger (101 Nos.)
  - Gas Chlorination Disinfection (2 Nos.)
  - Rider Mains of 90 Kms Length
- g. Common Components such as:
  - Water Quality Test Laboratory (1 No.)
  - SCADA for Monitoring (1 No.)

**Operation and Maintenance (O&M):** The O&M component would primarily focus on operation, management and maintenance of the 24x7 water supply system, broadly consisting of the following activities:

- a. Operation of the 24x7 water supply system consisting of activities such as:
  - Abstraction of water
  - Treatment
  - Transporting water
  - Supply bulk water to wayside villages
  - Storage and distribution of water to customers with the agreed boundary
  - Billing, collection and entire customer service
- b. Management and Maintenance of the 24x7 water supply system consisting of the following activities:
  - Leakage detection and prevention
  - Providing new connections
  - Repair and replacement of existing/newly created assets
  - Monitoring and reporting
  - Generating bills of the customers on behalf of CCMC, collection of moneys from such customers and depositing the same into an escrow account as well as timely submission of reports containing the details of the defaulters to CCMC for necessary action.

**Mode of Implementation:** PPP - Build-Transfer-Operate (BTO) with Staggered Annuity Model

**Concession Period:** 25 years, including 4 years of construction and O&M for the entire 25 year period.

**Sponsoring Agency:** Coimbatore City Municipal Corporation (CCMC)

**Project Capacity:**

	<b>Population</b>	<b>Water Demand (in MLD)</b>
Base Year (2014)	11,10,933	175
Intermediate Year (2029)	13,95,199	226.58
Design Year (2044)	17,52,203	289.28

**Project Construction Cost:**

<b>Components</b>	<b>Amount in Rs. Crore</b>
(i) Project Cost as assessed by JNNURM	451.66
(ii) Project Escalations for 4 year (2014-15 to 2017-18)	88.70
Sub-total - Total EPC Cost	<b>540.36</b>
Add: Project Management Consultancy Cost	16.21
<b>Project Construction Cost as proposed by CCMC</b>	<b>556.57</b>

**Project Implementation and Procurement Method: PPP - Build-Transfer-Operate (BTO)with Staggered Annuity Model**

Under this model, the EPC cum O&M activities are awarded to a single bidder, wherein the EPC cum O&M payments shall be an staggered annuity distribution based on the expected costs during the various stages of the project. Operator shall quote a single amount (EPC and

O&M) which will be paid to the operator based on pre-determined annuity percentage break-up. The annuity percentage will be high during the project implementation period (EPC phase) and will be significantly lower during the initial O&M period. The annuity percentage will gradually increase due to increase in costs on account of inflation as well as maintenance of assets.

The details of the PPP with Staggered Annuity Model are presented below.

- i. The bidder is expected to quote a composite quote representing the EPC component and the O&M component of the project.
- ii. The indicative distribution of the composite quote is based on a pre-determined percentages presented below:

Indicative % of Composite Quote\*:

<b>2014-15</b>	<b>2015-16</b>	<b>2016-17</b>	<b>2017-18</b>	<b>2018-19</b>	<b>2019-20</b>	<b>2020-21</b>	<b>2021-22</b>	<b>2022-23</b>
4.00%	3.50%	5.00%	7.00%	2.53%	2.64%	2.77%	2.90%	3.00%
<b>2023-24</b>	<b>2024-25</b>	<b>2025-26</b>	<b>2026-27</b>	<b>2027-28</b>	<b>2028-29</b>	<b>2029-30</b>	<b>2030-31</b>	<b>2031-32</b>
3.00%	2.75%	2.75%	2.93%	3.12%	3.47%	3.68%	3.90%	4.14%
<b>2032-33</b>	<b>2033-34</b>	<b>2034-35</b>	<b>2035-36</b>	<b>2036-37</b>	<b>2037-38</b>	<b>2038-39</b>	<b>Total</b>	
4.39%	4.65%	4.93%	5.22%	5.54%	5.87%	6.33%	<b>100%</b>	

\*the percentage break-up is indicative and shall be finalized in the RFP document

**Pre – Application Conference on Request for Qualification for Implementation of 24x7 Water supply scheme at Coimbatore City Municipal Corporation in held at CCMC on 07-10-2015.**

**Reply to the Pre-Application Queries**

Sl.No	Queries by Applicant		Reply to the Query
	Reference	Query	
1	Section I, item 3	It is indicated that a part of Capital expenditure shall be incurred from the grants. Please let us know the approx. value of investment require to be met by the Developer cum operator	<p>It is hereby clarified that the various grants as envisaged in the RFQ document shall be to support the CCMC for meeting the Staggered Annuity Payments to be paid to the Developer cum Operator. The approximate value of investment required to be met by the developer cum operator is the actual EPC cum O&amp;M cost to be incurred by the developer cum operator during the concession period.</p> <p>Applicant will be provided with additional information during the RFP stage.</p>
2	Section I, item 3	Estimated construction cost is indicated as Rs. 556.57 cr. Please confirm that this amount includes the grant from the government and investment from developer cum Operator	<p>Please refer to the response to Query No. 1..</p> <p>The Applicant may further refer Annexure V, General Information, Background.</p>

Sl.No	Queries by Applicant		Reply to the Query
	Reference	Query	
3	Section II, item 1.1	It is indicated that a DPR has been prepared and approved under JnNURM scheme. Kindly arrange to provide a copy of this DPR	The detailed technical information relevant to the project will be provided along with RFP.
4	Section II, item 3.1(i)	Till the achievement of commercial operations, min 26% of paid up and subscribed equity is to be held by partners whose financial and technical capacity has been evaluated for this RFQ.  We request that min equity holding of technical partner be reduced to 25%, since the partner meeting 24x7 operations qualification may be a foreign partner which may need authority approval from their government due to national interest.	RFQ terms are confirmed.
5	Section II, item 3.3(iv)	Joint Bidding Agreement (JBA) is to be signed amongst consortium partners and submitted with RFQ. For the paucity of time, we request that at RFQ stage, a Letter of Intent covering all important issues as included in this item may be submitted signed by all partners along with Draft JBA. The signed JBA be submitted by shortlisted bidders 15 days prior to submission of RFP. This practice has been followed on many projects, including WB funded 24x7 up scaling in 3 projects, recently concluded in Karnataka.	RFQ terms are confirmed. Joint bidding is one of the prerequisite to submit applications as per the RFQ.
6	Section II, item 3.3(iv)	Clause 3.2 indicates that a Special Purpose company (SPC) is to be incorporated to execute the Concession Agreement and implement the Project. Accordingly, please confirm that	Concession Agreement shall be signed by SPC along with all the consortium partners/members forming part of the Bidding Entity.

Sl.No	Queries by Applicant		Reply to the Query
	Reference	Query	
		concession Agreement shall be signed by the SPC and not the partners of the consortium and J&S responsibility of the partners shall cease from the date of signing concession by the SPC.	The Applicant may refer the clause 3.3 (iv) of Section II regarding Joint and Several Liabilities.  Further clarity shall be provided during the RFP stage.
7	Section II, item 3.8	Term Associate has been defined not to include subsidiary. We understand that it may not be a subsidiary. Kindly confirm that a subsidiary is also included in the Associate	It is hereby clarified that subsidiary companies are also considered as Associates in addition to the Associate as provided in Para 2 of Section II, item 3.8.  Please refer to Sl.No. 1, of the Corrigendum__
8	Section IV, item 1 A2(i)	Please confirm that O&M of continuous pressurized urban water distribution system would mean 24x7 water supply system in which 50,000 connection have been converted to 24x7 water supply and is under O&M for at least 3 years.	The continuous pressurized urban water supply distribution system may be an existing urban water supply distribution system converted in to 24x7 water supply systems with continuous pressurized urban water supply or by default a continuous pressurized urban water supply system from the beginning. In order to be eligible under (A2) Technical Capacity – O&M, the applicant shall have experience as detailed in Section IV, item 1 A2(i)
9	Section IV, item 1 A2 (i)	In most of significant projects that have come up for bidding in the last two years, the technical qualification proposed on 24x7 water supply experience include construction experience in converting intermittent supply to 24x7 water supply and O&M experience of running 24x7	RFQ terms are confirmed.



