



**GVK RATLE HYDRO ELECTRIC PROJECT PRIVATE LIMITED
850MW (4X205 MW + 1X30 MW) RATLE HYDRO ELECTRIC PROJECT
PRE-BID QUERIES (PMC) OF THE BIDDERS& OWNER'S RESPONSE**

DATE: 13.02.2012

SI. No.	Cl. No.	Page No.	RFP Requirements/ Description	Query	Owner's response
1	2.8	32	Site Inspection	Has any site visit been organised by GVK? If yes, please provide details.	The consultant shall conduct the site visit at its own cost. However, we will depute our officials for assisting them. The plan for site visit shall be communicated one week before the site visit.
2	2.12 B.	33	Financial Proposal	The bidding document does not indicate when the financial proposal will be opened or which Bidder's financial proposal will not be opened? Please clarify and confirm the minimum marks required to be scored in the technical bid for qualifying for the opening of the financial bid.	The commercial bid shall be opened for top 5 technically qualified bidders.
3	2.16.2	35	Notice to Proceed	GVK should indicate their most likely date for the NTP.	NTP shall be issued after the award of Civil & HM works contract.
4	3.6.4	71	Contract Price The Man day / Man week and Man month rates shall remain fixed and firm for 66 months from the date of Letter of Intent and thereafter the price shall be adjusted with an escalation of 5% per annum for the Key Indian Professionals and 2.5% per annum for the Expat Key Professionals. The escalation shall be calculated considering sixty sixth month as a base month.	a) 5% and 2.5% escalation figures does not represent the going general market escalation figures in respect of salaries which are generally of the order of 10-15% and 5-8% respectively. Accordingly, it is suggested that the escalation should be considered as 15% and 7.5% respectively. b) Further, the schedule for PMC consultancy assignment has been put as 60 months where as the price is to remain firm for 66 months? This may be clarified. c) The PMC consultant will have no control on the project construction & procurement etc activities. In case of delays, it could become difficult for the consultant to meet the staff salary and other operational expenses from within the quoted price, which would generally be based on assumed escalation values. Accordingly, it will help if suitable annual escalation in the fee is agreed. Please confirm.	a & c. This is Owners's pre-requisite for entering into contract and the Provisions kept in RFP shall remain unaltered. b. The main EPC contract shall be completed within 60 months, considering the retesting & as built drawings preparation & review by PMC. Additional 6 months period has been kept envisaging delay if any.
5	3.7.i	73	Terms of Payment An interest free advance payment of Five percent (5%) of the contract amount shall be paid against submission of Bank guarantee for equivalent amount. This advance will be recovered proportionately from the bills starting from the 1st bill of the PMC Consultant and full advance payment shall be recovered by end of the progressive payment mentioned against clause no.3.7 (iii) below. The advance shall be paid within 30 days from the date of issuance of Notice to Proceed. Advance Bank Guarantee shall remain valid till three months after completion of works.	It is suggested that the bank guarantee be accepted with provision for progressively reducing value as per contract schedule and recovery plan.	This shall be considered at the time of award of Contract.
6	3.11.7	77	PMC Consultant warrants that the review of Project Planning, Monitoring and Controls of the Owner's EPC Contractor's shall be carried out in such a manner that the performance guarantees of Equipments and other technical liabilities of Owner mentioned in Power Purchase Agreement shall be complied with. PMC Consultant warrants that the construction drawings being vetted and recommended for approval by the Owner's Engineer shall always be available at site at least 30 days in advance to the scheduled activity, continuously during the entire period of Project execution. Any inadequacy arising out of this shall be the responsibility of PMC Consultant and shall be liable to incur all the costs related to delays arising due to this or take action as directed by the Owner.	PMC consultant is a consultant and how he/ she can ensure availability of construction drawings at site at least 30days in advance is not understood? The PMC consultant has an advisory role and can advise the Owner from such points of view. Please confirm.	As discussed in Pre-bid meeting, PMC Consultant is for the review of Project Planning, Monitoring and Control of the Owner's EPC Contractors and therefore should warrants & ensures that the construction drawings being vetted and recommended for approval by the Owner's Engineer shall always be available at site at least 30 days in advance to the scheduled start of any activity. The PMC consultant has not only the advisory role but they need to ensure/warrant the timely completion of the project through owner/ contractors and Owner's other consultants.

