

**Reply to Queries**

Name of Work: Appointment of Financial Consultancy Services for Agartala to Sabroom section of NH-08 from CH 6.8 Km to 128.712 Km including Feni Bridge at international border of India and Bangladesh in the state of Tripura undertaken by NHIDCL on OMT/ (BOT (Toll) basis-Reply to Pre Bid Queries reg.

Tender ID: 2020\_NHIDC\_590845\_1

Sr. No.	Clause No., Section No. & Page No.	Original Clause in Tender	Clarification/Suggestion by the bidder	NHIDCL's Reply
1.	Clause 2.1.1	<p>NHIDCL proposes to upgrade National Highways under Public- Private Partnership concept. It has been decided to implement these projects on an Operation, Maintenance and Transfer 'OMT'/ BOT basis. A Concession Agreement would be signed between NHIDCL and a "Concessionaire" for each of the packages (projects). NHIDCL hereby invites Financial Consultants / Institutions to propose empanelment of teams to assist NHIDCL through the entire process of bid and award through providing financial / legal advice, modeling and structuring for implementation of these projects on OMT/ BOT (Toll) basis.</p>	<p>Please confirm whether this tender is for a single project or for empanelment for multiple projects.</p> <p>Please confirm whether this tender is for selection of Single Financial Consultant or various Financial Consultant (Empanelment of Financial Consultant).</p> <p>Please also confirm the Mode of the implementation of the project whether it is OMT mode or BOT Mode so as to submit the financial bid accordingly.</p>	<p>This tender is only for the project mentioned in RFP.</p> <p>It is for selection of Single Financial Consultant.</p> <p>As per Corrigendum-I.</p>
2.	Clause 9.2 and 9.3	<p>The Finance Division would allot assignment to Financial Consultants as per roster. The assignments which are completed should promptly be informed to the Finance Division duly endorsed by the concerned Tech Division. Till such confirmation is received at Finance Division, the said assignment would be treated as incomplete. However, in case it is not endorsed by the Technical division, the assignment of FC's work will be deemed to be completed on declaration of Financial Closure / Appointed date, whichever is earlier.</p> <p>Different Roster would be maintained for project execution on PPP &amp; EPC</p>	<p>Please clarify.</p>	<p>As per Corrigendum-I.</p>

		<p>mode. If the project mode is changed one mode to other, the FC as per the Roster of new mode would be appointed for the work. The project specific payment for the part of assignment already completed before the mode change would be made by NHIDCL.</p>		
3.	Clause 4.2.3	<p>A Legal Specialist should be qualified LLB and Company Secretary with 10 years' post-qualification experience in infrastructure related legislation, legal procedures, Toll Road Concession Agreements, and EPC contract matters and Experience in Banking loan Documentation. In case sufficient numbers of LLB+CS are not available, LLBs may be considered and CS qualification shall carry extra weight age.</p>	<p>As per Scope of services, task relating to Legal Specialist can be completed by the person with LLB qualification. Company Secretaries are more inclined toward Company Law. A person with LLB is competent to look after the contractual and legal issues involved. So, we request you to modify the Qualification experience of a legal specialist as follows:</p> <p><del>“qualified LLB and Company Secretary with 10 years' post-qualification experience in infrastructure related legislation, legal procedures, Toll Road Concession Agreements, and EPC contract matters and Experience in Banking loan Documentation. In case sufficient numbers of LLB+CS are not available, LLBs may be considered and CS qualification shall carry extra weight age.”</del></p> <p>And accordingly change the marking Evaluation Criteria of Legal Expert.</p>	As per Corrigendum-I.