Sl.No	Queries by Applicant		Reply to the Query
	Reference	Query	
		water supply which has resulted in NRW reduction, /a demonstratively effective active leakage program. The details are provided in the enclosed list. Further the required qualification is to be met from a similar experience having 67 % to 100% of the proposed connection. Coimbatore is planning for 1.50 Lakh connections and hence min number of connections may please be increased to at least 1.0 lakh. This would result in participation by operators who have the requisite 24x7 water supply O&M and NRW to participate in Coimbatore project, result in successful implementation of the project.	
10	Section IV, item 2(i)	Please confirm that on work experience in case the work is done as JV by a bidder by formation of SPV, the experience certificate in name of SPV supported by equity share holding certificate by a statutory auditor would be sufficient. Also confirm that a certificate from the client on actual work done by the bidder is not required in the case mentioned above.	RFQ terms are confirmed.
11	Section V, item 5	Please confirm where there is any limit on award of additional 2.5 marks under various criteria included in this item	RFQ terms are confirmed.
12	Section V, item 6.1	Min marks required for short listing is 25. Pls confirm that all applicants meeting a min of 25 marks shall be qualified	RFQ terms are confirmed.
13	Section VI, annexure 1,item 4	Please clarify whether role of lead partner is also to be indicated	Yes. The applicant may clarify the role of Lead Member and other members of the consortium under

Sl.No	Queries by Applicant		Reply to the Query
	Reference	Query	
			clause 4 (b) of Annexure I, Joint bidding Agreement provided under Section VI.
14	Section VI, Attachment II, A2 Technical capacity O&M	The table indicates that applicants who are shareholder of the company which has played role of developer is eligible, although the actual O&M may not have been performed by the company	RFQ terms are confirmed.
15	Section VI, certificate re-Associate	Pls clarify the % shareholding required to be an Associate, 20% or 25% or 26%	RFQ terms are confirmed. It is hereby confirmed that the shareholding required being as Associate is 26%. The Applicant may refer Corrigendum, Sl.No. 2.
16	Section VI, Annexure V, O&M period	It is indicated that O&M period is 25 years i.e. facility to be taken over for O&M from the effective date of contract. We suggest that O&M be taken over after 1st year when SIP shall be made and approved.	RFQ terms are confirmed. Further clarity will be given during the RFP stage.
17	Section IV, Eligibility criteria, (A2)(B) page 30	“In case of a Consortium, each such Member in the Consortium whose Financial Capacity (Net Worth) or Technical Capacity is evaluated for the purposes of this RFQ shall subscribe and continue to hold till the achievement of the commercial operation date of the Project, as per the Concession Agreement <b><u>and until the expiry of 2 years there from equity share capital in the SPC not less than</u></b> (a) 26% (twenty six percent) of the paid up and subscribed equity share capital in the SPC and (b) at least 5% (five	It is a mandatory requirement for an applicant who is participating in this tender as a consortium wherein each of the members of the consortium whose financial capacity or technical capacity is being considered for evaluation of the RFQ, then such members shall necessarily subscribe and continue to hold :  (a) 26% (twenty six percent) of the paid up and subscribed equity share capital in the SPC and

Sl.No	Queries by Applicant		Reply to the Query
	Reference	Query	
		percent) of the Net Project Construction Cost. The meaning of the BOLD and UNDERLINE wording above	<p>(b) at least 5% (five percent) of the Net Project Construction Cost</p> <p>The said equity holding shall be kept until the expiry of 2 years from the commencement of commercial operation after the completion of all the EPC works forming part of the construction phase.</p> <p>The concession agreement as part of RFP will detail this requirement.</p> <p>The Applicant may further refer clause 3.1 (i) of Section II of the RFQ document</p>
18	Section II, item 3.3(iv)page 13 of RFQ	“Clause 3.1Section II of this RFQ except as may be permitted in accordance with this RFQ or terms and conditions of the Concession Agreement upon its execution. Include a statement to the effect that all members of the Consortium shall be jointly and severally liable for all obligations of the Concessionaire in relation to the Project until the achievement of the commercial operation date of the Project, as per the Concession Agreement or until the completion of 5 years from the commencement of operations of the existing facilities, whichever is later.” Commercial Operation Date, COD is referred to 5th year of the project. Commencement of Operations is referred to	<p>The term commercial operation date for the purpose of this clause means the date of issue of commercial operation certificate by concerned authority upon completion of the construction phase. The term Commencement of Operation date for the purpose of the clause means the date on which the existing facilities are taken over by the developer cum operator as per the provisions of the Concession Agreement with the Applicant/SPC.</p>

Sl.No	Queries by Applicant		Reply to the Query
	Reference	Query	
		which date? From taking over after LOA?	
19	Instruction to Applicants, item, 3.1(ii) page 11	<p>“The Members of the Consortium shall together hold at least 51% of the paid up and subscribed equity share capital in the SPC till the expiry of the Concession Period and the Member of the Consortium whose technical experience in Operations and Maintenance (O&amp;M) were considered for qualification during the RFQ stage should hold not less than 11% of the paid up and subscribed equity share capital in the SPC from COD; Thus this clause means the SPC who members of the SPC hold altogether 100% equity at beginning of project can dilute its equity share before the COD, as long as the members of SPC still altogether still hold 51%?”</p>	<p>The said provision shall be read in conjunction with other provisions of the RFQ including clause 3.1 (i). Further, the clause 3.1(ii) is modified as follows:</p> <p><i>“ (ii) The Members of the Consortium shall together hold at least 51% of the paid up and subscribed equity share capital in the SPC till the expiry of the Concession Period and the Member of the Consortium whose technical experience in Operations and Maintenance (O&amp;M) were considered for qualification during the RFQ stage should hold not less than 11% of the paid up and subscribed equity share capital in the SPC subsequent to the minimum lock in period as stated in clause 3.1 (i); “</i></p> <p>The Applicant may refer Corrigendum, Sl.No. 3.</p>
20	JBA draft Annexure I	<p>Item 6 (c), the meaning of “.....all equity lock-in requirements....”</p> <p>Item 6 (d), up to EPC works completed, SPC is jointly and severally liable. While during O&amp;M only First Party (Lead Member) is liable. What is</p>	RFQ terms are confirmed.

Sl.No	Queries by Applicant		Reply to the Query
	Reference	Query	
		the rationale?	
21	Section 1, item 3	Please clarify the amount of sanctioned grant available from JNNURM, GoTN etc. for funding of estimated EPC cost of Rs 556.57Cr.This will help us to estimate equity infusion in SPV during first 4 years	The RFQ terms are confirmed.  The Applicant may refer to the response to the query No. 1 as well as the Annexure V: General Information of the RFQ document
22	Section 2, item 3.1 (i)	Please clarify the min equity share holding required from the partner meeting Technical qualification on O&M only for the period up to COD.	The applicant may refer Clause 3.1 (i) of Section II of the RFQ.
23	Section 2, item 3.1(ii)	Is the partner meeting Technical experience in O&M included in the limit of 51% equity till end of concession period or does it include only partner meeting financial and technical experience excluding O&M experience	Please see the answer to question no. 19 above. RFQ terms confirmed.
24	Section 2, item 13.3	Please confirm that copy of the bid document could be photocopy of original or does the copy also need to be signed like the original	It is clarified that the copy also needs to be signed like original.
25	Section 2, item 3.8/section VI Attachment II	Please clarify whether the entire value of job/investment shall be considered for an Associate meeting the Technical requirement or will it be in proportion to shareholding. Else there is a possibility that the same project may be counted by any other bidder whose associate may have been a partner in the JV executing that project	RFQ terms are confirmed.

Sl.No	Queries by Applicant		Reply to the Query
	Reference	Query	
26	Section VI, Attachment II	From the table provided on Technical capacity O&M, it appears that a bidder who is shareholder in the project company owning the eligible project will be considered for O&M experience in proportion to its shareholding even if the bidder has not carried out O&M themselves. For the avoidance of doubt, please clarify whether for claiming O&M experience a bidder need to have carried out O&M by themselves or he is required only to be owner of the company which has got O&M done by someone else other than the bidder	RFQ terms are confirmed. CCMC will ascertain the eligibility of the bidders based on the documentary / certificates submitted as part of the proposal!
27	Section II, item 3.1(ii)	Please clarify whether COD is to be considered from year 5 or from the start of O&M of the existing facility	Please refer response to query no. 18
28	As per Clause 3.1(i), As per Clause 3.1(ii),	As per Clause 3.1(i), the Member, whose credentials are evaluated for the purposes of RFQ, shall hold minimum 26% of equity in SPC till completion of 2 years after the COD. However, as per Clause 3.1 (ii), the O&M Member shall hold minimum 11% equity in the SPC till the end of Concession Period from COD. These requirements are therefore conflicting with each other. Please clarify whether the O&M Member should hold 11% equity or 26% equity during the initial 2 years period from COD.	Please see the response to query No. 19.
29	As per Clause 4 of the Section IV	As per Clause 4 of the Section IV, the Technical Capacity and Net Worth of the respective	It is being clarified that in computing the Technical Capacity and Net Worth of the Applicant, the

Sl.No	Queries by Applicant		Reply to the Query
	Reference	Query	
		<p>Associates are eligible.</p> <p>Clause 3.8 specifies the definition of 'Associate' as "in relation to another company in which the other company has a significant influence, but which is not a subsidiary company of the company having such influence and includes a joint venture company."</p> <p>This definition is in line with the Companies Act 2013. However, this definition is mainly for legal purpose to differentiate between the Associate and the Subsidiary. In fact, the Holding Company has much greater control on the subsidiary company (&gt;50%) thereby indicating a much greater influence than an Associate. Thus, Associate is a sub-set of Subsidiary.</p> <p>By the current provisions of the RFQ, companies having greater control in the companies having relevant experience is eliminated compared to companies having lesser control who get eligible, which is against the spirit of the pre-qualification. We therefore request you to kindly accept the experience of subsidiary companies along with the associate companies for pre-qualification.</p>	<p>Technical Capacity and Net Worth of their respective Parent Companies, Subsidiaries and Associates would also be eligible hereunder.</p> <p>Please refer to Corrigendum Sl.No. 1 for further clarity.</p>
30	Clause 1(B) of Section IV	Clause 1(B) of Section IV specifies that the Lead Member shall meet the required Financial Capacity. However, as per second para of the same Clause and Clause 4 of Section IV, it	It is being clarified that in case of a Consortium, the Lead member shall meet the required Financial Capacity.

