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1.	Draft Concession Agreement	213	2.13.2 of Part II-Operation and Maintenance Module	Services to Unauthorized Colony/ Slums		Please provide the applicable policy of SCMC. Is the Concessionaire supposed to provide individual connections to the residents of these colonies? We request that Concessionaire be allowed to provide a single bulk meter serving the unauthorized colony till the status of the colony is changed and individual connections with meters can be installed on each dwelling after payment of requisite connection fees is made to Authority.	Refer Corrigendum - III
2.	Draft Concession Agreement	217	4 of Part II-Operation and Maintenance Module	O&M Requirements		Any changes in the CPHEEO Manual which has to be considered and followed during the contract period and having impact on the cost of works, shall be treated as Change in Law	Any amendment to CPHEEO Manual and consequently the Authority directs the Concessionaire to implement the same resulting in an additional investment to maintain quality/quantity or similar parameters as per such

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							amendments will be treated as Change in Scope as per the provisions given in the RFP.
3.	Corrigendum 1		Sr no 7 & 10	Financial Close and Damages		The amendments in point no 7 and 10 of corrigendum 1 with respect to Damages for not achieving Financial, are contradictory. Please confirm.	Should there be any delay in the satisfaction of any of the Conditions Precedent other than those related to Financial Close, the damages as specified under Article 4 shall be applicable. If there is any delay in satisfaction of the Condition Precedent related to Financial Close, damages as specified under Article 21 will be applicable. If there are delays in satisfaction of Conditions Precedent related to Financial Close as well as other delays, then damages specified under both Article

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							4 & Article 21 will be applicable.
4.	General			Construction Period		Experience in similar works shows that revamping the entire city network and provision of service connections will invariably bring a lot a excavation/ road restoration related difficulties in day to day movement of citizens. Four years to complete the total works will only increase these difficulties for all stakeholders and attract penalties for Concessionaire. We request you to consider increasing the time period to six years minimum which will allow the Concessionaire to plan the works better and complete it in time.	RFP terms confirmed.
5.		Pre-bid		Sr No 5		As per data made available at the site of WTP under the dedicated water supply	It is reiterated that the current installed production and transmission capacity is

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		Replies				scheme (DWSS), and as per Schedule 2 of the DCA, the scheme is designed and commissioned only for 155 MLD water supply. There is no provision in the design to handle 200 MLD as suggested in the reply. We therefore request you to reconfirm that any augmentation of supply beyond 155 MLD will be done by Authority (SCMC).	200 MLD and any additional capacity beyond the said current production and transmission, that is required for the Project, will be within the Scope of the Authority.
6.		Pre-bid Replies		Sr No 5		We request you to clearly demarcate the boundary between bulk and distribution system. This should ideally be the entry points of the transmission mains (under the respective water supply schemes) into the Salem city limit. Any augmentation of capacity or complete replacement upstream of this boundary (ie bulk) shall be in the scope of SCMC.	Read with answer to query number *5 supra*, it is clarified that the entry points of the transmission mains into Salem City will remain at the current locations for the current as well as additional capacities, as and when needed. The Bidders may, accordingly, consider the design based on the above.

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							The boundary/ location between bulk and distribution system: 1. Thottilpatti Scheme: Mamangam 2. Nanga valli Scheme: Solampallam
7.		Pre-bid Replies		Sr No 5 Water demand and supply		As per the demand estimate in the DPR, there is a deficit in supply to match the demand in the current year 2025. This deficit further increases up to ultimate year 2055. We request you to initiate procurement of works for augmenting supply in order to cater for demand in the current, intermediate and ultimate design years. The supply needs to be sufficient to achieve 24x7 in the city as per the KPIs in DCA.	Please refer Query no's 5 and 6.
8.	Draft Concession	143	22.1.2	Payment of Composite Quote		The sum of CAPEX % and OPEX % for all years works	Refer Corrigendum III.

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	Agreement					out to 99.99%. It should be 100.00%. Please correct.	
9.	Pre-bid Replies		Sr No 5			Based on our site visit and the data made available to us, we understand that the Nangavalli WTP and the entire supply scheme is more than 70 years old and has clearly outlived its design life. The concrete structures are beyond repair/ rehabilitation and any structures which are older than 50 years are not advised to be used. Our site visit to this plant and associated assets in the entire scheme including transmission mains, has also confirmed that the condition of the system is very poor and needs immediate replacement. Retrofitting or rehabilitation of such old system is not advised even as per the CPHEEO standards.	It is clarified that: 1. The concessionaire will not be responsible for building or constructing any new water works at or in lieu of Nangavalli Scheme. 2. The Concessioniare shall continue to operate the Nangavalli scheme with such retrofitting as may be needed, subject to approval of such retrofitting in the CIP.

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						Please confirm that Concessionaire will not be made responsible for rehabilitating the scheme as the entire scheme needs to be completely scrapped and replaced with a new. Since any new bulk water infrastructure and/or augmentation works are not part of the scope of the Concessionaire, please confirm that the Concessionaire will not be responsible to build any new works in this scheme.	
10.	Pre-bid Replies		Sr No 5			The reply mentions "In any case, augmentation of the headworks is not in the Scope of Work." We understand that the above reference to headworks also means that the Concessionaire's Scope of	It is confirmed that augmentation of capacity of WTP or transmission mains from WTP to the city limits are not in the scope of the Concessionaire. Provided however, all O&M of any such

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						Work does not include any augmentation of intake, pumping, treatment, transmission etc. of the bulk water system. Please confirm. Similarly, we presume that the Bidder's Price would not include O&M of any augmented infrastructure and additional capacity in bulk water facilities. Please confirm The Concessionaire's Scope of Work shall therefore include only rehabilitation/retrofitting if any of the existing bulk water system up to its designed capacity and its O&M.	augmented system/s will be the responsibility of the Concessioniare. The Concessionaire's quote shall include pricing of the same.
11.	Draft Concession Agreement	225	Schedule 13	Escrow Agreement Clause 3.2		The deposits from Authority does not specify the monthly payments to be deposited by the Authority such as user charges, property tax etc.	RFP terms confirmed.

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						It is highlighted that almost 87% of the total payments to the Concessionaire in the Concession Period shall be made by SCMC. Therefore, it is very important to establish evidence of availability of sufficient funds with the SCMC. We request you to provide the details of these sources of funds and how SCMC is planning to make payments to the Escrow Account on a regular basis.	
12.	Pre-bid Replies		Sr No 31			We request you to clarify the mechanism to ensure smooth handling of such important Project at the bidding stage only. We understand proposed PPP concession contract structure is very different from regular contracts executed by	A State level Steering Committee is proposed to be established under the chairmanship of the Principal Secretary, MA & WS Department for the purpose of monitoring the implementation and operation of the project.

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						engineers of City Corporation. As is prudently done in large water boards to execute large scale contract of this nature, we request a specialised cell with roles and responsibilities be formed. This cell shall administer the complex functions of Contract Authority under this contract with assistance of the Independent Engineer. We request the formation of this special cell be made a formal part of this Contract Agreement. We request necessary capacity building is undertaken by State Authority specialised in PPP (ex: TNIDB) for the officers of Salem Corporation who will be involved in the execution of this contract.	

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						We request for State level governance structure with designated team/committee be made part of this contract to monitor, intervene and who has powers to resolve all technical, commercial, legal, contractual issues during execution of this Contract. We request for a procedure/ rule to set up monthly monitoring meetings by the team/committee and provide method/rules in the Contract for Concessionaire to approach the state level authority for any request and resolution. Our suggestion is to clearly identify the constitution of a Steering Committee with senior officials from TNIDB, DMA, SCMC and the Concessionaire. Additionally, members from the funding bank and AMRUT may also	

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						be invited on a case-to-case basis.	
13.	Draft Concession Agreement	148	Schedule 23	Escrow Account Clause 23.1.6		The Backstop Guarantee provided is for only 3 months. Whereas the payment to the Concessionaire shall be made on a quarterly basis. This completely dilutes the significance of Backstop Guarantee. We request you to either increase the frequency of payments to monthly or enhance the backstop guarantee to 6 months' equivalent to 2 payments to the Concessionaire.	RFP terms confirmed.
14.	Concession Agreement	123	16.2.3	Procedure for Change of Scope		Please clarify the methodology for assessment of increase or reduction in scope of work. We would like to bring to your notice that the change in number of connections or network length will impact several items such	The query on the number of connections was already answered in the 1st Pre-Bid queries issued by SCMC. It is therefore clarified that the number of connections envisaged during the **Concession Period**

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						as number of reservoirs, valves, thrust blocks, road restoration etc. Therefore, the effect of such change on the overall cost needs to be assessed in detail considering all aspects and paid accordingly. The query raised in the 1st Pre-bid Meeting remains unanswered. Please clarify the same. As commonly understood, we presume that the payment shall be made for increase in pipe length / number of service connections as well as all the associated items.	remains at **234, 634 within the Service Area**. The water supply grid that is proposed to be developed by the Concessioniare must have the capability to provide the above number of connections within the Service Area and the responsibility for providing such number of HSCs, as provided in the RFP, will be with the Concessionaire. If the number of connections increases beyond the above level, then the same will be considered as Change of Scope. It is further clarified that the estimate considered by the Authority comprises the above arrangement.
15.	Pre-bid Replies		Sr No 71	Please indicate the maximum value to be considered		We request you to provide a tentative figure for this with ±10% variation. Otherwise, the bidders won't be able to provide any cost for this.	RFP terms confirmed.

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				for the 50% payment share of the Concessionaire as the same needs to be considered in the EPC Quote of the bidder.		Would the Concessionaire have a role in selection of the Independent Engineer? The better option would be to exclude the liability of payment of 50% share of the of fees to the Independent Engineer from the Concessionaire's obligation. The SCMC should make 100% payment directly to the Independent Engineer.	
16.	Pre-bid Replies		Sr No 195	Sources of fund		We understand that the funds to be sanctioned under AMRUT is 30% of the estimated CAPEX. As per the Staggered Annuity table, the AMRUT funding share is only 3.9% of the total Contract Value. We therefore request you to provide the source of funding for the 87% of the Contract Value (cumulative Staggered Annuity % under O&M) which is in SCMC's	The payments shown in the Clause 22.1.2 are as percentage of Composite quote that has been quoted by the successful bidder. The notation "CAPEX %age" only indicates that this percentage of Composite Quote payment is paid during the initial 1 year study period plus the 4 years Construction Period. While the notation "OPEX

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						scope. This is absolutely necessary even for the banks who would be financing this Project.	%age" indicates that this percentage of payment is paid during the Initial Operation Period of 4 years and Operation Period post COD. Sources of funding have already been detailed in the RFP.
17.	Pre-bid Replies		Sr No 195	Sources of fund		We understand that the funds for financing the capex (as per the ratios described under Capex % age, Column 2, table in Clause 22.1.2 – Payment of Composite Quote) during the construction period are well in place and will be routed through TNIDB into the Escrow account to pay the Concessionaire. As per the Draft Concession Agreement (DCA), the funds necessary for paying the Concessionaire for the Opex (as per the ratios described under Opex% age,	RFP Terms Confirmed.

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						Column 3 table in Clause 22.1.2) will have to be organised into the Escrow by SCMC. The Article on Escrow only provides for user charges to be deposited in the account. Our assessment of the total revenues that can be generated from the user charges at applicable current tariff and future prescribed tariff, will fall far short to cover for the quarterly demand for Concessionaire's payment. Especially during the post COD period, the volume of payment will be very high compared to the user charge base. We are aware of the backstop guarantee provision (Clause 23.1.6) from TNIDF for payment security. However, the very definition of backstop is to be the last resort and not	

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						a regular fund from which Concessionaire's payment will be financed. We therefore request you to kindly describe the sources of funds that will be applied by SCMC into the Escrow account including the apportionment of property tax if any is proposed and the yearly financial support that it proposes to obtain from the state government to make the prescribed payments. We also request you to inform on the budgeting exercise that will be undertaken at state level and city level to allocate necessary funds for the project every year. This will be required to comfort the lenders to support this kind of mandate and to obtain a financial close as per conditions in the agreement.	
18.	Prebid Replies		Sno 146	Approval for Drawing		As inferred from the reply given in Prebid Replies we	Confirmed.

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				Water from Cauvery River.		understand Salem Municipal Corporation has right to draw 200 MLD from Mettur Dam and Raw water intake and pumps are already in place. Please confirm.	
19.	Draft Concession Agreement	90	4.1.3	Conditions Precedent		Some of the Applicable Permits may not be required to be in full force and effect during the Study Phase. Moreover, it may not be possible to obtain all such permits due to lack of sufficient information and data at the Study Phase. Therefore, we request you to remove the "and such Applicable Permits ……effect" from the existing provision.	RFP Terms Confirmed.
20.	Invitation for Proposals	10	1.1.6.2	Scope of Work		Please clarify who shall pay for the new connections during the O&M Period. It will not be prudent to expect	Please refer query number 14, *supra.*

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						the Concessionaire to bear this cost because at this stage, the Concessionaire cannot have visibility of spread of the city for next 25 years which would depend on several factors not under the control of the Concessionaire.	
21.	Schedule 2 List of Existing Project Facilities	190		As-built Drawings		Please provide as-built drawings of all existing facilities.	The available drawings have already been uploaded in the relevant tender website.
22.	General			Power Consumption Guarantee		Presently the total volume drawn by SCMC ranges between 135-150 MLD as per pre-bid Reply no 7. As the Concessionaire will calculate the Total volume Based on their own survey and Projections for the next 25 years, please provide us the Historical Power consumption date for the past 3-5 years as it will help us extrapolating for	The current water supply system is an intermittent supply system. Therefore, the current power consumption will not be relevant for the proposed 24x7 Water supply system.

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						the Power consumption guarantees.	
23.	General			Power Consumption Guarantee		We request you to share last 3 years power consumption data for raw water pumping station, water treatment plant, clear water pumping station, intermediate booster stations, all existing pumping stations within the project boundary. We presume that Concessionaire will be allowed to recommend updated power consumption based on modification/ alteration/ rehabilitation/ augmentation that is proposed and accepted in the CIP and which will be derived from the extensive study carried out in study period to match the KPIs.	Please refer Sr No 22.