4.	Clause 5.2.1	<p>Tasks relating to the physical packaging</p> <ul style="list-style-type: none"> <li>• Conduction of necessary traffic survey for assessment of toll collection amount and Annual Potential Cost (APC) which maybe procured by outsourcing the work to Consultants having 5 years of experience in Design of Toll Plaza and other facilities including traffic survey.</li> <li>• Provide the location of toll plazas and other project facilities to be specified in respective schedules as per guidelines/ Standard Operation Procedure (SOP) for toll notification and mandatory infrastructure in all toll lanes as per latest MoRTH guidelines.</li> <li>• Providing detailed project reports, with the objective of identifying issues that could have commercial / financial and fiscal implications.</li> <li>• Preparation of the project cost estimate with all financial details.</li> <li>• Providing the project implementation schedule.</li> <li>• Examine the Economic Internal Rate of Return (EIRR) and overall viability of the current way of packaging.</li> </ul>	<p>For the completion of this stage, we understand that some other consultants will be procured and work to be outsourced.</p> <p>As no payment stage mentioned for this task in Clause 7 Payment to consultant.</p> <p>Pl. clarify</p>	As per Clause 7 of RFP.
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5.	Clause 12.1	<p>The Applicants shall submit the proposal (Eligibility + Technical Proposal) in hard bound form (Original only) with all pages numbered serially and by giving and index of submissions. Copies of Applications shall not be submitted and considered. <b><u>Financial proposal are only to be submitted online (as per format Appendix-II) and no hard copy of the financial proposal should be submitted.</u></b></p>	Please clarify the mode of submission of the Technical Bid whether online or physical or both.	The Technical Bids should be submitted online on CPP Portal.
	Clause 2 of NIT	Bid must be submitted online at e-tender portal i.e. <a href="https://eprocure.gov.in">https://eprocure.gov.in</a> on or before 17.11.2020 (1500 Hrs).		
6.	APPENDIX-III	<p>Evaluation Criterion - Total Marks 100  Firm Experience - 40 marks  Turnover - 10 marks</p> <ul style="list-style-type: none"> <li>• Less than Rs 2 Crores - firm not eligible for this empanelment</li> <li>• Turnover from Rs 2 Crores Rs 5 Crores - 6marks</li> <li>• Turnover from Rs 5 Crores to Rs 10 Crores - 8marks</li> <li>• Turnover more than Rs 10 crores - 10 marks</li> </ul> <p>Minimum qualified employees (CA, CMA, CFA, MBAs from Premium Business Schools) - 15 marks</p> <ul style="list-style-type: none"> <li>• Less than 5 employees - firm not eligible for this empanelment</li> <li>• Between 5 to10 employees - 11 marks</li> <li>• Between 10 to 20 employees - 13 marks</li> <li>• More than20 employees - 15marks</li> </ul>	Please confirm whether this tender is for selection of Single Financial Consultant or various Financial Consultant (Empanelment of Financial Consultant).	It is for selection of Single Financial Consultant.

7.	APPENDIX - IV	Format for Bank Guarantee for Performance Security (For individual work)  BANK GUARANTEE FOR PERFORMANCE SECURITY	Please confirm whether the Bank Guarantee is to be submitted for each and every project.	As per RFP.
8.	Clause 3	Bid submission End date (Online & physical copy) - 17.11.2020 (1500 Hrs)-	<b>Date extension:</b> We request the Authority to kindly extend the <b>Bid submission End date</b> at least 10 days from the replies to Pre Bid Query.	As per RFP.
9.	Clause 4.2.1, Page 6  Clause 4.2.2, Page 6	.....He must have had direct relevant experience with at least three OMT or BOT concession contract.....  .....He must have performed financial analysis for at least three Toll Road projects or five OMT projects in any infrastructure sector.....	As per Clause 4.2.1, Project Manager / Senior Financial Analyst and Financial Specialist must have experience in OMT or BOT / Toll Roads.  However, Appendix I – Form 3, seeks information about experience in OMT Projects only.  Since, provision of main clause will prevail over Appendix, we understand experience in BOT / Toll Roads must also be included in Appendix I – Form 3. Please confirm our understanding.	In Appendix I – Form 3, maybe considered as modified in Clauses 4.2.1. and Clause 4.2.2 of Corrigendum-I
10.	Clause 4.2.3, Page 6	A Legal Specialist should be qualified LLB and Company Secretary with 10 years' post-qualification experience in infrastructure related legislation, legal procedures, Toll Road Concession Agreements, and EPC contract matters and Experience in Banking loan Documentation.....	As per Clause 4.2.3, Legal Specialist should have experience in Toll Roads, EPC Contract.  However, Appendix I – Form 3, seeks information about experience in OMT Projects only.  Since, provision of main clause will prevail over Appendix, we understand experience in BOT / Toll Roads / EPC / banking must also be included in Appendix I – Form 3. Please confirm our understanding.	In Appendix I – Form 3 may be considered as modified in Clause 4.2.3 of Corrigendum-I.