Sl.No	Queries by Applicant		Reply to the Query
	Reference	Query	
		appears that the Financial Capacity of the other consortium members shall also be accepted. Please clarify.	
31	As per Clause 2 of Section IV,	As per Clause 2 of Section IV, the share of work done is to be justified by producing a certificate from statutory auditor or the respective client. In PPP projects (Management Contracts, Concession Contracts etc.), the share of work done is reflected in terms of the equity held by the companies in the SPV. Please allow to submit a certificate of equity holding in lieu of certificate of share of work done in such cases. Secondly, also allow and accept a certificate from the Company Secretary of the relevant company (or his equivalent as in case of companies having office outside India) instead of statutory auditor or client (which otherwise is very difficult to obtain especially in case of foreign companies).	<p>Statutory Auditors shall certify the equity held by the bidding member in the SPV for projects in India along with documentary evidence of the experience of SPV relevant to the eligibility requirement as per this RFQ certified by its Statutory Auditor or the Client.</p> <p>In case SPV is based outside India, a certificate shall be obtained in the above line from the Statutory Auditor or Certified Public Accountant or Company Secretary or the Client.</p>
32	As per Clause 4 of Section IV,	As per Clause 4 of Section IV, Net Worth of the respective Associate shall be eligible. However, as per Clause 21.2 of Section II, Financial Capacity of the Parent or Subsidiary Companies shall be considered. Kindly clarify.	RFQ terms are confirmed. Further, please refer to the response to query no. 29.
33	Technical Capacity	Please clarify whether the experience of Technical Capacity - O&M needs to be from a single city or total experience in multiple cities is acceptable. For e.g., if a company has experience of managing 23000 connections in	RFQ terms are confirmed. It is being clarified that the experience is from single city.



Sl.No	Queries by Applicant		Reply to the Query
	Reference	Query	
		one city and 27000 connections in other city, whether the same is acceptable.	
34	As per the General Information	As per the General Information provided in the RFQ, the bidder shall be expected to quote a composite quote representing the EPC component and O&M component of the Project (at the bidding stage). Please clarify whether the quote shall include the entire EPC cost or only the CCMC share of EPC cost.	<p>The composite quote is inclusive of the aggregate of EPC cost as well as the O&amp;M cost for the entire duration of Concession Period i.e. 25 years.</p> <p>Please refer to the response to query No. 1.</p>
35		<p>As per the RFQ, the certificate from the Statutory Auditor or Client is acceptable for Category 1 and 2 Projects and certificate issued by Statutory Auditor or Company Secretary is acceptable for establishing the Associate relationship.</p> <p>For claiming experience under Technical Capacity – Implementation using collection and appropriation of revenues in Category 1 &amp; 2 projects, the Applicant is expected to submit certificate from Statutory Auditor or Client. However, in case if such projects are in Water Supply sector, the type of contracts usually cover Concession Contracts or Lease / Affirm age Contracts etc. wherein the terms ‘total estimated capital cost of project’ and ‘date of commissioning of the project’ as indicated in</p>	<p>RFQ terms are confirmed. Please refer to the answer to query No. 31.</p> <p>Further, taking into consideration different model of implementation of projects especially outside India, the Applicant is permitted to modify the formats to certain extent for ensuring adequate information for CCMC to evaluate and establish the experience requirement as per the eligibility conditions of this RFQ. However the applicant shall provide all needful clarifications including documentary evidence in support of their claim to the satisfaction of CCMC.</p>

Sl.No	Queries by Applicant		Reply to the Query
	Reference	Query	
		<p>formats of Category 1 &amp; 2 Projects are irrelevant. The O&amp;M commences from Day 1 and continues till the end of the Concession Period. Therefore, we request to allow minor deviations from the format of certificate for Category 1 &amp; 2 projects in such cases.</p> <p>For claiming experience under Technical Capacity – O&amp;M, no such format is provided for O&amp;M experience. For such projects, format of certificate for Category 1 &amp; 2 shall not be relevant for reasons mentioned above. As such, we presume that the client's certificate for O&amp;M along with the certificate of Associate issued by Company Secretary (or equivalent in case of foreign companies) shall be acceptable.</p>	
36		<p>The definition of Associate requires that control of at least 26% of total share capital. However, as per the format provided for certificate for Associate, the minimum requirement is indicated as 20%. Please clarify.</p>	<p>Please refer to Corrigendum Sl.no. 2 .</p>
37	<p>Letter of Invitation, Page No. 5</p>	<p>We understand that Engineering, Procurement and Construction Stage as stated in clause 4.1.1 in Page 8 shall be for a period of 4 years which will be concurrent with Operation and</p>	<p>Yes. RFQ terms are confirmed.</p>

Sl.No	Queries by Applicant		Reply to the Query
	Reference	Query	
		Maintenance Stage of 25 years. i.e., EPC – 4 Years concurrent with O&M, O&M – 25 Years. Kindly confirm	
38	Section-I, General Information, 4.1.2 a) 4	We understand that the project area is within the CCMC city limits and wayside villages are not in the scope of work. Kindly confirm if our understanding is correct and also provide battery limit of bidder's scope of work and project area involved in this project with a schematic representation.	The details on the project area will be indicated in the RFP.
39	Annexure V, Table page 57, General Information	From the referred table, we understand that the bidder has to operate and maintain 1.50 Lakh House Service Connections during 21 years of O&M period i.e., from 5 <sup>th</sup> year to 25 <sup>th</sup> year by upgrading from the existing 1.34 Lakh to 1.50 Lakh House Service Connections during EPC period. Kindly confirm if our understanding is correct and also clarify whether new additional HSCs to be envisaged if any, will be the bidder's scope of work or not during the 21 year O&M period in view of growing population within the project area.	RFQ terms are confirmed. Further clarity shall be provided during the RFP stage.
40	Annexure V, Table - Project Capacity, Page	We request you to kindly provide the details on source of water available and clarify the way of	RFQ terms are confirmed. Further the detailed Technical information including the source of water

Sl.No	Queries by Applicant		Reply to the Query
	Reference	Query	
	60	addressing the projected future demand as enumerated in table named “ <b>project capacity</b> ”	will be described in the RFP.
41	Annexure V, Table - Project Capacity, Page 60	In view of growing population within the project area, there is a possibility of expansion of numbers of House service connections during O&M period. Hence we request you to kindly clarify the way of addressing the new HSCs envisaged and payment mechanism to the operator for the new connections.	RFQ terms are confirmed. Further the details will be provided during the RFP stage
42	Annexure V, SI.No.4 Table	From the referred table, it is mentioned that the proposed NRW reduction shall be 5% after implementation which is not practically achievable. Hence we request you to kindly revise the benchmark to 15% to 20% in line with the normal service level benchmark for NRW being followed in water management contracts.	RFQ terms are confirmed. Further clarity on the performance standards will be provided during the RFP stage.
43	Annexure V, SI.No.8 Table	We request you to kindly elaborate the proposed indicator “ <b>Cost recovery in water supply services - 100%</b> ” with respect to the performance target.	RFQ terms are confirmed. Further details/clarifications will be provided during the RFP stage.
44	Table Annexure V, Project Details	It is assumed that augmentation of Bulk water supply for the projected period as required 24x7 supply will be the responsibility of CCMC, as	Under the subject tender, source augmentation is not considered in the scope of the bidder.

Sl.No	Queries by Applicant		Reply to the Query
	Reference	Query	
		additional sources and treatment may have to be constructed to meet the projected / increasing demand. Kindly clarify.	
45	Annexure V, O&M	We presume that chemicals, power and any approvals required shall be in CCMC's scope. Kindly confirm.	RFQ terms are confirmed. Further clarity will be provided during the RFP stage.
46	Annexure V, Table - Indicative % of composite quote	Kindly note that the sum of percentages indicated comes to 100.01% which may be corrected to 100%. We request you to kindly consider and incorporate the same.	RFQ terms are confirmed. The total is not adding up due to the rounding off of the percentage allocation which will be clarified during the RFP stage.
47	Section - I , 4.1 General Information,	We understand that during EPC stage, Concessionaire would primarily focus on the up-gradation of the Distribution System. But as per the letter of invitation, Page-5, Operation & Maintenance of the existing water supply also under the scope of Concessionaire during EPC phase. Please clarify the exact scope of the Concessionaire.	RFQ terms are confirmed. Further clarity will be provided during the RFP stage.
48	Section IV- Eligibility Criteria, A1 Technical Capacity	In the referred clause, it is mentioned that the sum of total Threshold Technical capacity is Rs.850 crores whereas in SI.No.1 of table showing the scoring system in page 35, it is	It is hereby clarified that under Section IV, the Threshold Technical Capacity will be Rs. 850 Crores. The same value of Rs. 850 Crores shall be considered in the scoring system.