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						We request you to allow the Concessionaire to update the power guarantees as part of CIP.	
24.	Volume 1	150	24.2 (a)	**Insurance Cover**		**Insurance clause states that** "*Loss, damage or destruction of the Project Facilities, including the Exiting Project Facilities handed over by the Authority to the Concessionaire, at replacement value.* Please specify the sum insured to be considered for Fire & Burglary insurance during O&M period	The Concessionaire is expected to take the Insurance Cover as per industry practice.

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25.	Article 6 – Obligations of the Authority	101	Clause No. 6.1.3	Water Tariff		Clause 6.1.3, Page 103 of the Concession Agreement which relates to revision in Tariff has been excluded from Authority's Material Default in Clause 29.2.1(a). We understand that user fees will be one of the most important streams of revenue to pay the Concessionaire under this Concession Agreement. The revision from current flat tariff to a volumetric tariff and regular revisions thereafter are therefore very essential for healthy revenue generation and regular timely payments to the Concessionaire. We request therefore that not implementing timely tariff revision be made a part of Authority's material default.	RFP terms Confirmed
26.	Volume 1 SEC IV-General	148	Clause No. 8.6.			As per Tender- High voltage switchboards for new transformers shall have rated voltage of 33kV and equipped	The required technical interventions shall be provided by the Concessionaire after

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	Technical Specification, Chapter 8 (Technical Specification for Electrical Works)					with 3 phase vacuum circuit breakers (VCBs), and ancillaries in accordance with the single line diagrams. It may be noted that at RWPS, indoor VCBs are withdrawable whereas at WTP; VCBs are outdoor type non withdrawable (Refer SLD). SLD Referred in tender is not attached with the tender documents. kindly provide SLD for better understanding and scope as well.	assessing the existing water supply system and proposed implementation plan for the 24x7 project. The details of such technical specifications shall be provided in the CIP. The General Technical Specifications provided in Volume-III shall be considered as a general guideline.
27.	Volume 1 Clause 1 Introduction	8	Clause no 1.1.4	The Proposed Project of Major works involved in the project		**As per Tender-** Distribution Network retained /replacement of the existing and proposed pipeline length – 1342.66 kms, improvement of distribution system in 67 zones, 2.34 lakh household connections, improvement of headworks, improvement of Raw water transmission mains improvement of	The Bidders shall undertake their own assessments for arriving at the cost of all retrofitting. The tender is not based on BOQ.

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						existing WTP, performing operation and maintenance of the water supply system. Please provide the detail BOQ for replacement of electrical and instrumentation works for Raw water Pumping station, clear water pumping station and existing WTP, for operation and maintenance of the water supply system.	
28.	Volume 1 SEC IV-General Technical Specification, Chapter 8	148	Clause no 8.6	High voltage distribution switchboards		Please confirm the MOC of Busbar	Refer Sr No 26.
29.	General			Technical Specification		Most of the Technical Specification for electrical & instrumentation not provided	The bidders are advised to undertake their own assessments to arrive at the

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						in the tender specification kindly provided the same. 1) Switchgear panels (HV, MV, LV MCC & PCC. 2) DG Set 3) Transformers 4) Busduct 5) Motors. 6) LPBS/LCS 7) Power & Control Cable Instrumentation & Communication Cable.	required technical specifications and suggested investment towards replacement or retrofitting.
30.	General			Electrical Power Supply Design		Kindly provide the details for electrical connection required like quantity, locations and connection voltage along with accessories to be considered by the bidders.	Refer Query No. 26 & 29.
31.	General			Technical Specification.		Kindly share the technical specification for HV, MV, LV switchgear panel, which help to finalising the switchgears.	Refer Query No. 26 & 29.

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32.	General			Detailed Scope of work		Please provide the Detailed scope of work and detailed BOQ for electrical system for entire proposed works including rehabilitation etc.	Refer Query No. 26, 27 & 29.
33.	General			Detailed Scope of work		Please provide the Detailed scope of work and detailed BOQ for PLC & SCADA SYSTEM for entire proposed works including rehabilitation etc.	Refer Query No. 26, 27 & 29.
34.	General			Detailed Scope of work		Please provide the Detailed scope of work and detailed BOQ for Instrumentation system for entire proposed works including rehabilitation etc.	Refer Query No. 26, 27 & 29.
35.	General			System configuration .		Please provided the System configuration / architecture for PLC & SCADA system showing communication detail for better understanding.	Refer Query No. 26, 27 & 29.

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36.	General			LV Busduct		Power distribution from Transformer and LT Panel is through Busduct or Cable. Kindly Confirm. If through Busduct, the Particular technical specification for LV Busduct to be provided.	Refer Query No. 26, 27 & 29.
37.	Volume 1 SEC IV-General Technical Specification, Chapter 8	91	2.23			Detailed technical specification for luminaire to be provided along with required LUX level for area wise for finalising the quantity of lighting fixtures.	Refer Query No. 26, 27 & 29.
38.	Draft Concession Agreement	214	2.13.6 Consumer Service Centre O&M Obligations of	Consumer Service Centre		The Concessionaire shall design, develop and set up a Consumer Service Centre (CSC) minimum two numbers and cash collection centers minimum four numbers each, for facilitating receiving and resolving consumer requests	Please refer answers of 1st Pre-Bid Minutes already published.

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			the Concessionaire			in the areas of new connections, service deficiencies, resolution of billing disputes etc. The Centre shall function on 24 x 7 basis. The CSC shall have reasonable space and furniture for the Consumers to wait, interact and represent their requirements. The Concessionaire shall have a facility to receive Consumer complaints through telephone, fax, SMS, email and any other electronic means including letters or personal visits by the Consumers. The CSC shall be equipped with sufficient hardware and software to facilitate continuous record of consumer requests, monitoring the resolution and reporting requirements. In Article 17 – Operation & Maintenance 17.11 – the CSC requirement specified	

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						different on which we also received and reply stating that "USCs shall adopt standard working timings as per applicable regulations" According to the standard, the CSC operates from 9:00 AM to 5:00 PM. Please confirm this. Additionally, please confirm that the space for the call center will be provided by the Authority.	
39.	Draft Concession Agreement	206	Schedule 5 Key Performance Indicators	Annual Collection efficiency		From year immediately after COD to onwards till the end of Concession Period: 90% The target for collection efficiency is high, with the standard in India typically ranging from 70% to 85%. We understand the new volumetric tariff will be applied after COD. Given that there will be complete change in the way the customer will	RFP terms confirmed.

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						be charged, through a new monthly volumetric billing regime, it will have impact on the customer behaviour in the initial years till the new regime stabilises. Achieving 90% efficiency immediately after COD should therefore not be set as the target. We request you to start with 80% efficiency post COD and gradually increase to 90% over next 3-4 years. Additionally, we request you to share the previous collection efficiency records for further analysis on this.	
40.	Draft Concession Agreement	135	17.12.1 Article 17 Operation & Maintenance	Connections to Users		To design the connection policy and byelaw amendments, we may need to include the following points as well. Please confirm: • One HSC, one meter with an adaptable size based	RFP terms confirmed.

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						on consumer consumption (similar to the approach for housing societies, apartments, etc.).	
41.	Draft Concession Agreement	176	34.1.3 Article 34 User Charges	Collection of User Charges		The Concessionaire shall be responsible for billing and collection of User Charges in the Service Area for and on behalf of the Authority during the Initial Operation Period and the Operation Period, which will be on a monthly basis unless agreed otherwise with the Authority. The CFC will be established based on the commissioning process. Additionally, the collection activity can only commence once the space for the CFC has been allotted for this purpose. Please confirm from where this activity will be handled.	The operational details shall be captured in the CIP. RFP terms confirmed.

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42.	Prebid Replies		Sr No 1	AutoCAD format of Service Area		As stated in Prebid Reply please upload the AutoCAD format of drawing of the Service Area.	The available drawings are already uploaded in the tender website.
43.	Draft Concession Agreement	144	22.1.3	Power Charges		We presume that the bidders need not consider any power charges in their price as the same are paid directly by the Authority. We hope our understanding is correct.	The power charges will be paid by the Authority.
44.	General	-	-			We understand that TUFIDCO had undertaken credit rating for municipalities including for Salem city. Please provide this credit rating of SCMC. The same would be required for approving the financing of the capex work from interested lenders.	Not available.
45.	Vol 1, Draft Concession	148	23.1.2	Escrow Account		We understand that the User Charges so deposited by the Concessionaire in the Escrow Account will be used to make	The Payment Security Mechanism as detailed in the DCA addresses all such eventualities.

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	Agreement					payments due to the Concessionaire. However, in case the deposited User Charges are less than the invoice(s) value to be released to the Concessionaire, we understand that the shortfall will be compensated using property tax, which is being collected and deposited by the Authority in its separate bank account. Hence, it is our understanding that in all such cases, the Authority shall transfer the shortfall amount from its other accounts (where property tax from the consumers is being collected and deposited by the Authority) to the Escrow Account. Please confirm.	

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46.	Corrigendum I	7	Point No. 19, Article 22.2(A)	Mobilization Advance		It is submitted that for deploying the resources and manpower for the project, advance payment is required upfront by the concessionaire at the beginning of the concession period. Currently, the advance payment is payable after CIP is approved, which will not be a desirable scenario as it will affect the cash curve of the project and will have cascading effects on the financials of the concessionaire. We also request the mobilisation advance be made interest free as is the case with all AMRUT and state govt funded projects. Hence, we request you to please modify the newly inserted Article 22.2(A), as follows:	Refer Corrigendum III

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						"*If the Concessionaire opts for Mobilization Advance ~~post approval of CIP~~, the Concessionaire shall provide to the Authority no later than 15 (fifteen) days from the date of such request, an irrevocable and unconditional guarantee from a Scheduled Bank for a sum equivalent to 110% (one hundred and ten percent) of the Mobilization Advance in the form set forth in Schedule 8 (the "Mobilization Advance Security"). ~~The Mobilization Advance shall carry an interest of Bank Rate + 5%.~~ The Authority shall, on request of the Concessionaire, made at any time after submission of the Mobilization Advance Security, make an advance payment in a sum not exceeding 10% (ten percent)*	

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						of the CAPEX Quote stated in the Composite Quote (the "Mobilization Advance"). The Mobilization Advance shall be paid by the Authority in 2 (two) equal quarterly instalments the first of which will be within 15 (fifteen) days from the submission of the irrevocable and unconditional guarantee as specified above from the Concessionaire. The Mobilization Advance ~~along with calculated interest~~ shall be proportionately deducted by the Authority from the payments made to the Concessionaire during the Construction Period."	
47.				New Clause		It is very difficult to assess major replacement/maintenance work to be undertaken throughout the Concession Period, at the very start of the contract period. Hence, we	RFP terms confirmed.

Sn.	Tender Vol. / Section	Page No.	Clause No.	Title	As per Tender	Bidder's Query	Authority Response
						request you to please to make major maintenance/replacement work part of Authority's scope to the extent the following language to be newly incorporated in the Concession Agreement: "*The Major maintenance of the assets in Civil/ Electrical/ Mechanical components of the entire system shall be informed to the Authority officials as soon as the same is observed/ anticipated by Concessionaire. Joint Inspections and detailed study shall be done and a detailed estimation shall be prepared. A maintenance activity, in addition to other requirements to the satisfaction of Authority, shall be considered under Major Maintenance only if the*	

Sn.	Tender Vol. / Section	Page No.	Clause No.	Title	As per Tender	Bidder's Query	Authority Response
						maintenance costs exceeds 30 % (thirty percentage) of the replacement/reconstruction cost of the asset or 10% (ten percent) of the Monthly Annuity Payment of the corresponding year for the Concessionaire, whichever is lower ("Major Maintenance Threshold Value") for the reimbursement to the concessionaire along with the subsequent scheduled payment. In case of the Additional Project Facilities, the payment made by the Authority for any Major Maintenance activity shall be the difference between the actual cost incurred by the Concessionaire and the Major Maintenance Threshold Value. While in case of the Existing Project Facilities, any single maintenance event wherein the aggregate	

Sn.	Tender Vol. / Section	Page No.	Clause No.	Title	As per Tender	Bidder's Query	Authority Response
						expenses incurred exceeds Rs. 5 (five) lakhs, such activity shall be considered as Major Maintenance activity and the entire expenses shall be reimbursed by the Authority based on the certification of invoices by the Independent Engineer."	
48.	Vol 1, Draft Concession Agreement	149	23.1.6	Payment Security Mechanism		For better financial/payment security against the payments to be made to the Concessionaire under the Concession Agreement and to avoid any ambiguity, we request you to please modify this clause, as follows: *"Tamil Nadu Infrastructure Development Fund (TNIDF), operated by Tamil Nadu Infrastructure Development Board (TNIDB), shall act as the backstop guarant<u>or</u> ~~ee~~ for this project. In case the Authority fails to ensure*	RFP terms confirmed.

Sn.	Tender Vol. / Section	Page No.	Clause No.	Title	As per Tender	Bidder's Query	Authority Response
						Minimum Escrow Balance in terms of Clause 23.1.4 of this Agreement, then the Escrow account shall be replenished in the following manner: ~~by drawing funds from the TNIDF upon request of the Concessionaire or Authority, subject to the approval of TNIDB's sub-committee.~~ *The proposed backstop guarantees will be offered through a Standby Letter of Credit (SBLC) structure to be issued by a commercial bank (SBLC Bank, as a beneficiary of the backstop guarantee to be issued by TNIDF, subject to the approval of TNIDB's sub-committee. The SBLC will be drawn by the Escrow Agent if Authority fails to transfer the Minimum Escrow Balance or replenish the shortfall in the Minimum Escrow Balance*	

Sn.	Tender Vol. / Section	Page No.	Clause No.	Title	As per Tender	Bidder's Query	Authority Response
						in the Escrow Account. Once the SBLC is drawn, the amount drawn converts into a short-term loan to Authority under a Reimbursement and Credit Agreement (RCA) to be executed between Authority and the SBLC Bank. If Authority fails to repay the SBLC Bank this short-term loan within the agreed repayment duration under the RCA, the SBLC Bank shall have the right to call on the backstop payment guarantee issued by TNIDF."	
49.	Vol 1, Draft Concession Agreement	222-233	Schedule 13	Escrow Agreement		It is very common that, while negotiating the escrow agreement terms with the banks, they do not easily agree on the escrow conditions enclosed with the RFPs. They generally propose/prefer their own escrow conditions. Hence, for timely signing of the escrow agreement, we	Please refer answers of 1st Pre-Bid Minutes already published.