11.	Clause 5 – Scope of Work Clause 5.2.1, 5.2.2 Page No. 7 and Clause 5.2.3, Page No. 8	<p>Tasks relating to the physical packaging</p> <ul style="list-style-type: none"> <li>• Conduction of necessary traffic survey for assessment of toll collection amount and Annual Potential Cost (APC) which maybe procured by outsourcing the work to Consultants having 5 years of experience in Design of Toll Plaza and other facilities including traffic survey.</li> <li>• Provide the location of toll plazas and other project facilities to be specified in respective schedules as per guidelines/ Standard Operation Procedure (SOP) for toll notification and mandatory infrastructure in all toll lanes as per latest MoRTH guidelines.</li> <li>• Providing detailed project reports, with the objective of identifying issues that could have commercial / financial and fiscal implications.</li> <li>• Preparation of the project cost estimate with all financial details.</li> <li>• Providing the project implementation schedule. Examine the Economic Internal Rate of Return (EIRR) and overall viability of the current way of packaging.....</li> </ul>	<p>Although the proposals are invited for Financial Consultancy Services, however certain details mentioned in the Scope of Service are technical in nature such as Clause 5.2.1, Clause 5.2.2 and 5.2.3 (reproduced in the left column).</p> <p>It is pertinent to mention here that, Financial Consultant neither have the skills and nor have the expertise to supervise the technical work mentioned in the RFP Document.</p> <p>Hence, it is recommended that the Authority consider engaging services of Technical Consultant for the Project to overlook all the technical aspect of the project, in-line with the practice being followed by NHAI. Adopting Technical Expertise separately will be beneficial for the Authority as the work will be more efficient.</p> <p>Hence, we request the Authority to remove the tasks mentioned in Physical Packaging (Clause 5.2.1), Strategic packaging (Clause 5.2.2), Investment Packaging (clause 5.2.3) which are related to technical side of the project preparation, from the scope of Financial Consultant.</p>	Refer Clause 4.2.6 of Corrigendum-I.
12.	Clause 7, Page 10	A penalty of Rs. 1000/- per day for delay in submission of comments/reports will be imposed. For any error in financial model, penalty of Rs. 25,000/- will be imposed.	Key personnel proposed are not skilled to evaluate the technical nature of various tasks, which we have recommended for deletion. Accordingly, penalty of Rs. 1000/- would be related to the submission of financial comments / reports. Further, we understand that penalty of Rs. 25,000 would be imposed once for each assigned project. Please confirm.	As per RFP.

13.	Clause 9.8, Page 11	<p>The Financial Consultant shall submit to NHIDCL five (5) copies of the final output envisaged in the Scope of Services except the RFQ, RFP and the Concession Agreement. The Financial Consultant shall submit thirty copies (10 copies each of the RFQ, RFP and the Concession Agreement. Any expenses incurred by The Financial Consultant for additional copies shall be reimbursed by NHIDCL at the actual cost. All the reports and agreements shall be submitted on CDs (2 sets) containing all basic as well as processed data.</p>	<ul style="list-style-type: none"> <li>• Projects may undergo changes even after final submissions are made by the Financial Consultant.</li> <li>• Also, many times documents are sought on very short duration / urgent basis.</li> </ul> <p>We, therefore, request you to please consider reducing the no. of copies of final output from five (5) to one (1), submission of RFQ, RFP, Concession Agreement from thirty (30) to three (3) (i.e. one copy of each of the document) and increasing the no. of CDs from two (2) to ten (10).</p> <p>This will increase the service efficiency of Financial Consultant, reduce the space requirement of the Authority and it would also be environment friendly.</p>	As per RFP.
14.	Clause 9.9, Page 11	<p>The Financial Consultants should coordinate with NHIDCL up to final stage of agreement and submit at least 3 hard bound duly numbered copies of Concession Agreement as standardized by NHIDCL with the concessionaire.</p>	<p>Please reconsider this clause in the light of the fact that this is a logistic service and it is not the core function of a financial consultant. However, the Financial Consultant may be asked to vet the final Concession Agreement, so as to ensure that standardized /published Concession Agreement is adhered to.</p>	As per RFP
15.	Clause 13.1.3 (C), Page 13	<p>During the last five years, the firm must have completed at least five (5) transactions advisory mandates (scope including financial closure of the project) working with the Government or its agencies in India out of which 3 shall be for projects in Road Sector</p>	<p>We request the Authority to accept Transaction Advisory Projects in the Power Sector as well for financial closure.</p> <p>It is pertinent to mention that in Power Sector the final stage of transaction advisory is Tariff Adoption, which is considered equivalent to financial closure in various PPP projects across industries and Government Sector/PSUs.</p> <p>Hence, we request the Authority to consider Tariff Adoption of Power Sector for fulfillment of this criteria.</p>	As per RFP.