Sl.No	Queries by Applicant		Reply to the Query
	Reference	Query	
		mentioned as Rs.800 crores. Kindly clarify.	Please refer Corrigendum Sl. No. 6
49	Section IV- Eligibility Criteria, A2) B) Financial Capacity	We understand that each member in the consortium shall continue to hold at least 26% of paid up and subscribed equity share capital in the SPC and 5% of the Net Project Construction Cost until the expiry of 2 years after commercial operation date of the project. Kindly confirm if our understanding is correct.	Yes. The understanding is correct. RFQ terms are confirmed. The Applicant may refer the clause 3.1 (i), of Section II of the RFQ Document.
50	Section -II and Section-V, Clause 3.1 of Section-II and Clause 6.1 of Section-V	We request you to kindly consider the threshold capacities of Members having an equity share of at least 11% in arriving the combined aggregate technical & financial capacity of the consortium, as section II, 3.1 (ii) allows 11% is the minimum required shareholding for a member to be qualified under O&M experience criteria.	RFQ terms are confirmed.
51	Section- VI –Annexure I, Clause 6 (a) Joint Bidding Agreement	Component wise cost and amount of equity to be infused is not clear at RFQ stage. It is opined that providing certification of Shareholding at this stage is improper. Request to exempt clause 6, Shareholding in the SPC from Annexure I	RFQ terms are confirmed.
52	Annexure V, General Information, Para 2,	It is understood that JNNURM approved the project cost in October 2013 which is at 2013-14	Please see the response to the query No. 21.

Sl.No	Queries by Applicant		Reply to the Query
	Reference	Query	
	Project cost Escalation	price level. Therefore we request you to kindly include the escalation cost for FY 2014-15 to arrive at the exact estimated project cost.	
53	Annexure V, General Information, Para 2, Funding Support	We request you to kindly provide the year wise disbursement of JNNURM grants.	Please refer to the response to query No. 1. Further details of the payment mechanism will be provided in the RFP.
54	Annexure V, General Information, Background, Para 2	We request you to kindly provide indicative equity by the concessionaire.	Please see the response to the query No. 1.
55	Annexure V, General Information, Background, Para 2	We understand that TNIDB assures 20% of staggered Annuity payable to the concessionaire in each of the first four years subject to a maximum of 20% of the total Project Cost. Please confirm if our understanding is correct.	Please refer to the response to query No. 1. The following RFQ terms as mentioned in Annexure V, General Information, Background, Para 2 are confirmed. “Further to the grant support for the project under JNNURM, TNIDB may provide grant support to CCMC to the extent of 20% of the Staggered Annuity payable in each of the first four years subject to a maximum of 20% of the total project cost excluding any cost escalations.”
56	Section I-clause 3	<b>The Proposed Project</b> CCMC is desirous that the Project shall be executed by the Applicant/bidder adjudged as successful pursuant to the Bidding Process. The Project shall be implemented through public-private partnership (the “PPP”) model <b>on Build,</b>	As per the Schedule II of the Tamil Nadu Infrastructure Development Act, 2012, BTO is defined as follows:

Sl.No	Queries by Applicant		Reply to the Query
	Reference	Query	
		<p><b>Transfer and Operate (the “BTO”)</b> basis in two stages i.e., construction under the engineering, procurement and construction stage and the operation and maintenance of the Project under the O&amp;M stage. A part of the capital expenditure required for the Project shall be incurred from the grants to be received from CCMC, the Government of India (“GOI”), Government of Tamil Nadu (“GOTN”) as per the provisions of the JNNURM scheme and the Tamil Nadu Infrastructure Development Board (“TNIDB</p> <p>Request to kindly elaborate on the project implementation mode of Build Transfer and Operate (the “BTO) 2. Request to kindly give the breakup of the grant to be given during the EPC stage from GOI, GOTN &amp; TNIDB.(we assume that the entire EPC amount would be disbursed during EPC stage)</p>	<p>“Build- Transfer-and-Operate (BTO) - A contractual arrangement whereby the Government contracts out an infrastructure facility to the concessionaire to construct. the facility on a turn-key basis, assuming cost overruns, delays and specified performance risks. Once the facility is commissioned satisfactorily, the concessionaire is given the right to operate the facility and collect user levies specified in the Concession agreement. The title of the facilities always vests with the Government in this arrangement.”</p> <p>For the breakup of the grant kindly refer to Annexure V, General Information, Background, Para 2.</p> <p>Further please refer to response to query No. 1.</p>
57	Section IV – Eligibility Criteria – 1 (A2)	<p><b>Technical Capacity –O&amp;M</b> The Applicant with respect to operation and maintenance of projects shall, over the past 10 (ten) financial years preceding the Application Due Date, have (i) experience in operation and maintenance of continuous pressurized urban water supply distribution system with more than 50,000 (Fifty Thousand) drinking water connections for a</p>	<p>RFQ terms are confirmed.</p>



Sl.No	Queries by Applicant		Reply to the Query
	Reference	Query	
		<p>continuous period of three (3) years in the last ten (10) years or for a period of five (5) years within the last ten (10) years with a continuous period of at least two (2) years in a city;</p> <p>Since the Continuous pressurized water supply system is new concept in India and no organization in India are having experience in continuous pressurized, we request to kindly modify the qualification requirement for this clause as below: (i) experience in operation and maintenance of continuous pressurized urban water supply distribution system with more than 15,000 (Fifteen Thousand) drinking water connections for a continuous period of three (3) years in the last ten (10) years or for a period of five (5) years within the last ten (10) years with a continuous period of at least two (2) years in a city; <b>Or</b> As there is no Indian company having such experience, it will be fulfilled by International Players and under current circumstances international players are hesitant to invest equity in PPP project. Hence we request you allow this criterion to be fulfilled by a subcontractor and Applicant shall submit proof of engagement of subcontractor and his experience along with RFQ application. Also in such cases marks of subcontractor will be taken into consideration for qualification.</p>	
58	Section V – 6.1	The credentials of eligible Applicants shall be	RFQ terms confirmed. It is clarified that the applicants

Sl.No	Queries by Applicant		Reply to the Query
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	Shortlisting of Applicants	<p>measured in terms of their meeting the specified Threshold Technical Capacity and Financial Capacity. In case of a Consortium, the aggregate capacity of each of its Members, who have an equity share of at least 26% in such Consortium, shall be summed up for arriving at the combined Aggregate Technical and Financial Capacity of the Consortium. The minimum marks required for short listing of the Applicant shall be 25 (twenty five) marks.</p> <p>As per section 5 Scoring criteria minimum marks to be scored in each of the criteria listed from 1 to 4 is 5 marks. So together for qualification the total comes to 20 marks, but as per the clause 6.1 it is mentioned that minimum marks required for short listing of the applicant shall be 25 marks. Request to kindly modify the minimum marks for short listing of the Applicant also to 20 marks.</p>	shall score required minimum of 5 marks under each criteria and shall score an overall minimum of 25 marks as per the scoring system.
59	Annexure V	<p><b>Project Implementation and Procurement Method: PPP -Build-Transfer-Operate (BTO)with Staggered Annuity Model</b> Under this model, the EPC cum O&amp;M activities are awarded to a single bidder, wherein the EPC cum O&amp;M payments shall be an staggered annuity distribution based on the expected costs during the various stages of the project. Operator shall quote a single amount (EPC and O&amp;M) which will be paid to the operator based on pre-</p>	Please see the response to queries No. 1

Sl.No	Queries by Applicant		Reply to the Query
	Reference	Query	
		<p>determined annuity percentage breakup. The annuity percentage will be high during the project implementation period (EPC phase) and will be significantly lower during the initial O&amp;M period. The annuity percentage will gradually increase due to increase in costs on account of inflation as well as maintenance of assets. The details of the PPP with Staggered Annuity Model are presented below. i. The bidder is expected to quote a composite quote representing the EPC component and the O&amp;M component of the project. ii. The indicative distribution of the composite quote is based on a pre-determined percentages presented below: Request to kindly confirm what should be the percentage of EPC cost to be considered for Annuity payment. Since as per earlier clauses it has been informed during EPC stage, grants given by GOI, GOTN and TNIDB would be paid to concessionaire.</p>	
60	Clause 2 Page no. 11,	<p>Source of Funds :</p> <p>The Project will be partly funded by the GOI, GOTN and CCMC as per the provisions of the JNNURM scheme. In addition the TNIDB shall be providing financial support in the form of a grant to CCMC. Further details regarding the financing details of the project shall be provided</p>	The details of the payment mechanism will be provided during the RFP stage.