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						request you to please allow the Concessionaire to use the standard template finalised by group of banks for Namami Gange project, as annexed as Annexure I to these pre-bid queries. Please confirm.	
50.	Vol 1, Draft Concession Agreement	209	Schedule 7	Applicable Permits		We request that the critical permissions like approval/NoC from National Highway Authority of India, Indian Railways and Forest Department, including Ministry of Environment, Government of India should be in the scope of the Authority for obtaining expeditious approval/NoC from such authorities in the interest of the project. Hence, we request you to please modify the list of permissions, as follows:	Refer to Corrigendum – III

Sn.	Tender Vol. / Section	Page No.	Clause No.	Title	As per Tender	Bidder's Query	Authority Response
						"*The Concessionaire, to the extent applicable in respect of the Project, shall obtain and maintain the following Applicable Permits:* *(a) Planning permission* *(b) Building permits* *(c) Right to use Electrical power* *(d) Vehicle and equipment licenses* *(e) Licenses to work during other than normal working hours* *(f) Licenses if any to operate water supply facilities* *(g) Health and Safety certificates* *(h) Fire certificate* *(i) Approval from Labour Department* *The following approvals/NoCs will be in scope of the Authority:*	

Sn.	Tender Vol. / Section	Page No.	Clause No.	Title	As per Tender	Bidder's Query	Authority Response
						(a) Approval / NOC from National Highway Authority of India for construction along national highways, *(b) Approval / NOC from Indian Railways for construction along Railway property / assets* *(c) Approval / NOC from the Forest Department including the Ministry of Environment, Government of India, if required, or such other concerned authority for construction along and/or within the reserve forest, forest zone, forest land etc.*"	
51.	Corrigendum I	11	Point No. 26, Schedule 5 (1. Construction Period) - Table	Liquidated Damages		We request you to remove the Liquidated Damages for interim project milestones as amended in pt 26 in Corrigendum 1. All quarterly payments are linked to milestones and subject to achieving those milestones. Delay in achieving milestone	RFP Terms Confirmed.

<table>
<tr><th>Sn.</th><th>Tender Vol. / Section</th><th>Page No.</th><th>Clause No.</th><th>Title</th><th>As per Tender</th><th>Bidder’s Query</th><th>Authority Response</th></tr>
<tr><td></td><td></td><td></td><td></td><td></td><td></td><td>ill affect the Concessionaire’s financials/ cashflows which itself is a big penalty built in for delay. Any LDs over and above this is a double penalty which will make contract execution very costly. We therefore request the LDs be applied as before only for not achieving COD within time.

Further the Liquidated Damages amount is very high. Considering the rate of LDs applicable in other similar projects, we request you to please modify the liquidated damages table, as follows:

<table><tr><th>S. No.</th><th>Time Period from COD</th></tr><tr><td>1</td><td>Up to 60 (sixty) days</td></tr><tr><td>2</td><td>Beyond 60 (sixty) days upto 120</td></tr></table></td><td></td></tr>
</table>

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<tr><th>Sn.</th><th>Tender Vol. / Section</th><th>Page No.</th><th>Clause No.</th><th>Title</th><th>As per Tender</th><th>Bidder’s Query</th><th>Authority Response</th></tr>
<tr><td></td><td></td><td></td><td></td><td></td><td></td><td>
<table>
<tr><td></td><td>(one hundred and twenty) days</td><td></td></tr>
<tr><td>3</td><td>Beyond 120 (one hundred and twenty) days upto 270 (two hundred and seventy) days</td><td>1,00,000</td></tr>
<tr><td>4</td><td>Beyond 270 (two hundred and seventy) days</td><td>Termination under Article 29</td></tr>
</table>
</td><td></td></tr>
<tr><td>52.</td><td>Corrigendum I</td><td>4</td><td>Point No. 11, Article 21.1.3</td><td>Financial Close – newly added</td><td></td><td>We submit that requirement of depositing cash equal to 25% of Concessionaire’s share in the Capex is a very stringent obligation to maintain and will attract additional cost to Concessioniare and therefore to the contract. However, we are fine with the provisions requiring the Concessionaire to provide necessary evidence that it has arranged for its own funding to finance its share of</td><td>RFP Terms Confirmed.</td></tr>
</table>

Sn.	Tender Vol. / Section	Page No.	Clause No.	Title	As per Tender	Bidder's Query	Authority Response
						Capex. In view of the foregoing, please modify this newly inserted clause as follows: "*21.1.3 If the Concessionaire wishes to arrange financing from its own sources, then the Concessionaire shall: ~~(a)~~ submit necessary document from a scheduled bank within the meaning of Banking Regulation Act, 1949 explicitly providing access of the Concessionaire for its portion of the total CAPEX.* *~~(b) Deposit or cause to deposit an amount equal to one-fourth portion of the total Concessionaire's share towards the CAPEX as part of the Conditions Precedent; and~~*	

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						Further, the document/s submitted by the Concessionaire will be subjected to such scrutiny, as required, so that the Authority derives clarity, confirmation and comfort of the availability of the funding from the Concessionaire required for the completion of the construction of the Additional Project Facilities."	
53.				New Clause		Currently, the Concession Agreement is silent on who will bear costs of repair/maintenance in case the pipelines/network/asset is damaged by third parties while working close to such pipelines/network/asset. We submit that the concessionaire only works in the capacity of the operator and the Authority is the owner of such pipelines/network/assets, hence, Authority should	RFP terms Confirmed.

Sn.	Tender Vol. / Section	Page No.	Clause No.	Title	As per Tender	Bidder's Query	Authority Response
						reimburse such costs of repair/maintenance of damaged pipeline/asset/network by the Concessionaire. We request you to please incorporate following language in the Concession Agreement draft: "*In case a third party causes damage to network/asset/pipelines/Project Facilities and the Concessionaire suffers delay and/or incurs additional costs on account of such damage by third party, the Authority shall:* *A) Extend the Concession Period, equivalent to the period of delay caused by such damage; and/or* *B) Reimburse/pay to the Concessionaire any*	

Sn.	Tender Vol. / Section	Page No.	Clause No.	Title	As per Tender	Bidder's Query	Authority Response
						additional costs plus reasonable profits and supervision charges incurred by the Concessionaire in repairing such damages caused by third parties. *The above additional costs shall be calculated as per the item rates quoted by the Concessionaire in the CIP*."	
54.	Draft Concession Agreement	144	22.1.2	Payment of Composite Quote		It is not clear how the Independent Engineer will assess and verify the payments against the actual work completed. For payment, there is no direct link observed between the actual work done and the payment of Composite Quote as the payment would be made in equal quarterly instalments based on the year-wise break-up given in the table.	Independent Engineer will verify and recommend the payments based on the approved CIP wherein the project milestones shall be detailed. The CIP shall, invariably, provide the detailed BOQ of the approved CAPEX Quote based on which payments will be checked, verified and certified.

Sn.	Tender Vol. / Section	Page No.	Clause No.	Title	As per Tender	Bidder's Query	Authority Response
						We request you to illustrate the payment methodology through some sample calculations. The query raised in the 1st Pre-bid Meeting remains not adequately answered (RFP Terms confirmed.) Please clarify the same in detail.	
55.	Draft Concession Agreement		25.1.2	Audit Report		There is no project audit report. It is done on entity level including all the projects in that entity. Can we check if this is mandatory or can be removed? The query raised in the 1st Pre-bid Meeting remains unanswered. Please clarify the same in detail.	This clause pertains to the Audited Accounts of the SPV created for this project.

Replies to Pre-Bid Queries
Implementation of 24x7 Water Supply System in Salem City Municipal Corporation

Sn.	Tender Vol. / Section	Page No.	Clause No.	Title	As per Tender	Bidder's Query	Authority Response
56.	Pre-bid Replies		Sr No 103			As per the reply, the system is to be designed for 17 m residual pressure. However, please note the implications of this change as observed from our preliminary study; 1. All the existing Elevated Service Reservoirs would become redundant as the height of the reservoir is much less. 2. The entire supply would necessarily have to be through pumping which requires additional capex for pumping infrastructure and additional OPEX to maintain it and large power consumption. It would also expose the system to vulnerabilities and dependency on continuous availability of power at each pump station for ensuring 24x7 water supply.	Refer Corrigendum - III

Sn.	Tender Vol. / Section	Page No.	Clause No.	Title	As per Tender	Bidder's Query	Authority Response
						3. Alternatively, the existing ESRs will need to be demolished and new reservoirs of very high staging height will need to be constructed with local pumping to pump water up to the ESR. All the above not only requires a completely different planning but also results in wastage of available assets and substantial cost besides dependence on other utilities. We understand the DPR and any estimates thereof were based on 7mts pressure and this additional cost would not be part of it. If we have to include 17mts pressure in our design, we request you to consider the impact of additional cost in the capex quote and capex payment percentages and	

Sn.	Tender Vol. / Section	Page No.	Clause No.	Title	As per Tender	Bidder's Query	Authority Response
						increase them appropriately. We will also require additional time to redesign the entire system and consider the cost in our bid. We request you to reconsider this requirement.	
57.	Pre-bid Replies		Sr No 14	Historic Arrears/ Collection of User Charges		Referring to the Prebid queries on a collection it clarifies that the authority is responsible for collecting the historic arrears. However, as per the standard process, when the concessionaire takes over the collection, the arrears up to the cutoff point will also be included, and this will apply for subsequent financial years as well. Collection is always managed on a "first in, first out" basis, meaning that when a customer makes a payment, the arrears are settled first, followed by the current demand. Given this, the full	RFP terms Confirmed.

Sn.	Tender Vol. / Section	Page No.	Clause No.	Title	As per Tender	Bidder's Query	Authority Response
						collection of arrears should be incorporated into the calculation of collection efficiency throughout the project duration. Additionally, consumers should not be allowed to make partial payments, as this is an essential practice for ensuring both collection efficiency and effective monitoring. Please confirm.	
58.	General			New		We request that incorporation of special purpose company should only be required by the successful bidder when the successful bidder decides to finance the capex works through a loan advanced by a lender. In case the successful bidder opts to fund the capex works from its own financial resources, this requirement of incorporating a special purpose company should not	RFP terms confirmed.

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						arise and successful bidder should be considered "Concessionaire" under the Concession Agreement for the purpose of execution of the project. Please confirm.	
59.	Vol 1, Draft Concession Agreement	142	21.1.1	Financial Close		We understand that in the event the Concessionaire opts for working capital financing by its own resources and not willing to go for project financing through lenders, then all the related and connected provisions related to Financial Close shall not be applicable to the Concessionaire. Please confirm. Hence, we request you to please add a proviso to the Article 21.1.1 of the Draft Concession Agreement, as follows:	RFP terms Confirmed.

Sn.	Tender Vol. / Section	Page No.	Clause No.	Title	As per Tender	Bidder's Query	Authority Response
						"…*Provided where the Concessionaire has opted to fund the Project through Equity, then all related and connected Financial Close requirements wherever appearing in the Concession Agreement shall not be applicable on the Concessioniare/Successful Bidder*."	
60.	Vol 1, Draft Concession Agreement	172	32.1.1	General Indemnity		The concessionaire liability is too extensive in terms of General Liability and not in compliance with the normal practice and with the international standards. Hence, we request you to please modify this article, as follows: "*The Concessionaire shall indemnify, defend, save and hold harmless the Authority and its officers, servants,*	RFP Terms Confirmed.

Sn.	Tender Vol. / Section	Page No.	Clause No.	Title	As per Tender	Bidder's Query	Authority Response
						*agents, Government Instrumentalities ~~and Government owned and/or controlled entities/enterprises,~~ (the **"Authority Indemnified Persons"**) against any and all suits, proceedings, actions, demands and claims from third parties for any loss, damage, cost and expense, whether arising out of any breach by the Concessionaire of any of its obligations under this Agreement ~~or any related agreement~~ or on account of any defect or deficiency in the provision of services by the Concessionaire to the Authority or to any User, or from any negligence of the Concessionaire under contract or tort, save and except to the extent that any such suits, proceedings, actions, demands and claims*	

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						have arisen due to any negligent act or omission, or breach or default of this Agreement on the part of the Authority Indemnified Persons."	
61.	Vol 1, Draft Concession Agreement	172	32.1.2	General Indemnity		To make the Authority general indemnity provision fairer and more balanced, we request you to please modify this article, as follows: "*...~~which materially and adversely affect the performance by the Concessionaire of its obligations under this Agreement~~, save and except that where any such claim, suit, proceeding, action, and/or demand has arisen due to a negligent act or omission, or breach of any of its obligations under any provision of this Agreement or any related*	RFP Terms Confirmed.

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						agreement, and/or breach of its statutory duty on the part of the Concessionaire, its subsidiaries, affiliates, contractors, servants or agents, the same shall be the liability of the Concessionaire."	
62.	Vol 1, Draft Concession Agreement	144	22.1.2	Payment of Composite Quote		We understand that Capex percentage in a relevant Concession Year shown in the table also denotes that if physical progress of the capex works is achieved upto that corresponding percentage given in any Concession Year, the Composite Quote in respect of capex works as shown in the table shall be payable in full for that Concession Year. However, in the event, the physical progress is less in a Concession Year, as compared to Capex	RFP Terms Confirmed

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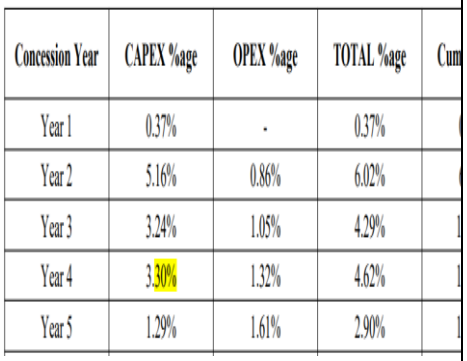
						percentage shown in the table, the Capex invoice will be payable based on the actual progress made, pro-rata basis and the remaining Capex percentage will be added to the Capex percentage of next Concession Year. Please confirm.	
63.	Letter Of Invitation		Cl. 2	Fund Source	GOI-30%, GOTN-30%, Concessionaire -40%	a. 13 % of Composite Quote is proposed to pay during CAPEX, it is on the lower side. We request the Authority to pay 60% of CAPEX during the Construction Period and 40 % of CAPEX during O&M period as a Annuity as per Industry practice of HAM Tenders. b. We request to pay interest rate @ SBI MCLR plus 3% for Annuity payments and	RFP terms confirmed.
64.	CA	143	Cl. 22.1.2	Payment of Composite Quote	Payment of Composite Quote The Composite Quote shall be paid in equal quarterly instalments during the Concession Period as per the following year-wise breakup, subject to various adjustments as per the provisions of this Agreement:		RFP terms confirmed.