16.	Appendix III	<p><b>Team Experience</b>  Project Manager/Sr. Financial Analyst – Qualification</p> <ul style="list-style-type: none"> <li>• CA/CMA/CFA/MBA(PG DBM) – Finance from IIM – 7 Marks</li> <li>• Company Secretary – 3 marks</li> </ul> <p>Financial Analyst - Qualification</p> <ul style="list-style-type: none"> <li>• CA/CMA/CFA/MBA(PG DBM) – Finance – 2 Marks</li> <li>• Company Secretary – 3 marks</li> </ul> <p>Legal Expert</p> <ul style="list-style-type: none"> <li>• LLB – 3 Marks</li> <li>• Company Secretary – 2 marks</li> </ul> <p>Post qualification experience</p> <p>a) Post LLB experience</p> <ul style="list-style-type: none"> <li>• Between 3 years to 5 year - 2marks</li> <li>• More than 5 years - 3marks</li> </ul> <p>b) Post CS experience</p> <ul style="list-style-type: none"> <li>• Between 3 years to 5 years - 1marks</li> <li>• More than 5 years - 2marks - 5marks</li> </ul>	<p>We request the Authority to kindly remove the requirement of Company Secretary and marks allocated thereto from all the three proposed Team Members, as Company Secretary is related to ensuring compliance to the Rules and regulations mentioned in Companies Act and other statute and does not contribute towards role of proposed team. Similar practice is also adopted in the NHAI.</p>	As per Corrigendum-I.
17.	Clause No. 4.2.1, Page No. 6	<p>A Project Manager / Senior Financial Analyst who should be familiar with the requirements for OMT road projects from the perspective of both the government and the investors. Familiarity with Indian investment environment and regulations is an essential qualification for the engagement of the financial Consultant. The Project Manager/Senior Financial Analyst should be a seasoned Finance Professional with minimum 10 Years post qualification experience in the Infrastructure Project Financial Modelling and Structuring with at least five years in Road sectors. He should be a qualified CA/CMA/CFA/MBA (PGDBM)-Finance from</p>	<p>Kindly change this Clause to the following:</p> <p>“A Project Manager / Senior Financial Analyst who should be familiar with the requirements for OMT road projects from the perspective of both the government and the investors. Familiarity with Indian investment environment and regulations is an essential qualification for the engagement of the financial Consultant. The Project Manager/Senior Financial Analyst should be a seasoned Finance Professional with minimum 10 Years post qualification experience in the Infrastructure Project Financial Modelling and Structuring with at least five years in Road sectors. He should be a qualified CA/CMA/CFA/MBA</p>	Refer Clause 4.2.1 of Corrigendum-I.