Sl.No	Queries by Applicant		Reply to the Query
	Reference	Query	
		<p>during the RFP stage.</p> <p>We understand that the contractor will get payment guarantees for the work done and fulfilling the project requirements from client CCMC at the time of contract agreement.</p> <p>Please confirm</p>	
61	General, Currency conversion	<p>What should be the date for currency conversion for the value of projects considered for qualification?</p>	<p>For conversion of US Dollars to Rupees, the rate of conversion shall be Rs.65/- (Rupees Sixty Five only ) to a US Dollar. In case of any other currency, the same shall first be converted to US Dollars as on the date 60 (sixty) days prior to the original Application Due Date, and the amount so derived in US Dollars shall be converted into Rupees at the aforesaid rate. The conversion rate of such currencies shall be the daily representative exchange rates published by the International Monetary Fund for the relevant date.</p>
62	General	<p>If a company is 100 % subsidiary of another company, then can this subsidiary company submit the application by using the financials and technical credential of parent company?</p>	<p>Yes. It is clarified that Technical and Financial capacity of the Parent company can be considered in case the Applicant is a Subsidiary of the Parent company. The bidders may refer to the provisions under Clause 21.2 of the Section II – Instructions to Applicants for further clarity on Parent and Subsidiary companies.</p>

Sl.No	Queries by Applicant		Reply to the Query
	Reference	Query	
63	Page no. 61, Indicative percentage of composite quote	<p>We request the client to please review the table given under this heading. We understand that the amount paid in the initial years at the time of EPC is very low. We would like to draw your kind attention towards the more financial costs incurred by contractors due to these percentage which shall be ultimately paid by client.</p> <p>We request the client to please increase the percentages in the initial years so that to make a much better financial model.</p>	RFQ terms are confirmed. However it is clarified that the percentage distribution provided in RFQ is only indicative and could undergo modifications during the RFP stage.
64	General, Non – Revenue Water	We request the client to please provide the current status of non – revenue water in the project area i.e. the current percentage of extent of non – revenue water.	The Technical information including the performance benchmarks will be described in the RFP.
65	General,	<p>Last date of submission of RFQ is</p> <p>12-Nov-15 up to 15.00 hours</p> <p>We request the client to please provide the time of at least 6 weeks for RFQ submission from the date when replies of our pre application queries are provided.</p> <p>Since we are a Spanish company and getting proper documentation from there requires ample amount of time.</p>	Please refer corrigendum sl # 9

Sl.No	Queries by Applicant		Reply to the Query
	Reference	Query	
66	Section ii, clause 2- Source of funding	Please clarify the source of funding during EPC stage and O&M stage.	The payments to the developer cum operator shall be made on a Staggered Annuity basis.  Please see the response to the query No. 1 for further clarity
67	Section ii, clause 1.2- Cost of RFQ	RS. 60000/- Cost of RFQ,- Normally, in case of bidding under two stages, the bid cost is collected from the pre-qualified bidders at the time of submission of Price bid, we request you to follow the same.	RFQ terms are confirmed
68	Section IV- Eligibility Criteria- A1- Technical Capacity- Implementation	Since the EPC value is about RS. 560 crores, please change the “Threshold Capacity Implementation asRs.560 Crores.  Our understanding is that in case of consortium, threshold capacity can be met collectively by the consortium members, please clarify.	RFQ terms are confirmed
69	Section IV- Eligibility Criteria- A2- Technical Capacity – O&M	Experience in O&M of water, power, gas, telecom including billing & collection of 50000 connections in a city.  Since the objective of this criteria to establish the technical/ managerial capabilities of the operator to provide services and bill for services,	RFQ terms are confirmed

Sl.No	Queries by Applicant		Reply to the Query
	Reference	Query	
		one or more contract spread over three or more towns providing utility services including billing & collection for connections of 50000 shall also be considered. Accordingly “50000 connections in a city may be “replaced by “50000 connections.	
70	Section IV- Eligibility Criteria- B- Financial Capacity	Net worth- In case of consortium, can the consortium members collectively meet this requirement?	RFQ terms are confirmed It is clarified that the lead bidder shall meet the Financial Capacity.
71	Section V- Evaluation criteria	Since the drip irrigation/micro-irrigation projects involve construction of water intake, pumping, installation of distribution (pipe line ) network with flow& pressure regulating devices , supply of water with controlled flow and pressure, O&M of water supply, such projects should be included in Category 1 or Category 3- Please make necessary changes in document.	RFQ terms are confirmed. There are no changes in the RFQ terms in this regard.
72	RFQ submission	Please consider 45 days for submission of documents from the date of clarification.	Please refer Corrigendum Sl No: 9
73	Annexure V – General Information Water Supply – Project	<ul style="list-style-type: none"> <li>• Would the developer be responsible In case the project benchmarks are not met after successful completion of the upgradation works? For e.g. Extent of NRW 5%</li> <li>• Further please define how NRW shall be</li> </ul>	The Technical information including the performance benchmarks will be described and detailed in the RFP.

Sl.No	Queries by Applicant		Reply to the Query
	Reference	Query	
	Benchmarks	<p>calculated</p> <p>We understand that the developer has to upgrade the distribution system based on the design and scope in the approved DPR and so cannot take the responsibility for the system design in terms of 24x7 flow and pressure management, NRW etc. at C.O.D</p>	
74	Section V: Evaluation Criteria	<p>3.1 The Applicant should furnish the details of Eligible Experience for the last 5 (five) financial years in the case of ‘Technical Capacity – Implementation’ and for the last 10 (ten) financial years in the case of ‘Technical Capacity – O&amp;M’. The Eligible Experience, so claimed, shall be for the financial years immediately preceding the Application Due Date.</p> <ul style="list-style-type: none"> <li>• We request to consider experience in any /consecutive five (financial) years over last 10 years for Technical Capacity – Implementation</li> <li>• As we understand the technical experience for operations has been considered during 10 years, the same can be considered for implementation as well</li> </ul> <p>Most of the capital works / investments in water</p>	RfQ terms are confirmed.



Sl.No	Queries by Applicant		Reply to the Query
	Reference	Query	
		infrastructure in developed countries like Germany had been done in late 1990s and early 2000s under long term (25 years) concession agreements signed then. The projects are still successfully under operations with private companies and hence companies should benefit from this rich experience.	
75	Section V: Evaluation Criteria	<p>5. Scoring system 1 – A1 – Technical Capacity-Implementation Rs 800 crores – 5 marks</p> <ul style="list-style-type: none"> <li>• Please confirm whether Threshold Technical Capacity – Implementation is Rs 800 crores or Rs 850 crores (as mentioned in Section IV – Eligibility criteria (A1))</li> </ul>	Please see the response to the query 48
76	Section V: Evaluation Criteria	<p>6.1 The minimum marks required for short listing of the Applicant shall be 25 marks</p> <ul style="list-style-type: none"> <li>• The sum of minimum pre-qualification marks in the scoring system A1, A2i, Aii and B under the scoring system comes to 20 marks. Please confirm the minimum marks required</li> </ul>	RFQ Terms are confirmed. Please see the response to the query 58 T
77	Certificate from Statutory Auditor for Category 1 & 2	<p>As per Section IV – Eligibility Criteria, 2 (i) –</p> <ul style="list-style-type: none"> <li>• The certificate template should read Certificate from Statutory Auditor / Client for Category 1 &amp; 2</li> </ul>	Annexure IV, the format of “Certificate from the Statutory Auditor for Category 1 & 2” shall be read as “Certificate from the Statutory Auditor/ client for Category 1 & 2”

Sl.No	Queries by Applicant		Reply to the Query
	Reference	Query	
			Please also see the response to the Query 31
78	Section IV: Eligibility Criteria	<p>(i) experience in operation and maintenance of continuous pressurized urban water supply distribution system with more than 50,000 (Fifty Thousand) drinking water connections for a continuous period of three (3) years in the last ten (10) years or for a period of five (5) years within the last ten (10) years with a continuous period of at least two (2) years in a city;</p> <ul style="list-style-type: none"> <li>• Please confirm Operational experience for continuous pressurized water supply distribution system in an integrated physical area (i.e. a single water supply scheme covering many Urban Local Bodies) with more than 50,000 connections shall be considered as eligible</li> </ul>	RFQ terms are confirmed.
79	Last Date for Submission of Application in response to RFQ – 12-Nov-15	We request six weeks' time at least after receipt of the responses to the queries / addendum for identifying Consortium Partners and arranging International Documentation / certification as required for submission	Please refer to Corrigendum SI No # 9
80	Clause 1 (B) of Section	Lead Member shall meet the required Financial Capacity. However, as per second Para of the	It is hereby clarified that in case of Consortium the Lead Member shall meet the Financial Capacity. RFQ

Sl.No	Queries by Applicant		Reply to the Query
	Reference	Query	
	IV	<p>same clause and clause 4 of section IV, it appears that the financial capacity of other consortium members shall also be accepted</p> <p>Please clarify</p>	terms confirmed.
81	Section IV A2, Technical Capacity O&M	<p>Please clarify whether the experience of Technical capacity – O&amp;M needs to be from a single city or total experience in multiple cities is acceptable</p> <p>For e.g. If a company has experience of managing 23000 connections in one city and 27000 connections in other city, whether the same is acceptable</p>	It is being clarified that the experience is from single city.
82	General	<p>As per the General Information provided in the RFQ, the bidder shall be expected to quote representing the EPC component and O&amp;M component of the project (at the bidding stage). Please clarify whether the quote shall include the entire EPC cost or only the CCMC share of EPC cost</p>	The composite quote is inclusive of the aggregate of EPC cost as well as the O&M cost.
83	General	Water source is available to withdraw sufficient water to provide the 24x7 water at the rate of 125	It is hereby confirmed that the ensuring source

Sl.No	Queries by Applicant		Reply to the Query
	Reference	Query	
		LPCD. Please confirm	adequacy shall not be in the scope of the bidder.
84	General (Funding)	We understand that project is sanctioned under JNNURM. However at present the scheme is not in force. Please confirm the sanctioned amount will be available to successful bidder	It is confirmed that the successful bidder will be paid by CCMC as per the terms and conditions of the concession agreement to be entered into between the parties.
85	General (Insurance)	Please clarify if obtaining of insurance under Public Liability Insurance Act (1991) will be responsibility of the employer	. The query shall be addressed during the RFP stage.
86	General (Excise Duty Exemption)	Please confirm whether Excise Duty is exempted for this project or not?	All applicable taxes shall be borne by the Concessionaire unless otherwise agreed upon in the Concession Agreement.
87	General (Approvals & Permissions)	All PCB approvals and permissions will be in employer's scope. All required permissions and approvals towards respective authority, Institutions shall be in client's (Employer's scope. Please confirm.	. PCB approvals would be the responsibility of the Concessionaire as per the provisions of the Concessionaire Agreement to be signed by the successful bidder
88	4.1	Please provide ITA.	Please refer "Section II - Instructions to Applicants" of the RFQ.
89	S.III	Please allow Bidders to keep submitting queries until 1 week before submission, since there could always be new issues and is not on the benefit of anyone to avoid making the effort of clarifying	No further queries would be entertained.