Replies to Pre-Bid Queries
Implementation of 24x7 Water Supply System in Salem City Municipal Corporation

Sn.	Tender Vol. / Section	Page No.	Clause No.	Title	As per Tender	Bidder's Query	Authority Response
						Interest During Construction @ SBI MCLR Rate plus 3% as per Industry practice. Please Confirm	
65.	RFP	4	Section -ICl. 1.5	Population and Demand Forecast	Population and Demand Forecast Population projection as per Incremental Increase Methods has been approved under Technical Review Committee of the sewerage scheme project and in line with the same and also as per CPHEEO recommendations Incremental Increase Method has been adopted as Salem is a fast-growing urban city and the ultimate population and the Demand requirement is given below:	a. As per the Demand Forecast Tables in RFP & DFR Demand forecast for 2040 are 210MLD & 235 MLD respectively b. We presume that the Bidder has to consider the demand forecast of 210MLD for a population of 13,24,000 for the horizon year 2040 c. We also presume that the existing WTPs has to be Up-	Please refer answer to query number 5 & 6.

Concession Year	CAPEX %age	OPEX %age	TOTAL %age	Cum
Year 1	0.37%	-	0.37%	
Year 2	5.16%	0.86%	6.02%	
Year 3	3.24%	1.05%	4.29%	
Year 4	3.30%	1.32%	4.62%	
Year 5	1.29%	1.61%	2.90%	

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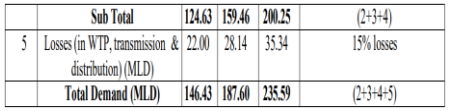
<tr><th>Sn.</th><th>Tender Vol. / Section</th><th>Page No.</th><th>Clause No.</th><th>Title</th><th>As per Tender</th><th>Bidder's Query</th><th>Authority Response</th></tr>
<tr><td></td><td></td><td></td><td></td><td></td><td>
<table>
<tr><th>Description</th><th>2025</th><th>2040</th><th>2055</th><th>Remarks</th></tr>
<tr><td>Population</td><td>10,14,000</td><td>12,95,000</td><td>16,12,000</td><td></td></tr>
<tr><td>Domestic Demand (MLD)</td><td>136.89</td><td>174.825</td><td>217.62</td><td>@ 135 LPCD</td></tr>
<tr><td>Fire Demand (MLD)</td><td>3.18</td><td>3.60</td><td>4.01</td><td>As Per CPHEEO</td></tr>
<tr><td>Sub Total</td><td>140.07</td><td>178.42</td><td>221.63</td><td></td></tr>
<tr><td>Losses (MLD)</td><td>24.72</td><td>31.49</td><td>39.11</td><td>15% Losses on Total</td></tr>
<tr><td>Total Demand (MLD)</td><td>164.79</td><td>209.91 ~ 210 MLD</td><td>260.75 ~ 261 MLD</td><td></td></tr>
</table>
</td><td rowspan="2">graded to meet the demand of 210MLD and no new WTPs has to be constructed.

Please confirm</td><td></td></tr>
<tr><td>66.</td><td>DFR</td><td>14</td><td>Cl. 2.5</td><td>Population and Demand Forecast</td><td>2.5. Estimation of Water Demand
The estimation of water demand for various horizon years has been worked out and presented in the following
table:
Water Demand Estimation
<table>
<tr><th>S. No.</th><th>Description</th><th>2010</th><th>2025</th><th>2040</th><th>Remarks</th></tr>
<tr><td>1</td><td>Population</td><td>820000</td><td>1052000</td><td>1324000</td><td></td></tr>
<tr><td>2</td><td>Domestic Demand (MLD)</td><td>110.70</td><td>142.02</td><td>178.74</td><td>@ 135 LPCD</td></tr>
<tr><td>3</td><td>Fire Demand (MLD)</td><td>2.86</td><td>3.24</td><td>3.64</td><td>As per CPHEEO Manual, Fire demand, Clause No 2.2.8.3 (C)</td></tr>
<tr><td>4</td><td>Industrial/Bulk Demand (MLD)</td><td>11.07</td><td>14.20</td><td>17.87</td><td>10 % of Domestic Demand</td></tr>
</table>
</td><td>Please refer to answer to query number 5 & 6.</td></tr>
</table>

Sn.	Tender Vol. / Section	Page No.	Clause No.	Title	As per Tender	Bidder's Query	Authority Response
							
67.	DFR	14	Cl. 2.5	Population and Demand Forecast	Existing WTP built under the DWSS has ultimate capacity of 200 MLD with present output of 155 MLD which is insufficient for intermediate demand. As the horizon year approaches, it is essential to add the additional units to meet the requirement up to 200 MLD and a new WTP of around 36MLD is required to build to meet the requirement. However, in case of Rehabilitation of Nagavalli water supply scheme is taken up as mentioned in TWIC report, requirement of additional WTP will be reduced to 16 MLD for ultimate year.		Please refer answer to query number 5 & 6.
68.	DFR	5		Population and Demand Forecast	EXECUTIVE SUMMARY Salem City Municipal Corporation (SCMC) is one of the landlocked cities of Tamil Nadu		RFP terms confirmed

	Sub Total	**124.63**	**159.46**	**200.25**	(2+3+4)
5	Losses (in WTP, transmission & distribution) (MLD)	22.00	28.14	35.34	15% losses
	Total Demand (MLD)	**146.43**	**187.60**	**235.59**	(2+3+4+5)

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					State. The population as per 2011 census was 8, 29, 267 and the area is 91.34 Sq. km. Salem is close to Bangalore and situated in the Bangalore – Coimbatore – Kerala Road route making it as a centre for industrial activities. The city is also enroute to Chennai from western parts of the State of Tamil Nadu making it strategically located. The present water supply of Salem is intermittent due to various constraints in the existing distribution system. **Hence a project has been envisaged from source to OHTs which was designed and to be implemented under PPP model to cater 135 LPCD for ultimate population of 2040 as a continues 24x7 Water Supply System.**		
69.	DFR	49		Population and Demand Forecast	**Risk Matrix** A. **Design and Construction Risks Matrix** Concessionaire takes the risk for		RFP Terms confirmed.

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					pre defined population growth. **All designs planned for year 2045 (234,000 connections).** • Hence, Concessionaire takes all quantity risks up to this population growth. • SCMC responsible for population growth beyond tender data and quantities thereof. • Concessionaire to come out with a « design to execute » that is to be approved by SCMC for making it valid. • The maximum value allowed for design optimization is between « Zero » (lower value) to the « Approved EPC value » in the tender (higher value). • SCMC is not bound to accept the value put forth by the Operator unless it is satisfied with the most optimal design.		
70.	RFP	8	Cl. 1.1.2	Demographic Characteristics	As old Salem City Municipal Corporation is a well-settled and established city. The significant future growth, thus, will take		RFP terms confirmed.

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					place in the newly added areas of Salem City Municipal Corporation. A Detailed Project Report (DPR) is prepared for establishing 24x7 Water Supply System to Salem City Municipal Corporation. The DPR has considered the population recommended by the Technical Review Committee for the sewerage scheme project, which is 13,24,000 for the **horizon year 2040.** As also all the water supply systems such as source development under dedicated water supply system to Salem City and distribution system improvement scheme under Tamil Nadu Urban Development Project III have been projected the **population as 13,24,000**. Therefore, the same is adopted after due deliberation with all the concerned for the subject project as well.		

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71.	VoI I RFP	10	Cl no 1.1.4	Major works involved in the project*	Distribution Network retained /replacement of the existing and proposed pipeline length – **1342.66 kms**, improvement of distribution system in 67 zones, 2.34 lakh household connections, improvement of headworks,	Kindly provide the dia wise length of pipe line to be replaced are retained	The Bidder has to do their own assessment of pipeline replacement to arrive at the CAPEX quote.
72.	VoI I RFP	10	Cl no 1.1.4	The Proposed Project	**Improvement** of **Raw water transmission mains** **Improvemen**t of **existing WTP,** performing operation and maintenance of the water supply system.	a. Kindly specify the details of Improvement required for Raw water Transmission main and existing WTP's to consider the same in costing. b. We presume that no improvements are required for Clear water pumping main and Clear water gravity main Please confirm	The Bidder has to do its own assessment of improvement works for Raw Water Transmission, WTP, Clear Water Pumping and Gravity mains.
73.	Prebid Replies		Sl No 5		The WTP infrastructure is designed for handling the ultimate capacity of 200 MLD. Vide G.O (Ms.) No. 120 dated 11/06/2012 issued by PWD, Salem Corporation has the right to draw 200 MLD from Mettur Dam. This is provided in Volume III (Clause 1.4.2). In any case augmentation of the headworks is not in the Scope of Work. Provided		Refer answer to Queries no. 5 & 6.

Sn.	Tender Vol. / Section	Page No.	Clause No.	Title	As per Tender	Bidder's Query	Authority Response
					however, **the Concessionaire shall undertake all such retrofitting/improvement works** to ensure seamless working of headworks and transmission lines including booster stations etc., during the Concession Period. The details of such improvement/ retrofitting works shall be provided in the CIP. It is further clarified that the additional requirement of water, during the Concession Period, will be provided by SCMC.		
74.	Prebid Replies		Sl No 105		The Bidder shall follow CPHEEO manual as applicable. Any replacement of the source structure will not be under the Scope of Work. Provided further, the Concessionaire shall **undertake necessary retrofitting of the existing structures** for smooth operations.		RFP terms confirmed.

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75.	VoI I RFP	10	Cl no 1.1.6.2	Providing new connections	Providing new connections	We presume that the 2.34 Lakh Household connections are inclusive of connections that are required to be provided in O&M Please confirm	RFP terms confirmed.
76.	VoI I RFP	11	Cl no 1.1.6.2	Repairs and replacements of existing Assets	**Repair and replacement** of existing / newly created assets	During O&M stage Replacement of existing assets shall not be in the scope of Bidder, since Bidder can not predict the same at this level. The same shall be paid as per prevailing rates of that year as per actuals. Please confirm.	RFP terms confirmed.
77.	VoI II CA	81	Article -1 Definitions	O&M Expenses	"O&M Expenses" means expenses incurred by the Concessionaire or by the Authority, as the case may be, for performing all the O&M activities including; (a) cost of salaries and other compensation to employees, (b) cost of materials, supplies, chemicals, utilities and other services as well as DG Fuel Costs, (c) premium for insurance, (d) all taxes, duties, cess and fees due and payable for O&M, (e) all		RFP terms confirmed.

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					repair, replacement, reconstruction, reinstatement, improvement and maintenance costs, (f) payments required to be made under to a Contractor under any contract executed in connection with or incidental to O&M including consumables, and (g) all other expenditure required to be incurred under Applicable Laws, Applicable Permits or this Agreement		
78.	VoI I RFP	11	Cl no 1.1.6.2	Generation of Bills	Generating bills of the customers on behalf of the Authority, 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 the Authority for necessary action.	Generating bills shall be in to the scope of Concessionaire. But collection shall be in the scope of Authority due to socio-political issues. Please confirm.	RFP Terms confirmed.
79.	VoI I RFP	22	Cl no 2.7.1.4	Certificate(s) from statutory	**Certificate(s) from statutory auditors of the Bidder or its Associates or the concerned**	Both clauses are contradictory	RFP terms confirmed.

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				auditors of the Bidder or its Associates or the concerned client(s)	**client(s) stating the payments made/ received or works commissioned, as the case may be,** as per the qualification criteria provided hereinabove. In case a particular job/ contract has been jointly executed by the Bidder (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;	We presume that Technical Capacity of eligible projects can be certified by statutory Auditor as per Industry practice of HAM Tenders Kindly confirm	
80.	VoI I RFP	55	APPENDIX VI of Form I	Technical capacity Implementation	Documentary proof means Work Order, Contract Agreement **and proof of execution certified by the Client** (to be signed by an authority not less than an Executive Engineer		RFP terms confirmed
81.	VoI I RFP	55	APPENDIX VI of Form II	Technical capacity Implementation	**Certification of Average Technical Capacity Implementation Revenue** We hereby certify that, …….. is fulfilling the requirements as		RFP terms confirmed

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					set out in Clause 2.7.1.1 (i) and the said Bidder, with respect to implementation of projects has: (a) paid for development of Eligible Project(s); and / or (b) collected and appropriated revenues from Eligible Project(s); Such that the average of the above over the past 3 (three) financial years preceding Bid Due Date is …….. which is more than INR 300 crores (Indian Rupees Three hundred crores). **Certified by Statutory Auditor** of the Bidder/Lead Bidder		
82.	Prebid Replies		Sl No 8		a. Historical data from the existing intermittent system will not be the basis for the Power Consumption Guarantee. b. Bidders are advised to conduct their own assessment to determine		RFP terms confirmed

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					the Power Consumption Guarantee for the proposed 24x7 water supply system which Includes raw water pumping station, water treatment plant, clear water pumping station, intermediate booster stations, and all existing booster stations within the project boundary.		
83.	VoI I RFP	27	Cl no 2.8.7 (i) b, 22.1.2	The Submission and Opening of Proposals	The Financial Bid shall take into account all expenses and tax liabilities **except GST of OPEX** as it is exempted as detailed in the BOQ. For the avoidance of doubt, it is clarified that all taxes including GST shall be deemed to be included in the costs shown in the CAPEX. Further, all payments shall be subject to deduction of taxes at source as per Applicable Laws. The eligibility for the payment as above to the Concessionaire is calculated as the product of the Composite Quote and the	a) Kindly note that GST of Opex is not exempted as per the prevailing norms. Kindly clarify whether to Quote including GST for O&M? b) Please note that 18% GST is applicable for CAPEX and OPEX	Refer to Sr No 73 of replies to Pre-Bid Queries uploaded on 01/03/2025.