		IIMs. A qualification of CS would be desirable and will carry extra weight. He must have had direct relevant experience with at least three OMT or BOT concession contract.	(PGDBM) - Finance from IIMs. <del>A qualification of CS would be desirable and will carry extra weight.</del> He must have had direct relevant experience with at least three PPP concession contract.”	
18.	Clause No. 4.2.2, Page No. 6	A Financial Analyst should be an experienced Financial Analyst with minimum 5 years post qualification experience in the infrastructure Project Financial Modelling and Structuring with at least three years in Road Sectors. He should be a qualified CA/CMA/CFA/MBA (PGDBM) - Finance from premium institutes. A qualification of CS would be desirable and will carry extra weight. He must have performed financial analysis for at least three Toll Road projects or five OMT projects in any infrastructure sector.	Kindly change this Clause to the following: “A Financial Analyst should be an experienced Financial Analyst with minimum 5 years post qualification experience in the infrastructure Project Financial Modelling and Structuring <del>with at least three years in Road Sectors.</del> He should be a qualified CA/CMA/CFA/MBA (PGDBM) - Finance from premium institutes. A <del>qualification of CS would be desirable and will carry extra weight.</del> He must have performed financial analysis for at least three PPP projects in any infrastructure sector.	As per Corrigendum-I.
19.	Clause No. 4.2.3, Page No. 6	A Legal Specialist should be qualified LLB and Company Secretary with 10 years’ post-qualification experience in infrastructure related legislation, legal procedures, Toll Road Concession Agreements, and EPC contract matters and Experience in Banking loan Documentation. In case sufficient numbers of LLB+CS are not available, LLBs may be considered and CS qualification shall carry extra weight age.	Kindly change this Clause to the following: “A Legal Specialist should be qualified LLB <del>and Company Secretary</del> with 10 years’ post- qualification experience in infrastructure related legislation, legal procedures, Toll Road Concession Agreements, and EPC contract matters and <del>Experience in Banking loan Documentation.</del> <del>In case sufficient numbers of LLB+CS are not available,</del> LLBs may be considered and <del>CS qualification shall carry extra weight age.</del>	As per Corrigendum-I.

20.	Clause No.13.1.3 (c), Page No.13	During the last five years, the firm must have completed at least five (5) transactions advisory mandates (scope including financial closure of the project) working with the Government or its agencies in India out of which 3 shall be for projects in Road Sector.	The scope of Transaction Advisors does not include financial closure. Kindly change this Clause to the following:  “During the last five years, the firm must have completed at least five (5) transactions advisory mandates (scope including financial closure of the project) working with the Government or its agencies in India <i>for Infrastructure Projects</i> .”	As per RFP.
21.	Appendix-III, Page No.26: Firm Experience	Transactions advisory mandates (scope including financial closure of the project) working with the Government or its agencies – 15 marks	Kindly change this Clause to the following:  “Transactions advisory mandates (scope including financial closure of the project) working with the Government or its agencies – 15 marks”	As per RFP.
22.	Appendix-III, Page No.26: Team Experience	<p><b>Team Experience</b></p> <p>Project Manager/Sr. Financial Analyst – Qualification</p> <ul style="list-style-type: none"> <li>• CA/CMA/CFA/MBA(PG DBM) – Finance from IIM – 7 Marks</li> <li>• Company Secretary – 3 marks</li> </ul> <p>Financial Analyst - Qualification</p> <ul style="list-style-type: none"> <li>• CA/CMA/CFA/MBA(PG DBM) – Finance – 2 Marks</li> <li>• Company Secretary – 3 marks</li> </ul> <p>Legal Expert</p> <ul style="list-style-type: none"> <li>• LLB – 3 Marks</li> <li>• Company Secretary – 2 marks</li> </ul>	<p>It is difficult to find four Company Secretaries in a consultancy firm. You can ask for a single CV of Company Secretary.</p> <p>We request you to change this to the following:</p> <p>“Project Manager/Sr. Financial Analyst – Qualification</p> <ul style="list-style-type: none"> <li>• CA/CMA/CFA/MBA(P GDBM) – Finance from IIM – 7 Marks</li> <li>• <del>Company Secretary – 3 marks</del></li> </ul> <p>Financial Analyst - Qualification</p> <ul style="list-style-type: none"> <li>• CA/CMA/CFA/MBA(P GDBM) – Finance – 5 Marks</li> <li>• <del>Company Secretary – 3 marks</del></li> </ul> <p>Legal Expert</p> <ul style="list-style-type: none"> <li>• LLB – 5 Marks</li> <li>• <del>Company Secretary – 2 marks</del></li> </ul>	As per Corrigendum-I.



(A. Chandrasekhar)

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