Sl.No	Queries by Applicant		Reply to the Query
	Reference	Query	
		queries regardless on when they may be raised.	
90	S. IV. 1. A1	Please explain the meaning of “paid for development of Projects”, “collected and appropriated revenues from Projects” and “paid for or received payments for construction of Projects”.	<p>The term “paid for development of Projects” for Category 1 and/or Category 2 means and includes the total project value incurred by the Applicant in his capacity as a developer for such project.</p> <p>The term “collected and appropriated revenues from Projects” for Category 1 and/or Category 2 means and include the total revenues collected and appropriated by the Applicant in his capacity as a developer for such project.</p> <p>The term “paid for or received payments for construction of Projects” for Category 3 and/or Category 4 is explained in Clause No. 2.4 of Section V.</p>
91	S. IV. 1. A2	Due to the complexity of this project and the need to have world class operators, it is understood that the O&M experience of 50,000 connections shall be in one project only. Please confirm.	RFQ terms are confirmed. As stated in the clause 1, A2 (i) and (ii), it is confirmed that the O&M experience of 50,000 connections shall be in a City
92	S. IV. 2. i	Please allow bidders to submit their own clients’ standard certificates of experience, since many	

Sl.No	Queries by Applicant		Reply to the Query
	Reference	Query	
		clients do not want to do it different, and since we cannot ask clients to sign customized certificates every time we are bidding one projects considering the number of tenders that a multinational company participates and the fact that in some occasions the certificate is signed by the Mayor of the City.	Please see the response to the query 35.
93	S. IV. 2e. ii	For issues like Net Worth and Associate, please allow those bidders who can already provide the information requested in their audited financial statements to use the same in lieu of new statutory auditor certificates.	RFQ terms are confirmed
94	S. IV. 3	The POA requires all Members to give the power to another Member, but we have been advised that one Member should not power itself. Thus it is kindly requested to allow the POA to be provided by all remaining Members only to the Lead Member only.	Agreed. In the case of a Consortium, the Members should submit a Power of Attorney in favor of the Lead Member as per format at Annexure II.  Further, please refer Addendum – 1 for Power of Attorney for the Authorised Signatory of the Applicant.
95	S. V	Please clarify what is the purpose of the scoring criteria if basically any bidder with the relevant experience would qualify. Is there any cut off in terms of numbers of bidders? What is the benefit	It is clarified that the applicant getting high score in RFQ stage may be in an advantageous position if there is any tie during the financial proposal stage of the RFP.

Sl.No	Queries by Applicant		Reply to the Query
	Reference	Query	
		of getting a high score?	It is further clarified that there is no cutoff in terms of the number of qualified bidders.
96	S. V. 2.1	Water supply is a very serious public matter and CMC should not rely on a bidder with no experience in water supply. Further for experience water management companies it is unfair to compete with entities without proper experience which will not be carrying out proper pricing and that will create problems to CMC in the medium term. It is therefore requested not to allow Category 2 and 4.	RFQ terms are confirmed.
97	S. V. 2e.1.i	It is suggested that CMC even reconsiders the definition of “water supply projects”, since it is quite risky to consider wastewater, sewerage and waste management experience similar to water supply. It would be appropriate to request continuous pressurized experience in water supply as mandatory, both in construction and O&M.	RFQ terms are confirmed.
98	S. V. 2.1.i	Please confirm that projects of water treatment plants are also considered “water supply” projects.	RFQ terms are confirmed.

Sl.No	Queries by Applicant		Reply to the Query
	Reference	Query	
99	2.3.b	Please confirm that 26% can be either equity or share in a joint venture. If CMC is looking for bidders with real experience, we feel minimum of 50% should be requested.	RFQ terms are confirmed.
100	2.5	It is understood that if Bidder has one PPP water project with EPC (>120 Cr) and O&M (>50,000 connections) experience that complies with all Categories, the same can be used for all roles/purposes. However this clause seems to limit this, which makes no much sense since otherwise best bidders will actually be penalized. Please clarify.	RFQ terms are confirmed.
101	5	Please confirm that any additional marks are provided only for the same project, so Bidders cannot use a number of irrelevant projects to score additional marks.	RFQ terms are confirmed.
102	Annex I. JBA	When members are creating a SPV or they are working on an integrated JV where there is not specific role for each of them, clause 4.b is not understood. Please explain.	The Joint Bidding Agreement is prerequisite during the RFQ stage so as to enable CCMC to get clarity on the terms of engagement of the various partner and their respective roles during the performance of the Contract.



Sl.No	Queries by Applicant		Reply to the Query
	Reference	Query	
103	Annex II. POA	Please see query above asking CMC to allow POA to be provided from the non-leading members only to the lead member.	Please see the response to query No. 94
104	Attachment II	This table A1 refers to “Implementation” which relates to Category 3 and 4, however columns 5 and 6 refer to Category 1 and 2. Further column 7 relates to O&M experience, but this is already covered by the next table A2. Please clarify.	It shall be noted that Technical Capacity – Implementation relates to various categories as provided under clause 2.1 under Section V. RFQ terms confirmed.
105	Attachment IV – Certificate from Auditor	Please see query above asking CMC to allow audited financial statements to be used.	RFQ terms are confirmed
106	Annex V	Please clarify that the scope of the Operator is all the “Proposed” works, not just the difference between Proposed-Existing.	The Scope the operator shall in certain cases involves creation of new assets while in some cases there will be replacement of existing assets. Further clarity on this shall be provided during the RfP stage.
107	General	RFQ requests that when documents are executed and issued overseas, the document shall be legalized and notarized in the jurisdiction where the Power of Attorney has been executed. However documents do not really have to be executed physically in one specific place to be legal and enforceable. Further there could be	If the documents are executed and issued overseas, the document shall be legalized and notarized in the respective jurisdiction where the document has been executed. However, the above stipulation will be relaxed if multiple jurisdictions are involved in addition to India. Further, CCMC reserves the right to assess the responsiveness of such bids on a case to

Sl.No	Queries by Applicant		Reply to the Query
	Reference	Query	
		partners from various jurisdictions. Since the validity of a document is not related to where it is actually executed, it is requested to accept Indian notary only since the project is in India. Please confirm.	case basis with or without seeking additional clarifications from the concerned bidders.
108	General	Please clarify if CMC's expectation is that the proposed model is intended to be that of project finance with or without recourse to the shareholders beyond the equity.	The implementation of the project under Staggered Annuity model involves certain amount of project financing. Please refer to the subsection 'Project Implementation and Procurement Method' under Annexure V, General Information of the RFQ document.
109	General	Please confirm that when SPV is created, the Joint Venture Agreement will be terminated, so the SPV will have full responsibility and liability without recourse to the shareholders.	The details on joint and several liabilities of the consortium members will be provided in the concession agreement to be issued as part of the RFP. The Applicants are therefore advised to comply with the requirements of the RFQ at this stage and as and when RFP is issued, comply the requirements of the same.
110	General	Please confirm Government of India will be backing up the funding so lending can be arranged on a project finance type of structuring.	RFQ terms are confirmed. Further details will be provided in the RFP stage.
111	General	Please confirm that CMC has initiated and banking market survey and confirm what	CCMC intend not to assume any role in the financial

Sl.No	Queries by Applicant		Reply to the Query
	Reference	Query	
		leverage is expected, so bidders can assess equity required.	closure related matters of the concessionaire.
112	General	To make the project more bankable, please allow EPC delay not to count against the concession term.	CCMC will provide reasonable provisions in the RFP in order to enable the concessionaire to address the various techno-financial risks and challenges associated with the implementation.
113	General	Please share you EPC estimate since we are doing projects in India of smaller scale and nature, but of similar estimate. Thus 451.66 Cr seems very low.	The project cost of Rs. 451.66 Crores is assessed and approved by the JNNURM. The RFP document will detail associated information.
114	General	Escalation for 4 years of Rs. 88.70 crores is extremely low considering the two digits inflation in the construction sector.	RFQ terms are confirmed.
115	General	Just accounting for 5% population growth and two digits inflation, 0.4% annual average increase in the % of Composite Quote seems very low.	RFQ terms are confirmed.
116	General	CMC's ambition is admirable and innovation is welcome, but it is our experience internationally that PFI models are not applied on asset rehabilitation projects. Please explain how CMC proposes bidders to take the risks of a system of	The Applicants are advised to analyze the existing project scenario.