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					applicable Cumulative Composite % as provided hereinabove. It is clarified that the Concessionaire's eligible payment as given in the table above towards CAPEX includes the GST component and accordingly the payments for CAPEX comprises the applicable GST. The O&M payments are exclusive of GST as the said payments are exempted from applicability of GST.		
84.	VoI I RFP	34 66 to 68	Cl no 13.4.1 (iv)	Evaluation of Financial Bid	The **maximum power consumption** computed per annum for each WS Scheme as provided in Table 1.1 and 1.2 of APPENDIX -VIII and the maximum power consumption computed per annum for the **intermediate pump stations** and distribution system provided in Table 2 and Table 3, respectively of APPENDIX- VIII will be added together to arrive at the Total Power Consumption ("TPC"). The TPC will then be	a. Kindly provide the KW rating of all Electromechanical equipment details of Intermediate pumping stations, Booster pumping stations, WTP's etc in the scheme along with the load list of existing electromechanical facilities to arrive the power consumption b. Kindly provide the present status of all electromechanical equipment's and the list of	The Bidder may conduct the conditions assessment. RFP terms confirmed

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					multiplied by INR 8.17 per unit (current applicable rate per unit) for the Operation Period to arrive at the Aggregate Power Cost ("APC"). Table 1.1: Total maximum power consumption per m3 of treated water for **Mettur Scheme** Table 1.2: Total guaranteed power consumption per m3 of **Treated Water for Nanga Valli Scheme** Table 2: Total maximum power consumption of **Water at the Booster Stations** Table 3: Total maximum power consumption of Water **at the Distribution System** Table 4: Total Power Consumption (TPC) for the Project	equipment's that are to be replaced	

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<table>
<tr><th>Sn.</th><th>Tender Vol. / Section</th><th>Page No.</th><th>Clause No.</th><th>Title</th><th>As per Tender</th><th>Bidder's Query</th><th>Authority Response</th></tr>
<tr><td>85.</td><td>Corrigendum</td><td>Pg 26 of 33</td><td>Table 4 :Total Power Consumption (TPC) for the Project</td><td></td><td>Table 4: Total Power Consumption (TPC) for the Project:
<table>
<tr><th>Sl.No</th><th>Particulars</th><th>Power Consumption Per Year</th></tr>
<tr><td>1</td><td>Total maximum power consumption per m3 of treated water for Mettur Scheme</td><td></td></tr>
<tr><td>2</td><td>Total maximum power consumption per m3 of Treated Water for Nanga Valli Scheme</td><td></td></tr>
<tr><td>3</td><td>Total maximum power consumption of Water at the Booster Stations</td><td></td></tr>
<tr><td></td><td>Total Power Consumption (1+2+3)</td><td></td></tr>
</table></td><td></td><td>RFP terms confirmed.</td></tr>
<tr><td>86.</td><td>Vol I RFP</td><td>68</td><td>Cl. 1.2</td><td>APPENDIX IX</td><td>Notes:
1. APPENDIXAPPEND IX
Any augmentation to production of treated water during the Concession Period and included for O&M by Successful Bidder shall include operating the augmented production scheme with power guarantees.</td><td>APPENDIX IX is not available in the Tender Doc, please confirm</td><td>Refer to Corrigendum - I</td></tr>
</table>

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					2. The Bidder's attention is directed to the fact that the operating costs for low efficiency equipment and plant will be substantially on higher side than the operating costs for high efficiency equipment and plant, and that the cost differential over the O&M Period used in the aforesaid calculation will in all probability, greatly exceed any incremental saving which may be realised by offering the low efficiency equipment and plant. Hence, Bidder(s) a**re encouraged to offer/propose all the equipment's and plant which have high efficiencies** at the specified operating conditions.		
87.	VoI II CA	78	Article-1 Definitions	Debt Due	"Debt Due" means the aggregate of the following sums expressed in Indian Rupees outstanding on the Transfer Date: (a) the principal amount of the debt provided by the Senior	Kindly consider Debt due including the Principal, Interest, Fees and Charges etc. that had fallen due upto the Transfer Date. Kindly confirm.	RFP terms confirmed.

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					Lenders under the Financing Agreements for financing the CAPEX towards the share of the Concessionaire or working capital cost (the "principal") but **excluding any part of the principal that had** fallen due for repayment two years prior to the Transfer Date; (b) all accrued interest, financing fees and charges payable under the Financing Agreements on, or 30% in respect of, the debt referred to in Sub-Article (a) above until the Transfer Date but **excluding (i)** any **interest, fees or charges that had fallen due** one year prior to the Transfer Date, (ii) any penal interest or charges payable under the Financing Agreements to any Senior Lender, and (iii) any pre-payment charges in relation to accelerated repayment of debt except where		

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					such charges have arisen due to Authority Default		
88.	VoI II CA	78	Article -1 Definitions	Debt Due	Provided further that the Debt Due, on or after COD, shall in no case **exceed 30%** (thirty percent) of the CAPEX	Cap on Debt due may be removed.	RFP terms confirmed.
89.	VoI II CA	91	Notes Cl. 4.3	Damages	**Damages for delay by the Concessionaire** In the event that (i) the Concessionaire does not procure fulfilment of any or all of the Conditions Precedent set forth in Article 4.1.3 within the period specified in respect thereof, and (ii) the delay has not occurred as a result of failure to fulfil the obligations under Article 4.1.2 or other breach of this Agreement by the Authority, or due to Force Majeure, the Concessionaire shall pay to the Authority, Damages in an amount calculated at the rate of 0.2% (zero point two per cent) of the Performance Security for each day's delay until the fulfilment of	We presume that the Clause 4.3 is applicable instead of Cl.9.2 as per as per Industrial practise, Please confirm	RFP terms confirmed.

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					such Conditions Precedent. Provided, however, that the Damages payable hereunder shall be subject to the maximum limit equal to 20% of the aggregate amount of the Performance Security and upon reaching such limit, the Authority may, in its sole discretion and subject to the provisions of Article 9.2, terminate the Agreement. Provided further that in the event of delay by the Authority in procuring fulfilment of the Conditions Precedent specified in Article 4.1.2 or where any of the Applicable Permits are delayed for reasons not attributable to the Concessionaire, no Damages shall be due or payable by the Concessionaire under this Article 4.3 until the date on which the Authority shall have procured fulfilment of the Conditions Precedent specified in Article 4.1.2.		

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90.	VoI II CA	108	Notes Cl. 9.2	Damages	**Appropriation of Performance Security** Upon occurrence of a Concessionaire Default or failure to meet any Condition Precedent, the Authority shall, without prejudice to its other rights and remedies hereunder or in law, **be entitled to encash and appropriate, full or part, from the Performance** Security the amounts due to it for and in respect of such Concessionaire Default or for failure to meet any Condition Precedent. Upon such encashment and appropriation from the Performance Security, the Concessionaire shall, within 7 (seven) days thereof, replenish, in case of partial appropriation, to the original level of the Performance Security. In case of appropriation of the entire amount the Performance Security, the Concessionaire shall provide a fresh Performance Security within		RFP terms confirmed.

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					5 (five) days thereof, failing which the Authority shall be entitled to terminate this Agreement in accordance with Article 29.		
91.	VoI II CA	95 to 99	Cl no 5.2.5 of Article 5	Comprehensive Assessment	(f) Topographic and Infrastructure Survey (g) Initial User Survey (h) Assessment of Water Resources (i) Assessment of Water Quality (j) Assessment of Existing Treatment Works (k) Assessment of Pumping Systems (l) Assessment of Pipe Networks (m) Assessment of service storage (n) Assessment of current levels of service (o) Assessment of Service Delivery Costs/Revenues	The Concessionaire will takeup detailed survey after award of work. Kindly provide the available details of their survey to prepare Preliminary designs and arrive Costing accordingly.	RFP terms confirmed.
	Prebid Replies		Sl No 12		The Bidders are advised to undertake its own survey and study. The requested data may be		RFP terms confirmed.

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					collected from SCMC during office hours.		
	Prebid Replies		Sl No 86		The Bidders are advised to conduct necessary investigations. (Topographical surveys etc..)		RFP terms confirmed.
92.	VoI II CA	108	Notes Cl. 9.3	Release of Performance Guarantee	**Release of Performance Security** The Authority shall return the Performance Security to the Concessionaire within 60 (sixty) days of the expiry **of the Concession Year** provided under this Agreement. Notwithstanding the aforesaid, the Parties agree that the Authority shall not be obliged release the Performance Security, until satisfaction of any dues payable to the Authority under the Concession Agreement	Kindly release the Performance security after 1 year or earlier of expending 30% of Capex cost as per Industrial practise, Please confirm	RFP terms confirmed.
93.	CA	111	Article 11 Cl. 11.2	Cost of Shifting Utilities	11.2 Shifting of Obstructing Utilities The Authority shall, cause the utility companies owning such	Utility cost can not be ascertained by the Concessionaire due Bidding stage. It shall be in the scope	RFP terms confirmed.

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					utilities to undertake shifting of any utility including electric lines and telephone cables, to an appropriate location or alignment within or outside the Service Area if and only if such utility causes or shall cause a material adverse effect on the construction, operation or maintenance of the Additional Project Facilities. **The cost of such shifting** shall be borne by the concessionaire	of Authority Please confirm	
94.	CA	122	Article 16 Cl. 16.1	Change in Scope	16.1 Change of Scope 16.1.1 The Authority may, notwithstanding anything to the contrary contained in this Agreement, require the provision of additional works and services over and above the Additional Project Facilities or reduction of the works/facilities due to a change in (i) the number of connections envisaged in the Service Area to those contemplated in the approved CIP beyond 5% of the	We request the Authority to remove the cap of 5% on Service connections and 10% on addition of pipe length in Change in scope, it shall be at actuals Please confirm	RFP terms confirmed.

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					estimated number of connections; (ii) increase in total pipe length **beyond 10% of the originally** estimated length and as provided in the CIP. (ii) material change in the O&M obligations of the Concessionaire; (iii) material change in the Key Performance Indicators provided in this Agreement;		
95.	CA	125	Cl. 17.1.4, (h),(x), (xi)	Water Quality	The key activities to be **undertaken by the Concessionaire** during the **Initial Operation Period** comprise the following (ii) treating the raw water to the stipulated national water quality standards at discharge from the treatment plants, including the safe disposal of any by- products of the (x) Sampling treated water as it	During Construction period we presume that the quality at Service level requirement should not be as per Schedule 5. It may be as per the existing service level of Project and liquidated damages are not applicable till the completion of Construction period Please confirm	RFP terms confirmed.

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					leaves the water treatment works to ensure that **it meets the quality standards stated in Schedule 5;** (xi) Sampling treated water at taps of the Users to check **for residual chlorine levels;**		
96.	CA	128	Cl. 17.1.11 (a),(b)	Water Quality	(a) **During the Initial Operation** Period the Concessionaire shall demonstrate to the Authority and the Independent Engineer, the achievement of the Key Performance Indicators set out in Schedule 5. The Independent Engineer shall certify the achievement of the Key Performance Indicators. (b) In the event of a reduction in the quality or quantity of water available for any reason attributable to Concessionaire: (i) in respect of the zones in the Service Area which have not been converted to continuous pressurized water supply; and		RFP terms confirmed.

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					(ii) in respect of the zones in the Service Area converted to continuous pressurized water supply; the Concessionaire shall provide an **alternative water supply, at his own cost**, to affected Users within 24 hours **from the time of disruption.** In the event of reduction in the quality or quantity of water available for any reason other than Force Majeure including the periods of reduced availability of raw water and the Concessionaire fails to ensure alternate water supply within 24 hours of such disruption, then the Authority shall provide an alternative water supply through an independent party at the cost of the Concessionaire.		
97.	CA	206	Schedule 5 Cl. 4	Water Quality	3. The Concessionaire shall achieve and maintain the		RFP terms confirmed.

<table>
<tr><th>Sn.</th><th>Tender Vol. / Section</th><th>Page No.</th><th>Clause No.</th><th>Title</th><th>As per Tender</th><th>Bidder’s Query</th><th>Authority Response</th></tr>
<tr><td></td><td></td><td></td><td>and 17.1.11 (a),(b)</td><td></td><td>Required Service Levels stipulated in
Table below: Except for Water Quality at User Tap identified below all other KPIs to be checked from the COD. Service Level Requirements
<table><tr><th>4.</th><th>Parameter</th><th>Treated water quality at User taps</th></tr><tr><td></td><td>Required Service Level</td><td>At User Tap: 90% samples conforming to the permissible level of residual chlorine to be maintained, other than where the Emergency Response Plan is triggered. (upto COD)
At User Tap: 100% samples conforming to the permissible level of residual chlorine to be maintained, other than where the Emergency Response Plan is triggered. (after COD)</td></tr><tr><td></td><td>Measured By</td><td>Number of samples from User taps tested and not conforming to residual chlorine levels based on a minimum of 10 samples per DMA on a quarterly basis.</td></tr></table></td><td></td><td></td></tr>
<tr><td>98.</td><td>Corrigendum</td><td>20 of 33</td><td>Sl No 27 Treated water quality at User taps</td><td>Water Quality</td><td>3. The Concessionaire shall achieve and maintain the Required Service Levels stipulated in
Table below: Except for Water Quality at User Tap identified below all other KPIs to be checked from the COD. Service Level Requirements</td><td></td><td>RFP terms confirmed.</td></tr>
</table>

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					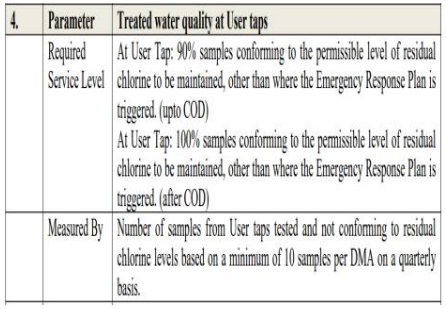		
99.	CA	144 & 145	Cl.22.1 .3	DG Fuel Cost	22.1.3 Power Charges The Power Charges for the Project shall be borne by the Authority, subject to a cap of the Power Charges based on Total Power Consumption as specified in APPENDIX VIII. The Power Charges for any given quarter of the Operation Period will be calculated as follows (B) If there is any interruption in the supply of power from the grid, the Concessionaire will use backup power supply from the DG Sets. In such cases, a. the Concessionaire's Representative and the Authority/Independent	We presume that the **DG fuel** cost would be reimbursed by the Authority, Please confirm	Refer Corrigendum I- Sl no. 13 uploaded on 01/03/2025.

4.	Parameter	Treated water quality at User taps
	Required Service Level	At User Tap: 90% samples conforming to the permissible level of residual chlorine to be maintained, other than where the Emergency Response Plan is triggered. (upto COD) At User Tap: 100% samples conforming to the permissible level of residual chlorine to be maintained, other than where the Emergency Response Plan is triggered. (after COD)
	Measured By	Number of samples from User taps tested and not conforming to residual chlorine levels based on a minimum of 10 samples per DMA on a quarterly basis.

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					Engineer shall jointly take readings from the meters installed at the DG Sets to determine the number of units of energy consumed from the DG Sets for O&M of the Project (the "DG Set Units"); b. the quantity of diesel consumed to generate the DG Set Units in the relevant quarter shall be calculated by the Authority/Independent Engineer based on the rated specific fuel consumption of the DG Sets specified by the manufacturers of the DG Sets; and c. the power charges for the DG Set Units will be calculated by multiplying the quantity of diesel consumed (determined as per (b) above) with the Fuel Price **("DG Fuel Cost").**		

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100.	CA	146	Cl. 22.1.11 , ii	Weightage & Inflation rate Capping	if the WPI inflation rate during the Construction Period or the Weighted Average Inftion Rate (i.e.; **considering 50% CPI and 50% WPI)** during the Operation Period, as the case may be, in the relevant Concession Year **exceeds 9%** (nine percent), resulting in an increase in costs or financial loss to the Concessionaire during such Concession Year, the Concessionaire may so notify the Authority and propose amendments to this Agreement so as to place the concessionaire in the same financial position as it would have enjoyed had there been no such increase in the WPI inflation rate or Weighted Average Inflation Rate, as the case may be, resulting in increase cost or financial loss as aforesaid. The Concessionaire along with its notice shall submit documents evidencing the claim for additional cost that would be	We also request the Authority to remove the cap of 9% on Inflation rate, it shall be at actuals as per Industry practice Kindly confirm	RFP terms confirmed.

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					incurred during such Concession Year due to the higher inflation rate. The Authority shall be liable to compensate the Concessionaire for the differential inflation rate between 9% (nine percent) and the actual rate of WPI inflation rate or the Weighted Average Inflation Rate, as the case may be For the purpose of determination under this Article 22.1.11the base inflation rate has been considered as 6% (six percent). It is clarified that the Concessionaire shall not be entitled to claim any compensation for variation in the WPI inflation rate or the Weighted Average Inflation Rate, as the case may be, between 3% and and 9%		
101.	CA	206	Schedule 5 Cl. 5	Annual Collection efficiency	3. The Concessionaire shall achieve and maintain the Required Service Levels stipulated in	a. Annual Collection efficiency of 90% form year immediately after COD cannot be achieved	RFP terms confirmed.

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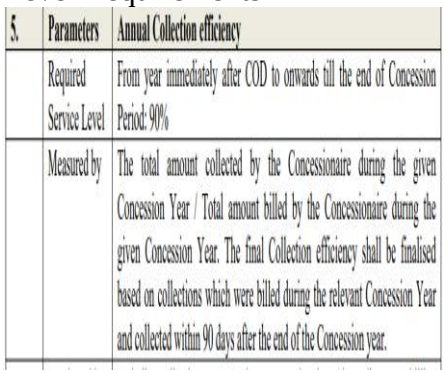
Sn.	Tender Vol. / Section	Page No.	Clause No.	Title	As per Tender	Bidder's Query	Authority Response
					Table below: Except for Water Quality at User Tap identified below all other KPIs to be checked from the COD. Service Level Requirements  S. | Parameters | Annual Collection efficiency Required Service Level | From year immediately after COD to onwards till the end of Concession Period: 90% Measured by | The total amount collected by the Concessionaire during the given Concession Year / Total amount billed by the Concessionaire during the given Concession Year. The final Collection efficiency shall be finalised based on collections which were billed during the relevant Concession Year and collected within 90 days after the end of the Concession year.	b. In the Initial years of 2-3 years after COD Annual efficiency of 60-70% can only be achieved c. Annual Collection Efficiency of 90% can be achieved form 5th Year after COD, Please confirm	
102.	RFP	198	Cl.2.3.1	Detailed Plan for Setting up District Metered Areas	The Concessionaire shall, based on the results of the **hydraulic network model**, review the present distribution zones and design for setting up hydraulically isolated district metered areas ("DMA"s) within the Service Area with each DMA comprising of about 500 to 3,000 User connections. However, at the same zone or same system the	a. During tender Stage, It may not be feasible to survey and prepare Hydraulic Model by Bidders b. Hence we request Authority to provide the available Hydraulic Model, Topographic survey details. Bidder will validate and quote the Tender.	RFP terms confirmed. All available data are already uploaded, and the Bidders may refer to the same.

Sn.	Tender Vol. / Section	Page No.	Clause No.	Title	As per Tender	Bidder's Query	Authority Response
					pressure difference does not exceed 3 to 5 metres. Each DMA shall preferably have one inflow point and be isolated by installing boundary isolation valves. The inflow shall be fitted with a pressure reducing valve and an electro-magnetic bulk flow meter of reputable brand synchronized with a sufficient capacity data logger with the facility to record, store, monitor and analyze the consumption and pressure pattern in the respective DMA. The Concessionaire shall identify and propose at least three Critical Measurement Points ("CMP"s) in each DMA for continuous logging of pressure, and the CMPs shall be such that one point shall be at the inlet of DMA, second at the highest elevation within the DMA boundary and the third shall be the farthest point from the DMA inlet. The Concessionaire shall propose necessary actions/tasks	c. Kindly provide the complete DPR with cost estimation for better understanding of scope of work are Techno economical viability report	

Sn.	Tender Vol. / Section	Page No.	Clause No.	Title	As per Tender	Bidder's Query	Authority Response
					for periodical calibration of the flow and pressure monitoring equipment and capture the data generated by the respective equipment, analyze and monitor the consumption and level of losses in the DMAs and take remedial actions as necessary to meet the Performance Standards.		
103.	RFP	198	Cl.2.4.1	Rehabilitation of Water Supply Transmission and Feeder Networks	Using the **hydraulic model and** simulating both present and future conditions, the Concessionaire shall review the capacity of the networks required from a continuous water service perspective and propose network strengthening measures in a cost effective manner.		RFP terms confirmed.
104.	Design Feasibility Report	14	Cl. 2.5	No of Zones	2.6. Proposed system and service level benchmark To supply 135 Lpcd water continuous supply for 24/7. The distribution of water supply is	We presume that the proposed 24/7 water supply is for 67 Zones, Please confirm	RFP Terms Confirmed.

<table>
<tr><th>Sn.</th><th>Tender Vol. / Section</th><th>Page No.</th><th>Clause No.</th><th>Title</th><th>As per Tender</th><th>Bidder's Query</th><th>Authority Response</th></tr>
<tr><td></td><td></td><td></td><td></td><td></td><td>divided into 66 zones – 167 DMAs. Existing pipe length retained 35.12 Km. Proposed pipe length 1307.54 Km. Total Pipe length 1342.66 Km.</td><td rowspan="2"></td><td rowspan="2"></td></tr>
<tr><td>105.</td><td>RFP</td><td>10</td><td>Cl. 1.1.4</td><td>No of Zones</td><td>1.1.4 The Proposed Project
<table><tr><th>Name of the Project</th><th>Major works involved in the project*</th></tr><tr><td>Implementation of 24x7 Water Supply System in Salem City Municipal Corporation.</td><td>Distribution Network retained /replacement of the existing and proposed pipeline length – 1342.66 kms, improvement of distribution system in 67 zones, 2.34 lakh household connections, improvement of headworks, improvement of Raw water transmission mains
improvement of existing WTP, performing operation and maintenance of the water supply system.</td></tr></table>*This is a general indicative detail only. The Bidder shall conduct necessary due diligence to arrive at the design and build requirements of the Project.</td></tr>
<tr><td>106.</td><td>Design Feasibility Report</td><td>36</td><td>Cl. 7.10.1</td><td>New WTP/Booster Station & Ridge Sump</td><td>Physical Environment
The impact on land environment would be mainly due to construction activities, excavation, earthwork, filling and cutting etc. The WTP of the project is proposed in a level</td><td>a. The existing WTPs has to be Up-graded to meet the demand of 210MLD and no new WTPs has to be constructed

b. We presume that the 24MLD WTP is in working</td><td>Refer answer to Queries no.5 & 6.</td></tr>
</table>

Sn.	Tender Vol. / Section	Page No.	Clause No.	Title	As per Tender	Bidder's Query	Authority Response
					ground on the east side of River Cauvery. Excavation of soil is required for the structures for WTP construction. The excavated soil will be utilized in the WTP site itself for filling the building foundations, site grading. T**he Booster Station and Ridge Sump are also proposed in level lands** and hence no cutting of soil is required for the construction. The soil excavated for the sump will be utilized for filling the building foundation and site grading at the respective sites itself. Most of the soil excavated for the clear water main pipelines will be utilized for filling the trenches after laying the pipes.	condition all civil structures can be retained and only needs to Up-graded to achieve the demanded output, Please confirm	
107.	DPR R1	Pg II-2	CHAPTER II EXISTING SYSTEM	24MLD WTP Working Condition	i. Nangavalli Water Supply Scheme – 24 MLD (Commissioned on 1954-Old Scheme): It is understood during the site visit that, the **WTP of capacity 24 MLD is not operational** at Nangavalli, and		RFP terms confirmed. The Bidders are advised to read the responses to various pre-bid Queries already provided.

Sn.	Tender Vol. / Section	Page No.	Clause No.	Title	As per Tender	Bidder's Query	Authority Response
					around 13.5 MLD is being supplied from DWSS scheme (I,e from WTP at Komburankadu) to clear water reservoir at Nangavalli. It is further transferred by gravity partly to salem corporation (Approx 10 MLD) & partly to Jalagandapuram. The diameter of gravity main supplying to salem is 450 mm & the pipe material is Cast iron.		
108.	RFP	206	SI.No.3 Parameter	Required Performance Level/ Milestone	From Year immediately after COD till 10th year from the Appointed Date: 20% From 11th year onwards: 15%	a. Leakage reduction is feasible only after Upgradation of the Scheme i.e after Construction period not from the Appointed date b. We request uou to consider 25% of UfW up to 5th year from COD, 20% UfW up to 10th year from COD and 15% UfW from 11th year form COD Please confirm.	RFP terms confirmed.

Replies to Pre-Bid Queries
Implementation of 24x7 Water Supply System in Salem City Municipal Corporation

Sn.	Tender Vol. / Section	Page No.	Clause No.	Title	As per Tender	Bidder's Query	Authority Response
109.	NIT			Implementation Period	5 years **(1 Year Study period** + 4 Years Construction Period)	Both clauses are contradictory We presume that it is 1 Year Study period and 4 Years Construction Period Please confirm	The Project envisages 1 year Study Period and 4 years Construction Period.
110.	Letter Of Invitation		Cl. 3, b	Name of Work	**5 Years Study period** + 4 Years Construction Period		
111.	Tender Notice _ 2	4		Bid Security	A Bidder is required to deposit, along with its Bid, a bid security of Rs. 5 (five) Crores (the "Bid Security") **by way of online (e-BG / e-Bank Guarantee)** through the Tamil Nadu Government e-Procurement portal	a. E-Bank Guarantee facility **is not implemented in all Banks.** We request you to consider **paper based Bank Guarantee.** Even if it is a paper based BG, the respective banks sends confirmation over SFMS mode which is electronic. b. Kindly also accept Insurance Surety Bond as a Bid security, please note that the same is being accept by Central Government deportments. c. Please also **provide the Bank Guarantee format, in**	RFP terms confirmed.

Sn.	Tender Vol. / Section	Page No.	Clause No.	Title	As per Tender	Bidder's Query	Authority Response
						favor of [Beneficiary Name], along with the **beneficiary bank details** for the following Name of Beneficiary: Name of the Bank: Account No: IFSC Code: Address: Kindly provide. Kindly also request you to	
112.	Tender Notice _2	4	Cl: 2.1.7	Bid Security	The **validity period of the Bank Guarantee shall not be less than the Bid Validity Period, with an additional claim period of 180** (one hundred and eighty) days, and may be extended as may be mutually agreed between the Authority and the Bidder.	Both statements are contradictory. Kindly confirm the validity of the Bank Guarantee.	RFP terms confirmed. The validity required for Bank Guarantee as Bid Security is 180 days with an additional claim period of 60 days.
113.	Tender Notice	42	Cl: 4	Bid Security	This Guarantee shall be irrevocable and remain in full force **for a period of 180 (one hundred and eighty) days from**		

Replies to Pre-Bid Queries
Implementation of 24x7 Water Supply System in Salem City Municipal Corporation

Sn.	Tender Vol. / Section	Page No.	Clause No.	Title	As per Tender	Bidder's Query	Authority Response
	_2				**the Bid Due Date inclusive of a claim period of 60 (sixty) days** or …..		
114.	VoI I RFP	12	Cl no 1.31	Schedule of Bidding Process	Pre-bid Queries	Bidder may be allowed to submit pre-bid queries after site visit and completing of preliminary design of the scheme	The Authority has already conducted a Pre-bid meeting on 24-01-2025 and minutes of the same are already published. Further, a second Pre-bid is held on 12-03-2025. The Bidders are free to contact the Authority for any additional queries they may have. The Bidders may refer to Corrigendum – I for last of date of submission of Bid Queries.
115.	VoI I RFP	22	Cl no 2.7.1.1	Technical capacity - Implementation	(i) Technical Capacity – Implementation The Bidder with respect to implementation of projects shall have: (a) paid for development of	There is no specific format provided; we presume that any standard format from the Statutory Auditor can be submitted. Please confirm.	Please refer Form – II in the RFP.