Sl.No	Queries by Applicant		Reply to the Query
	Reference	Query	
		doubtful conditions and without reliable data. Please also explain how CMC proposes to carry out a condition assessment to a level of detail which will provide full knowledge of condition of assets to the stakeholders, especially for latent and non-visible defects.	
117	General	It is very inefficient for each bidder to incur in the due diligence process (and lenders due diligence also) and the condition assessment during tender phase. Please provide a bid cost compensation of minimum 1Cr for unsuccessful bidders to contribute to this costly bid process.	Not agreed. RFQ terms are confirmed.
118	General	The method proposed is normally used for authorities that cannot increase their debt levels in the short term but yet require of infrastructure. However CMC confirmed during the pre-bid meeting plenty of funding so it is not understood why Operator is required to arrange for private lending to fund the Capex at a high cost and risk. Please clarify.	CCMC is adopting a staggered annuity model as a payment mechanism which balances the risks for both the operator and CCMC.  The intension of CCMC is to achieve a reliable delivery mechanism to upgrade the existing system by roping in a long term partner.
119	General	It is understood that the EPC estimate is only useful to asses that sufficient funding is available, equity requirements of the project and so the private lending requirements to finance the	The applicant may consider all such parameters and accordingly submit his financial proposal during the RFP stage.

Sl.No	Queries by Applicant		Reply to the Query
	Reference	Query	
		CAPEX, since in any case the Operator takes the risk of all condition asset and has to price for the same and amortized such investment throughout the term of the contract, whether finally the cost of EPC works is more or less the estimate.	
120	General	It is understood that payments to Operator is not linked to water tariffs, but please confirm that all customer revenues will be collected by Operator and the Operator only has to transfer the excess, if any, to CMC.	The Applicant will be provided with additional information during the RFP stage.
121	General	Please confirm major maintenance will be undertaken by CMC.	The concessionaire shall carryout all the maintenance activities as per the provisions of the concession agreement.
122	General	Please confirm if electricity will be paid as a pass-through.	The Applicant will be provided with additional information during the RFP stage.
123	General	It is most normal for government to take inflation and population growth risk, even in less inflationary countries than India. This is the case on normal DBO contracts but more especially under a project finance structure. Please clarify your proposal.	The Applicant will be provided with additional information during the RFP stage.
124	General	Please confirm that CMC will take Change in	The Applicant will be provided with additional

Sl.No	Queries by Applicant		Reply to the Query
	Reference	Query	
		Law risk.	information during the RFP stage.
125	General	Please provide a project risk matrix.	The Applicant will be provided with additional information during the RFP stage.
126	General	Please provide some indication of the payment mechanism.	The payment mechanism is on Staggered annuity basis wherein the composite quote will act as the bid parameter and the payment there from will be made on a pre-approved distribution table during the construction and O&M period of the project.  The Applicant will be provided with additional information during the RFP stage
127	General	Please allow for another Pre-Qualification meeting before the submission.	Unless otherwise notified, CCMC does not intend to conduct another Pre-Qualification meeting before submission
128	General	Please provide DPR now so bidder can assess the feasibility of the project.	The detailed technical information relevant to the project will be provided along with RFP.
129	Section IV, Eligibility Criteria, Point 2 (i) & (ii)	This clause requires the certificates has to be from Statutory Auditors of the Applicant or its associates. Can you please consider if the certificates are authorised by independent (Approved) Auditors? Since Statutory auditors of our Parent Company are from outside India, it will be tedious and time consuming activity.	Please see the response to the query 31

Sl.No	Queries by Applicant		Reply to the Query
	Reference	Query	
		Kindly consider.	
130	Section IV, Eligibility Criteria, Point 3	This clause requires Power of Attorney has to be as per Annexure II. Whereas Annexure II is POA with consortium partners. Kindly permit to alter few Phrases in Annexure II as to suit bidder. OR provide another format for POA with single company bidding.	RFQ terms and confirmed. Please refer to the response to Query no. 35.
131	Page 29, Technical Capacity, O&M of Section IV.	<p>The Eligibility Criteria for Technical Capacity – O&amp;M is the demonstration of experience in continuous pressurized Urban Water Supply distribution with more than 50,000 connections for a city. Such a large city experience for duration specified in the RFQ is no to be found in India</p> <p>In this regard, we would like to mention that our international partner manages the continuous pressurised water supply in a concession area comprising an entire state more than 9,00,000 connections. The concession area is urbanized and has high density of population. Hence we request that the experience in a physically-integrated service area (such as a State or a province) may be considered as a subtitle for</p>	RFQ terms are confirmed.

Sl.No	Queries by Applicant		Reply to the Query
	Reference	Query	
		experience in a city.	
132		<p>We would strongly suggest that you reserve the right to disqualify someone for under costing, so you avoid having to contract with an entity that sooner or later will raise troubles.</p> <p>This is quite normal amongst many clients, and one way to do it is by not allowing more than 10% difference between L1 and L2.</p> <p>This will also help to make the project more attractive to international companies as inexperienced local contractors or companies with short term objective may be avoided.</p>	RFQ terms are confirmed. Further clarity on Financial evaluation shall be provided during the RFP stage.
133		We request you to extend the submission dates for 4 weeks from the date of reply to the pre-bid queries. We also believe that it's a prestigious project and a big scale one in India, it will involve extensive preparation and setting of partners or support from parent company for funding and other bid requirements.	Please refer to Corrigendum Sl # 9



# **COIMBATORE CITY MUNICIPAL CORPORATION**

## **ADDENDUM - 1**

**Name of the Work : Implementation of 24x7 Water Supply System for the City of Coimbatore**

Tender Ref. No.Roc No. 2896/2008/JNS

### **Format of Power of Attorney for Authorized Signatory**

**(To be executed on Non-Judicial Stamp Paper of Rs.100 and duly notarised)**

KNOW ALL MEN by these presents that we, \_\_\_\_\_ [name of the company], company incorporated under the Companies Act 1956, having its Registered Office at .... [address of the company] (hereinafter referred to as "Company") do hereby constitute, appoint and authorize Mr./Ms. \_\_\_\_\_ [name of the person to be authorized] (hereinafter referred to as "Authority"), resident of \_\_\_\_\_ [Address of "Authority"], who is presently employed with us and holding the position of \_\_\_\_\_ [designation of the "Authority"], who represents us and holding the position of authorized representative as our attorney, to do in to on our behalf of the Company, that is to say

To act as the Authority for submitting the Application for the Project and other relevant documents in connection therewith;

To sign all papers for all proposals, offers, Project documents, necessary documents, papers, applications, representations and correspondence necessary and proper for the purpose aforesaid;  
To procure tender documents, receive and make inquiries, make the necessary corrections and clarifications to the Project documents, as may be necessary;

To sign and execute contracts relating to the Project, including variation and modification thereto;

To represent the at meetings, discussions, negotiations and presentations with CCMC, Government Authorities, Competent Authorities and other Project related entities;

To receive notices, instructions and information for and on behalf of the Company;

To do all such acts, deeds and things in the name and on behalf of the Company as necessary for the purpose aforesaid.

AND the Company hereby covenants with the said Attorney to ratify and confirm all and whatever the attorney may lawfully do or cause to be done by virtue of these presents.

IN WITNESS WHEREOF the parties puts its/their hand and seal to this Power of Attorney on this [day, month & year].

The seal of the company, here unto affixed pursuant to a resolution passed at the meeting of Board of Directors and held on ----- day of -----, 2015 in the presence of (name & designation of the person) and countersigned by (name & designation of the person) of the Company of ( name of the company	) ) )..... ) (name and designation of the person) ) ) )..... ) (name and designation of the person)
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# COIMBATORE CITY MUNICIPAL CORPORATION

## CORRIGENDUM

**Name of the Work : Implementation of 24x7 Water Supply System for the City of Coimbatore**

Tender Ref. No.Roc No. 2896/2008/JNS

**Sl.No. 1. : Section II, item 3.8**

<b>As per RFQ Document</b>	<b>Revised</b>
<p>For purposes of this RFQ, the term “Associate” shall mean, in relation to another company in which that other company has a significant influence, but which is not a subsidiary company of the company having such influence and includes a joint venture company. The term ‘significant influence’ means control of at least twenty six per cent of total share capital, or of business decisions under an agreement. For the purpose of this RFQ the term ‘control’ shall mean the right to appoint majority of the directors or to control the management or policy decisions exercisable by a person or persons acting individually or in concert, directly or indirectly, including by virtue of their shareholding or management rights or shareholders agreements or voting agreements or in any other manner.</p>	<p>For purposes of this RFQ, the term “Associate” shall mean, in relation to the Applicant/Consortium Member, shall mean, in relation to a specified person, any other person who either directly or indirectly controls, is controlled by or is under the common control with such specified person (for the purpose this definition, the expression “control” (including, with correlative meaning, the terms “controlled by” and “under common control with”) means with respect to a person which is a company or corporation, the ownership, directly or indirectly, of more than twenty six percent (26%) of the voting shares of such person and/or the power to direct the management and policies of such person, and with respect to a person which is not a company or corporation, the power to direct the management and policies of such person, whether by operation of law or by contract or otherwise).</p>