Sn.	Tender Vol. / Section	Page No.	Clause No.	Title	As per Tender	Bidder's Query	Authority Response
					Eligible Project(s); and / or (b) collected and appropriated revenues from Eligible Project(s); Such that the average of the above over the past 3 (three) financial years preceding Bid Due Date is more than INR 300 crores (Indian Rupees Three hundred crores).		
116.	SOR			General	SOR	We understand that Estimations are prepared with old SOR Rats, request you to revise the Estimate with present SOR rates.	RFP terms confirmed.
117.	Prebid Replies		Sl No 103		The Concessionaire shall **adopt latest CPHEEO-2024** guidelines and **the applicable pressure is 17m.**	It will have impact on the Scope of work, Pipeline dia, and will result in increase in cost of the Project. We request you to revise the Estimate based on the CPHEEO 2024 guidelines.	Refer Sr No 56.
118.	Prebid Replies		Sl No 104		The Bidders shall **follow CPHEEO-2024** manual as applicable.		Refer Sr No 56.

Replies to Pre-Bid Queries
Implementation of 24x7 Water Supply System in Salem City Municipal Corporation

<table>
<tr><th>Sn.</th><th>Tender Vol. / Section</th><th>Page No.</th><th>Clause No.</th><th>Title</th><th>As per Tender</th><th>Bidder's Query</th><th>Authority Response</th></tr>
<tr><td>119.</td><td>Corrigendum

CA</td><td>21 of 33
&
206</td><td>Sl no 27
&
Schedule 5
Cl. 5</td><td>Annual Collection efficiency</td><td>3. The Concessionaire shall achieve and maintain the Required Service Levels stipulated in
Table below: Except for Water Quality at User Tap identified below all other KPIs to be checked from the COD. Service Level Requirements.
6. Efficiency in collection of User Charges:<table><tr><td>Rationale</td><td>Financial sustainability</td></tr><tr><td>Parameter</td><td>Collection Efficiency</td></tr><tr><td>Required Service Level</td><td>After COD until 1st Anniversary of service – 85% From 2nd year post COD – 90%</td></tr><tr><td>Frequency</td><td>Quarterly</td></tr><tr><td>Measured by</td><td>Percentage of total revenue collected against volume billed during the period under review over the total amount and volume billed during period under review.

For the purpose of computing incentive for arrear collection, arrears shall mean amount billed but not collected within 30 days from the end of the quarter in which the bill is raised.

Arrear Collection:

For the purpose of the computing incentive for arrear collection, the collection of arrears that are due for a period of less than 9 months from</td></tr></table></td><td>a. Annual Collection efficiency of 85% until 1st Anniversary of service after COD and 90% from 2nd year post COD is not feasible.

b. In the Initial years of 2-3 years after COD Annual efficiency of around 50% can only be achieved

c. Annual Collection Efficiency of 80% can be achieved from 5th Year after COD provided Authority enforcement on the Customers.

Please confirm.</td><td>RFP terms confirmed.</td></tr>
</table>

Replies to Pre-Bid Queries
Implementation of 24x7 Water Supply System in Salem City Municipal Corporation

Sn.	Tender Vol. / Section	Page No.	Clause No.	Title	As per Tender	Bidder's Query	Authority Response
120.	VoI I RFP	10	Cl no 1.1.4	Major works involved in the project*	Distribution Network retained /replacement of the existing and proposed pipeline length – **1342.66 kms**, improvement of distribution system in 67 zones, 2.34 lakh household connections, improvement of headworks.	Kindly note that it will not be feasible to ascertain the dia wise length of pipe by Bidder during Bidding stage. Kindly provide the dia wise length of pipe line to be replaced.	RFP terms confirmed.
121.	VoI II CA	108	Notes Cl. 9.2	Damages	**Appropriation of Performance Security** Upon occurrence of a Concessionaire Default or failure to meet any Condition Precedent, the Authority shall, without prejudice to its other rights and remedies hereunder or in law, **be entitled to encash and appropriate, full or part, from the Performance** Security the amounts due to it for and in respect of such Concessionaire Default or for failure to meet any Condition Precedent. Upon such encashment and appropriation from the Performance Security, the Concessionaire shall, within 7		RFP terms confirmed.

Sn.	Tender Vol. / Section	Page No.	Clause No.	Title	As per Tender	Bidder's Query	Authority Response
					(seven) days thereof, replenish, in case of partial appropriation, to the original level of the Performance Security. In case of appropriation of the entire amount the Performance Security, the Concessionaire shall provide a fresh Performance Security within 5 (five) days thereof, failing which the Authority shall be entitled to terminate this Agreement in accordance with Article 29.		
122.	Design Feasibility Report	36	Cl. 7.10.1	New WTP/Booster Station & Ridge Sump	**Physical Environment** The impact on land environment would be mainly due to construction activities, excavation, earthwork, filling and cutting etc. Th**e WTP of the project is proposed in a level ground on the east side of River Cauvery**. Excavation of soil is required for the structures for WTP construction. The excavated soil will be utilized in the WTP	a. The existing WTPs has to be Up-graded to meet the demand of 210MLD and no new WTPs has to be constructed b. We presume that the 24MLD WTP is in working condition all civil structures can be retained and only needs to Up-graded to achieve the demanded output,	Please refer Sr No 5 & 6.

Sn.	Tender Vol. / Section	Page No.	Clause No.	Title	As per Tender	Bidder's Query	Authority Response
					site itself for filling the building foundations, site grading. T**he Booster Station and Ridge Sump are also proposed in level lands** and hence no cutting of soil is required for the construction. The soil excavated for the sump will be utilized for filling the building foundation and site grading at the respective sites itself. Most of the soil excavated for the clear water main pipelines will be utilized for filling the trenches after laying the pipes.	Please confirm	
123.	DPR R1	Pg II-2	CHAPTER II EXISTING SYSTEM	24MLD WTP Working Condition	i. Nangavalli Water Supply Scheme – 24 MLD (Commissioned on 1954-Old Scheme): It is understood during the site visit that, the **WTP of capacity 24 MLD is not operational** at Nangavalli, and around 13.5 MLD is being supplied from DWSS scheme (I,e from WTP at Komburankadu) to clear water reservoir at		Please refer Sr No 5 & 6.

Sn.	Tender Vol. / Section	Page No.	Clause No.	Title	As per Tender	Bidder's Query	Authority Response
					Nangavalli. It is further transferred by gravity partly to salem corporation (Approx 10 MLD) & partly to Jalagandapuram. The diameter of gravity main supplying to salem is 450 mm & the pipe material is Cast iron.		
124.	VoI I RFP	22	Cl no 2.7.1.1 (bb)	Technical capacity - Implementation	The project should have been undertaken as a PPP project on BOT, BOLT, BOO, BOOT or **other projects undertaken on EPC 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 avoidance of doubt, a project which constitutes a natural monopoly such as an airport or port shall normally be considered even if it is not based on a long-term agreement with a public entity;	As per Clause No 2.7.1.1 (bb) EPC Projects are also allowed but as per Corrigendum only the Projects achieved COD will be considered. Both are contradictory to each other. Kindly clarify.	RFP terms confirmed.

Replies to Pre-Bid Queries
Implementation of 24x7 Water Supply System in Salem City Municipal Corporation

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125.	Corrigendum RFP	Pg No 27 of 33	Sl no 29 & Eligibility Criteria – 2.7.1.3		2.7.1.3 The Bidder shall comply the following requirement; (i) If in case, any Bidder submits multiple qualifying projects for the purpose of evaluation, then the decision of the Authority in selecting the Eligible Project from among the submitted qualifying projects shall be final and binding. (ii) If two or more Bidders submit only one qualifying project and such project is common amongst them, then all such Bids will be rejected. (iii) The qualifying projects shall, necessarily, have **achieved COD to be considered as Eligible Projects**.		RFP terms confirmed.
126.	Corrigendum	4 of 33	Sl no 11		**21.1.3** If the Concessionaire wishes **to arrange financing**	"a) These clauses are not inline with Industry	RFP terms confirmed.

Sn.	Tender Vol. / Section	Page No.	Clause No.	Title	As per Tender	Bidder's Query	Authority Response
					from its own sources, then the Concessionaire shall; (a) submit necessary document from a scheduled bank within the meaning of Banking Regulation Act, 1949 explicitly providing access of the Concessionaire for its portion of the total CAPEX; **(b) Deposit or cause to deposit an amount equal to one-fourth portion of the total Concessionaire's share towards the CAPEX as part of the Conditions Precedent**; and Further, the document/s submitted by the Concessionaire will be subjected to such scrutiny, as required, so that the Authority derives clarity, confirmation and comfort of the availability of the funding from the Concessionaire required for the completion of the construction of the Additional Project Facilities.	Standards. We request you to delete the same. b) If the Concessionaire wishes to arrange financing from its own sources, Establishment of an SPC is may not be mandatory. Kindly confirm."	

Replies to Pre-Bid Queries
Implementation of 24x7 Water Supply System in Salem City Municipal Corporation

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127.	Prebid Replies Sl No 197	197			**Yes. Establishment of an SPC is mandatory**.		RFP terms confirmed.
128.	Corrigendum Pg No	6 of 33	Sl no 19 Article 22 – Payments (22.2)		**22.2 (A) Mobilization Advance** If the Concessionaire opts for Mobilization Advance post approval of CIP, the Concessionaire shall provide to the Authority no later than 15 (fifteen) days from the date of such request, an irrevocable and unconditional guarantee from a Scheduled Bank for a sum equivalent to **110%** (one hundred and ten percent) of the Mobilization Advance in the form set forth in Schedule 8 (the "Mobilization Advance Security"). The Mobilization Advance shall carry an **interest of Bank Rate + 5%.** The Authority shall, on request of the Concessionaire, made at any time	Rate of Interest of Bank Rate + 5% is very high. We request you to provide interest free Mobilization advance.	RFP terms confirmed.

Sn.	Tender Vol. / Section	Page No.	Clause No.	Title	As per Tender	Bidder's Query	Authority Response
					after submission of the Mobilization Advance Security, make an advance payment in a sum not exceeding 10% (ten percent) of the CAPEX Quote stated in the Composite Quote (the "Mobilization Advance"). The Mobilization Advance shall be paid by the Authority in 2 (two) equal quarterly instalments the first of which will be within 15 (fifteen) days from the submission of the irrevocable and unconditional guarantee as specified above from the Concessionaire. The Mobilization Advance along with calculated interest shall be proportionately deducted by the Authority from the payments made to the Concessionaire during the Construction Period.		
129.	Prebid Replies		Sl No 1		AutoCAD format of the Service Area is uploaded as requested.	AutoCAD format of the Service Area is not available	Please refer to the data already uploaded in the Tender Portal.

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						in the Portal. Kindly provide the same.	
130.	Prebid Replies		Sl No 28		**The Payments due to the Concessionaire during the Operation Period will be paid as follows:** (i) 70% of the invoice submitted for the relevant quarter will be released within 7 days of the submission of the subject invoice. (ii) balance 30% of the subject invoice raised in reference to the Article22.1.12 (i) will be released within **30 days** of submission upon the due 147 process of the verification and certification by the Independent Engineer and process of checking by the Authority.	Request you to release balance 30% within 15 days from the date of submission instead of 30 days.	RFP terms confirmed.
131.	Prebid Replies		Sl No 71		The fees of the Independent Engineer will be determined subsequently.	Kindly indicate the total expenditure towards Independent Engineer to consider 50% of the same in our costing.	RFP terms confirmed.

Replies to Pre-Bid Queries
Implementation of 24x7 Water Supply System in Salem City Municipal Corporation

<table>
<tr><th>Sn.</th><th>Tender Vol. / Section</th><th>Page No.</th><th>Clause No.</th><th>Title</th><th>As per Tender</th><th>Bidder's Query</th><th>Authority Response</th></tr>
<tr><td>132.</td><td>Prebid Replies</td><td></td><td>Sl No 83</td><td></td><td>The staging height of service reservoirs will be determined based on the requirements for implementing the 24x7 water supply system and in accordance with applicable CPHEEO guidelines.</td><td>Kindly indicate the staging height considered in the Department Estimate since detailed design will not be feasible at this stage. Any deviation shall be consider as Change of scope.</td><td>RFP terms confirmed.</td></tr>
<tr><td>133.</td><td></td><td>144 of 493</td><td>ARTICLE 22 PAYMENTS 22.1</td><td></td><td>Payment of Composite Quote the Composite Quote shall be paid in equal quarterly instalments during the Concession
<table>
<tr><th>Concession Year</th><th>CAPEX %age</th><th>OPEX %age</th><th>TOTAL %age</th><th>Cumulative %</th></tr>
<tr><td>Year 1</td><td>0.37 %</td><td>-</td><td>0.37 %</td><td>0.37 %</td></tr>
<tr><td>Year 2</td><td>5.16 %</td><td>0.86%</td><td>6.02 %</td><td>6.39 %</td></tr>
<tr><td>Year 3</td><td>3.24 %</td><td>1.05%</td><td>4.29 %</td><td>10.68%</td></tr>
<tr><td>Year 4</td><td>3.30 %</td><td>1.32%</td><td>4.62 %</td><td>15.30%</td></tr>
</table></td><td>The payment for composite quote may be revised as under
<table>
<tr><th>Concession Year</th><th>CAPEX %age</th><th>OPEX %age</th><th>TOTAL %age</th><th>Cumulative %</th></tr>
<tr><td>Year 1</td><td>1.37 %</td><td>-</td><td>1.37 %</td><td>1.37 %</td></tr>
</table></td><td>RFP terms confirmed.</td></tr>
</table>

<table>
<tr><th>Sn.</th><th>Tender Vol. / Section</th><th>Page No.</th><th>Clause No.</th><th>Title</th><th>As per Tender</th><th>Bidder’s Query</th><th>Authority Response</th></tr>
<tr>
<td></td><td></td><td></td><td></td><td></td>
<td>
<table>
<tr><td>Year 5</td><td>1.29 %</td><td>1.61%</td><td>2.90 %</td><td>18.20%</td></tr>
<tr><td>Year 6</td><td>-</td><td>3.07%</td><td>3.07 %</td><td>21.27%</td></tr>
<tr><td>Year 7</td><td>-</td><td>3.11%</td><td>3.11 %</td><td>24.38%</td></tr>
<tr><td>Year 8</td><td>-</td><td>3.16%</td><td>3.16 %</td><td>27.54%</td></tr>
<tr><td>Year 9</td><td>-</td><td>3.21%</td><td>3.21 %</td><td>30.75%</td></tr>
<tr><td>Year 10</td><td>-</td><td>4.31%</td><td>4.31 %</td><td>35.06%</td></tr>
<tr><td>Year 11</td><td>-</td><td>3.35%</td><td>3.35 %</td><td>38.41%</td></tr>
<tr><td>Year 12</td><td>-</td><td>3.42%</td><td>3.42 %</td><td>41.83%</td></tr>
<tr><td>Year 13</td><td>-</td><td>3.51%</td><td>3.51 %</td><td>45.34%</td></tr>
<tr><td>Year 14</td><td>-</td><td>3.61%</td><td>3.61 %</td><td>48.95%</td></tr>
<tr><td>Year 15</td><td>-</td><td>4.74%</td><td>4.74 %</td><td>53.69%</td></tr>
<tr><td>Year 16</td><td>-</td><td>3.41%</td><td>3.41 %</td><td>57.10%</td></tr>
</table>
</td>
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<table>
<tr><td>Year 2</td><td>6.16 %</td><td>0.86%</td><td>7.02 %</td><td>8.39 %</td></tr>
<tr><td>Year 3</td><td>5.24 %</td><td>1.05%</td><td>6.29 %</td><td>14.68 %</td></tr>
<tr><td>Year 4</td><td>5.30 %</td><td>1.32%</td><td>6.62 %</td><td>21.30 %</td></tr>
<tr><td>Year 5</td><td>1.93 %</td><td>1.61%</td><td>3.54 %</td><td>24.84 %</td></tr>
<tr><td>Year 6</td><td>-</td><td>3.07%</td><td>3.07 %</td><td>27.91 %</td></tr>
<tr><td>Year 7</td><td>-</td><td>3.11%</td><td>3.11 %</td><td>31.02 %</td></tr>
<tr><td>Year 8</td><td>-</td><td>3.16%</td><td>3.16 %</td><td>34.18 %</td></tr>
<tr><td>Year 9</td><td>-</td><td>3.21%</td><td>3.21 %</td><td>37.39 %</td></tr>
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<tr><td>Year 17</td><td>-</td><td>3.60%</td><td>3.60%</td><td>60.70%</td></tr>
<tr><td>Year 18</td><td>-</td><td>3.80%</td><td>3.80%</td><td>64.51%</td></tr>
<tr><td>Year 19</td><td>-</td><td>4.02%</td><td>4.02%</td><td>68.52%</td></tr>
<tr><td>Year 20</td><td>-</td><td>5.28%</td><td>5.28%</td><td>73.80%</td></tr>
<tr><td>Year 21</td><td>-</td><td>4.49%</td><td>4.49%</td><td>78.29%</td></tr>
<tr><td>Year 22</td><td>-</td><td>4.74%</td><td>4.74%</td><td>83.04%</td></tr>
<tr><td>Year 23</td><td>-</td><td>5.02%</td><td>5.02%</td><td>88.05%</td></tr>
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<tr><td>Year 25</td><td>-</td><td>6.64%</td><td>6.64%</td><td>100.00%</td></tr>
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<tr><td>Year 13</td><td>-</td><td>3.51%</td><td>3.51%</td><td>51.98%</td></tr>
<tr><td>Year 14</td><td>-</td><td>3.61%</td><td>3.61%</td><td>55.59%</td></tr>
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<tr><td>Year 18</td><td>-</td><td>3.80%</td><td>3.80 %</td><td>71.14 %</td></tr>
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						20.00% **80.00%** **100.00%**	
134.		144		ARTICLE 22 PAYMENTS 22.1	Payment of Composite Quote the Composite Quote shall be paid in equal quarterly instalments during the Concession Period as per the following year-wise breakup, subject to various adjustments as per the provisions of this.	The Payments may be issued on monthly basis.	RFP terms confirmed.
135.		206		Required Performance Level/ Milestone	Annual Unaccounted for Water (UFW), measured on an annual basis. From Year immediately after COD till 10th year from the Appointed Date: 20% From 11th year onwards: 15%	As the concession period is for 25 years, in our experience , number of local changes will be required to meet local demand/ emergency requirements. Therefore the contract considerable must allow for variations during execution. You may kindly issue such enabling clause in the contract.	RFP terms confirmed.

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136.		207		Required Performance Level/ Milestone	From year immediately after COD to onwards till the end of Concession Period: 90%. measured by The total amount collected by the Concessionaire during the given Concession Year / Total amount billed by the Concessionaire during the given Concession Year. The final Collection efficiency shall be finalized based on collections which were billed during the relevant Concession Year and collected within 90 days after the end of the Concession year.	Employer may consider the bidder liability is limited to issuing bills and creating a list of non-paid connections for disconnection. Hence the efficiency of the operator should be measured based on bills issued.	RFP terms confirmed.
137.		203	SCHEDULE 5 KEY PERFORMAN	1. Construction Period	The aggregate amount of Liquated Damages is limited to 2.5% (two point five percent) of composite quote.	The maximum liquidated damages due to delay may be capped at 2.5% of the CAPEX value of composite quote.	RFP terms confirmed.

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			CE INDICATORS				
138.		203	SCHEDULE 5 KEY PERFORMANCE INDICATORS	2. Operation Period	Penalty for the Service Level Requirements stipulated in page 203 to 207.	maximum liquidated damages may be capped at 2.5% of the OPEX value	RFP terms confirmed.
139.		203	SCHEDULE 5 KEY PERFORMANCE INDICATORS	2. Operation Period	Penalty for the Service Level Requirements stipulated in page 203 to 207.	Penalty of the service level requirements may be only catered to the OPEX cost. 40% construction payment due to concessioner may be exempted from any penalties due to failure in service level requirements.	RFP terms confirmed.

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140.	Schedule 5 Service Level Require ments				The Concessionaire shall adopt the latest CPHEEO-2024 guidelines, and the applicable pressure is 17m.	Employer may suggest the final applicable pressure at discharge point.	Refer Sr No 56
141.	RFP		2.7.1.3	Eligibility Criteria - Technical Capacity	Technical Capacity– O&M 21 The Bidder shall have had the experience of operation & maintenance of continuous pressurized urban water supply distribution system with more than 40,000 (forty thousand) drinking water connections in a city for a continuous period of 3 (three) years in the last 10 (ten) years	Bidder is allowed to use their share of work experience in a project to meet the relevant criteria of the tender.	RFP terms confirmed.
142.	RFP		2.7.1.3	Eligibility Criteria - Technical Capacity	Technical Capacity– O&M 21 The Bidder shall have had the experience of operation & maintenance of continuous pressurized urban water supply distribution system with more than 40,000 (forty thousand) drinking water connections in a	We request the employer to consider the following also as eligibility as below. Technical Capacity – O&M Bidder shall have operation & maintenance experience of	RFP terms confirmed.

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					city for a continuous period of 3 (three) years in the last 10 (ten) years	DMA based Water Supply distribution System along with reduction in UFW/NRW and Leakage controls with more than 40,000 drinking water connections in a city for a period of 3 years in last 10 years.	
143.	Vol 1, Draft Concession Agreement	146	22.1.11 (i) and (ii)	Price Escalation/Price Adjustment		The referred clause sets an upper limit of 9% and lower limit of 3% for price adjustment and no base date has been mentioned. For the sake of brevity and avoidance of any ambiguity, which may arise later during execution of the project, we suggest modifying the 3rd last para of this article 22.1.11, as follows: "*The base date ~~year~~ for considering such inflation shall be the date 28 days prior to the bid submission date ~~[insert date]~~ and any adjustment for the first Concession Year shall be allowed only on 1st day of the*	RFP Terms Confirmed.

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						second Concession Year ~~[insert date]~~. ~~The variation in WPI and CPI index shall be measured on an Accounting Year basis~~."	
144.	Vol 1, Invitation for Proposals	18 & 50	2.1.18 read with Clause 3 of Joint Bidding Agreement in Appendix V	A Bidder, irrespective of whether bidding …and implement the Project. The Parties hereby undertake…in terms of the Concession Agreement for the Project.		We request you that SPV formation should not be made mandatory condition for the single entity bidders. The successful bidder should be given an option to execute the Project on its own or through an SPV. Additionally, in Clause 3 of the Joint Bidding Agreement in Appendix V, it has been mentioned that SPV shall be incorporated "in the event of Consortium". Hence, the requirement of incorporation of SPV is only in case the bidder is participating in the RFP as a consortium. Also, the Joint Bidding Agreement format becomes void if the bidder competes as a single entity. Please confirm.	RFP Terms Confirmed.

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145.	Vol III, Part II, Operation and Maintenance Module and Reply to pre-bid queries	204 and 11	2.2.4 and Point No. 17 of reply to pre-bid queries	Number of connections		In Clause 2.2.4 in Vol III, Part II, it has been mentioned that total projected house service connections for the entire concession period are 2,34,634. Any additional connection more than 2,34,634 house service connection shall be considered additional work and will be on chargeable basis. However, in point no. 17 of first pre-bid query replies, it has been clarified that the bidders are free to estimate the number of house service connections and arrive at Capex Quote based on such estimate. We seek clarity that in the event bidder estimates number of connections to be lesser than 2,34,634 (let us say, 1,50,000) in its CIP, then any additional connection beyond such estimated number (1,50,000 HSC) shall be considered additional works and shall be chargeable by the bidders extra.	RFP Terms Confirmed.

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						Please confirm.	
146.	Vol 1, Draft Concession Agreement	147 & 119	22.3 read with 14.1	Treatment of Incomplete Works		In case the Provisional Certificate is issued as per Article 14.1, subject to a jointly agreed punch list items to be completed by the Concessionaire and Commercial Operation Date is considered basis the said Provisional Certificate, we request you to please make payments under Article 22 without any deduction, while we are working on the punch list items to be completed as the provisional certificate will only be issued once the key activities indicated in the implementation schedule have been successfully completed, enabling project facilities to be placed in safe and reliable commercial operations as per Article 14.1.1 Please confirm.	RFP terms Confirmed.
147.	Request for		2.8.7(i)(b)	GST on OPEX		As mentioned, that the Financial Bid shall take into account all	Refer to Sr No 83 in this document.

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	proposal (Volume 1)					expenses and tax liabilities except GST of OPEX as it is exempted as detailed in the BOQ. We would like to clarify GST is applicable on OPEX also a clarified in next portion of the Bidder's query against page no.143 . Pls clarify the reasons along with relevant provisions of law, why it is not applicable on OPEX.	
148.	RFP / Payments	143	22.1.1.	GST on O&M		As mentioned in in the payment terms, except GST on O&M. It is assumed by your goodself that the Operation & Maintenance (O&M) of the project is exempt from GST. We would request you to please let us know the reason for not levying GST on O&M Charges. We would like to mention that O&M is not exempt from GST, and it is liable to be charged @ 18%.	Refer to Sr No 83 in this document.

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						This is requirement of levy of GST due to the following as explained below:- Bidder is engaged in DB Supply, construction work and operation and maintenance of the plant (1) If the O&M contract is treated as a composite supply 1. Single letter of acceptance is issued by authority without any split of contract value in it; 2. Contracts have 2 or more supplies of goods or services or both; 3. The supplies are naturally bundled; □ The taxable supplies are supplied in conjunction with each other; as no separate price has been decided/attributed for such O&M. Section 8 of the Central Goods and Services Tax Act, 2017 speaks that tax liability on a composite supply shall be	

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						determined in the following manner, namely: - (a) a composite supply comprising two or more supplies, one of which is a principal supply, shall be treated as a supply of such principal supply; and….. Composite supply is defined under section 2(30) as - "Composite supply" means a supply made by a taxable person to a recipient consisting of two or more taxable supplies of goods or services or both, or any combination thereof which are naturally bundled and supplied in conjunction with each other in the ordinary course of business, one of which is a principal supply; Further "principal supply" is defined under Section 2(90) as – "Principal supply" means the supply of goods or services which constitutes the predominant element of a	

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						composite supply and to which any other supply forming part of that composite supply is ancillary; Therefore, when two or more taxable supplies of goods or services or both are made by a taxable person to a recipient, where such supplies are naturally bundled and are supplied in conjunction with each other in the ordinary course of business, one of them being a principal supply, then the said supplies (O&M) shall be treated as a supply of such principal supply (DB Supply and Construction work, known as Works contract) and tax liability shall be determined accordingly. i.e., GST rate as applicable to Works contract will be applicable to O&M services also. (2) If O&M Services are not treated as composite supply and is treated as independent activity, then also it is not exempt services	

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						under GST as per below explanation: - Notification No.12/2017 Central Tax (Rate) dated 28.06.2017 notifies the services which are exempt from levy of GST, extract from the notification is given below:- Though the term, pure services" has not been defined under the Act, a bare reading of the description of services as specified in the aforesaid entry denotes that supply of services which does not involve any supply of goods can be regarded as pure services. We like to mention here that the scope of work in respect of O&M contract, as per bidding documents, includes major and minor repairs, install meters to measure consumption which essentially involves transfer of materials in goods.	

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						Thus, the O&M contract, if it were treated to be an independent supply, wouldn't qualify as pure services rather the same shall be held as works contract as defined in clause (119) of section 2 of the GST Act. We have also taken Advance Ruling in the past, which clarifies that O&M is not exempt and liable to GST. The Advance ruling is attached herewith for your reference. Hence, as per GST Law, O&M is liable to GST @ 18%. When Law is clear about levy of GST, hence we should comply with the law from initial stage instead of getting reimbursement at later stage as mentioned in pre-bid replies, to avoid any non-compliances and pay Interest, penalty and face other legal	

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						consequences with Tax authorities. We request you consider this and modify the existing provision for payment of GST on 'at actual' basis. However, if as per your contention, GST is exempt on O&M services provided by us, pls provide supporting documents mentioning relevant GST law, notifications substantiating such exemption from GST on O&M.	