**Sl. No. 2: Section VI, certificate regarding- Associate**

As per RFQ Document

As per RFQ Document	Revised
<p><b>Certificate from the Statutory Auditor/ Company Secretary regarding Associate</b></p> <p>Based on the authenticated record of the Company, this is to certify that more than 20% (twenty per cent) of the subscribed and paid up voting equity of ..... (<i>name of the Applicant/ Consortium Member/ Associate</i>) is held, directly or indirectly, by ..... (<i>name of Associate/ Applicant/ Consortium Member</i>). By virtue of the aforesaid share-holding, the latter exercises control over the former, who is an Associate in terms of the RFQ.</p> <p>A brief description of the said equity held, directly or indirectly, is given below:</p> <p><i>{Describe the share-holding of the Applicant/ Consortium Member and the Associate. In the event the Associate is under common control with the Applicant/ Consortium Member, the relationship may be suitably described and similarly certified herein. }</i></p> <p>Name of the audit firm:</p> <p style="text-align: center;">Seal of the audit firm: (Signature, name and designation of Date: the authorised signatory).</p>	<p><b>Certificate from the Statutory Auditor/ Company Secretary regarding Associate</b></p> <p>Based on the authenticated record of the Company, this is to certify that more than 26% (twenty Six per cent) of the subscribed and paid up voting equity of ..... (<i>name of the Applicant/ Consortium Member/ Associate</i>) is held, directly or indirectly, by ..... (<i>name of Associate/ Applicant/ Consortium Member</i>). By virtue of the aforesaid share-holding, the latter exercises control over the former, who is an Associate in terms of the RFQ.</p> <p>A brief description of the said equity held, directly or indirectly, is given below:</p> <p><i>{Describe the share-holding of the Applicant/ Consortium Member and the Associate. In the event the Associate is under common control with the Applicant/ Consortium Member, the relationship may be suitably described and similarly certified herein. }</i></p> <p>Name of the audit firm:</p> <p style="text-align: center;">Seal of the audit firm: (Signature, name and designation of Date: the authorised signatory).</p>

**Sl.No. 3 : Instruction to Applicants, item, 3.1 (ii) page 11**

<b>As per RFQ Document</b>	<b>Revised</b>
<p>The Members of the Consortium shall together hold at least 51% of the paid up and subscribed equity share capital in the SPC till the expiry of the Concession Period and the Member of the Consortium whose technical experience in Operations and Maintenance (O&amp;M) were considered for qualification during the RFQ stage should hold not less than 11% of the paid up and subscribed equity share capital in the SPC from COD;</p>	<p>The Members of the Consortium shall together hold at least 51% of the paid up and subscribed equity share capital in the SPC till the expiry of the Concession Period and the Member of the Consortium whose technical experience in Operations and Maintenance (O&amp;M) were considered for qualification during the RFQ stage should hold not less than 11% of the paid up and subscribed equity share capital in the SPC subsequent to the minimum lock in period as stated in clause 3.1 (i);</p>

**Sl.No. 4: Section- VI –Annexure I, Clause 6 (b), (ii) Joint Bidding Agreement**

<b>As per RFQ Document</b>	<b>Revised</b>
<p>The Members of the Consortium shall together hold at least 51% of the paid up and subscribed equity share capital in the SPC till the expiry of the Concession Period and the Member of the Consortium whose technical experience in Operations and Maintenance (O&amp;M) were considered for qualification during the RFQ stage should hold not less than 11% of the paid up and subscribed equity share capital in the SPC from COD.</p>	<p>The Members of the Consortium shall together hold at least 51% of the paid up and subscribed equity share capital in the SPC till the expiry of the Concession Period and the Member of the Consortium whose technical experience in Operations and Maintenance (O&amp;M) were considered for qualification during the RFQ stage should hold not less than 11% of the paid up and subscribed equity share capital in the SPC subsequent to the minimum lock in period as stated in clause 3.1 (i);</p>

**Sl.No. 5: Section- VI –Annexure I, Clause 6 (d) Joint Bidding Agreement**

<b>As per RFQ Document</b>	<b>Revised</b>
<p>The parties undertake that all members of the Consortium shall be liable jointly and severally for all obligations of the concessionaire in relation to the Project until the completion of EPC works and the First Party will in any case remain liable until the completion of the O&amp;M Period.</p>	<p>The parties undertake that all members of the Consortium shall be jointly and severally liable for all obligations of the Concessionaire in relation to the Project until the achievement of the commercial operation date of the Project, as per the Concession Agreement or until the completion of 5 years from the commencement of operations of the existing facilities, whichever is later and the Lead Member will in any case remain liable until the completion of the O&amp;M Period.</p>

**Sl.No. 6 : Section V – Evaluation Criteria:****5. Scoring System**

As per the RFQ Document

<b>Sl. No.</b>	<b>Ref No.</b>	<b>Criteria</b>	<b>Scoring System</b>	<b>Minimum pre-qualification marks</b>
<b>(1)</b>	<b>(2)</b>	<b>(3)</b>	<b>(4)</b>	<b>(5)</b>
1	A1	Technical Capacity – Implementation	Threshold Technical Capacity – Implementation: Rs.800 crores – 5 marks Every additional Rs.200 crores – 2.5 marks	5 marks
2	A2: i	Technical Capacity – O&M (water supply distribution system)	Threshold Technical Capacity – O&M as per A2 (i): 50,000 connections as per A2 (i)– 5 marks Every additional 10,000 connections as per A2 (i) – 2.5 marks	5 marks
3	A2: 2yii	Technical Capacity – O&M ( customer management of urban utility services)	Threshold Technical Capacity – O&M as per A2 (ii): 50,000 connections as per A2 (ii)– 5 marks Every additional 10,000 connections as per A2 (ii)– 2.5 marks	5 marks
4	B	Financial Capacity	Net Worth at the close of the preceding financial year - 140 crores - 5 marks Every additional 20% of Rs. 140 crore – 2.5 mark	5 marks



**Revised as**

<b>Sl. No.</b>	<b>Ref No.</b>	<b>Criteria</b>	<b>Scoring System</b>	<b>Minimum pre-qualification marks</b>
<b>(1)</b>	<b>(2)</b>	<b>(3)</b>	<b>(4)</b>	<b>(5)</b>
1	A1	Technical Capacity – Implementation	Threshold Technical Capacity – Implementation: Rs.850 crores – 5 marks Every additional Rs.200 crores – 2.5 marks	5 marks
2	A2: i	Technical Capacity – O&M (water supply distribution system)	Threshold Technical Capacity – O&M as per A2 (i): 50,000 connections as per A2 (i)– 5 marks Every additional 10,000 connections as per A2 (i) – 2.5 marks	5 marks
3	A2: 2yii	Technical Capacity – O&M ( customer management of urban utility services)	Threshold Technical Capacity – O&M as per A2 (ii): 50,000 connections as per A2 (ii)– 5 marks Every additional 10,000 connections as per A2 (ii)– 2.5 marks	5 marks
4	B	Financial Capacity	Net Worth at the close of the preceding financial year - 140 crores - 5 marks Every additional 20% of Rs. 140 crore – 2.5 mark	5 marks

**Sl.No. 7: Section- VI –Annexure III, Letter Comprising the Application for Pre-qualification (item 22)**

<b>As per RFQ Document</b>	<b>Revised</b>
<p>22.We agree and undertake to be jointly and severally liable for all the obligations of the Concessionaire under the Concession Agreement till occurrence of Financial Close in accordance with the Concession Agreement.</p>	<p>22. The parties undertake that all members of the Consortium shall be jointly and severally liable for all obligations of the Concessionaire in relation to the Project until the achievement of the commercial operation date of the Project, as per the Concession Agreement or until the completion of 5 years from the commencement of operations of the existing facilities, whichever is later and the Lead Member will in any case remain liable until the completion of the O&amp;M Period.</p>

**Sl.No. 8: Clause 3.6 (last paragraph); Section- II: Instructions to Applicants**

As per RFQ Document	Revised
<p>For the purpose of the above clause, in addition to the Applicant, the Consortium Members should also individually comply with the requirements specified. Any Applicant, being a consortium and found to have a conflict of interest may be allowed permitted to continue in the Bidding Process subject to the condition that such an Applicant (consortium) within 10 days from the Application Due Date removes the member which suffers such conflict of interest.</p>	<p>For the purpose of the above clause, in addition to the Applicant, the Consortium Members should also individually comply with the requirements specified. Any Applicant, being a consortium and found to have a conflict of interest may be allowed permitted to continue in the Bidding Process subject to the condition that such an Applicant (consortium) within 10 days from the Application Due Date removes the member which suffers such conflict of interest. Further, notwithstanding anything stated herein above clause 3.6 to the contrary, the joint ownership in a Special Purpose Vehicle / Special Purpose Company by any Applicant or its Associates shall not be deemed as a conflict of interest for the purpose of this RfQ.</p>

**Sl.No. 9: Key dates , Section- II: Prequalification Data Sheet**

As per RFQ Document			Revised		
Last date of submission of Application in response to RFQ (“Application Due Date”)	12-Nov-15 upto 15.00 hours		Last date of submission of Application in response to RFQ (“Application Due Date”)	30-Nov-15 upto 15.00 hours	