7	General				
a.				Coordination Plan	
				For success of assignments of the present nature it is important that properly tied Coordination Plan is agreed amongst the parties: Contractor- Owner-PMC Consultant with the responsibilities well defined and timelines set. This can be broadly agreed with the shortlisted party for OE assignment and firmed up at the time of award of the works contracts. A confirmation on this would help.	Agreed, such coordination plan shall be firmed up at the time of award of the contract.
b.				Status of the Project	
				Status of the Project vis-à-vis various clearances, likely dates of award of various contracts, financial closure, NTP for this assignment etc may be informed.	Status of Clearances a. CEA, Forest clearances are under process & shall be accorded before award of the Contract. b. Land acquisition is in advance stage, Part land already acquired. c. Award dates of various contracts: From end March to end May. d. NTP for PMC Consultant : Please refer owner's reply at sl. no. 3 above
8	2.1		Qualifying requirements	These are not clear – for eg its mentioned about underground powerhouse of 300 MW twice. Does it mean two projects? Similarly on the dam aspect also – concrete gravity experience is repeated twice.	Qualification Requirement of Underground power house is revised to 300 MW inplace of 500 MW.The revised QR shall read as under: To achieve the objective of setting up a Hydro Power Project with a state-of-the-art technology, the Bidders themselves or with their Joint Venture partners should have previous experience and expertise in Project Planning, Monitoring and Controls of at least three Hydro Electric Power Projects in last 20 years, and at least one of them should be in the last five years and one in last 10 years. Further, the Consultant should have completed consultancy services specifically in the area of PMC as specified in the scope, as under: i. Experience as Consultant for Project Planning, Monitoring and Controls of at least 3 Hydro Power Stations out of which at least one should be Underground power station with Installed capacity of 300 MW and above and single generating unit rating not less than 100 MW and at least One (1) Hydro Power station should be commissioned. Further, the Consultant should have completed the consultancy work for Project Planning, Monitoring and Controls of at least one Underground power station with Installed capacity of 300 MW and above which has been completed and commissioned in a period of four to five (4 to 5) years. ii. Experience of as consultant for Project Planning, Monitoring and Controls of at least 3 Concrete Gravity / Arch / RCC Dam of height 70m and above, out of which at least one Dam should be of 100m height. Out of the three dams one should be in operation. Further, the Consultant should have completed the consultancy work for Project Planning, Monitoring and Controls of at least one Concrete Gravity / Arch / RCC Dam of 100m height or has completed the concrete quantity of one (1) million cum in a period of four to five (4 to 5) years.
				The QR appears to be very stringent and very high for an OE role as compared to that for EPC contractor. Ultimately the design responsibility will be of the EPC contractor and OE will only be responsible for review.	This is PMC Role not OE Role. However, RCC Dam in addition to concrete gravity dam / arch dam shall be considered. Other provisions of QR shall remain unaltered. For any specialised services sub-consultants can be included by the bidder in form of a JV partner.

9	2.4		Last Date for submission of bids	Kindly extend last date of submission until 31st March 2012	The Owner has considered the request of the bidder and the bid submission date is hereby extended from 15.02.2012 to 21.03.2012.
10	3.6.4		The price shall remain	The escalation proposed for period beyond the 66 months looks very low. Should be atleast 12 & 5 % respectively.	This is Owners's pre-requisite for entering into contract and the Provisions kept in RFP shall remain unaltered.
11	3.6.5 (b)		Owner's Engineer staff....	Please clarify whether travel to site will be paid separately.	PMC consultant shall be located at site hence travel to site shall not be paid separately.
12	3.7		Terms of Payment	The proposed terms of payment are very unfavourable to consultant as it will lead to huge negative cash flows. Considering the long duration of the assignment and the deliverable also will take many months to complete, please consider following payment terms - Advance of 5 % - Progressive monthly payment of 90 % - Final 5 % on completion	Provisions kept in RFP shall remain unaltered.However, for advance payment please refer owner's reply at Sl. No. 5 above.
13	3.8		Invoicing and Payment	Please clarify the following Is Service Tax to be included or will be reimbursed / borne by Owner Since consultant is to include taxes in his price, why is the requirement for reimbursement of recovered WHT kept?	Service Tax separate and should not be included in the prices. Shall be reimbursed by Owner separately. Provision of reimbursement of recovered WHT withdrawn. The revised clause shall read as under : "PMC Consultant shall, if necessary, file the Tax Returns in India at the end of each year as may be required under the tax laws in India, and adjust the tax liability against the withholding tax. PMC consultant hereby agrees to comply with all the tax laws as may be applicable in India".
14	3.1		Liquidated Damages	Please consider reducing the ceiling to 5 % of contract price	Provisions kept in RFP shall remain unaltered.
15	3.21		Arbitration	There should be a separate provision for Foreign consultants under LCIA / UNCITRAL and venue should be neutral like Singapore.	This is Owners's pre-requisite for entering into contract and the Provisions kept in RFP shall remain unaltered.

16		70	Available Infrastructure It is said that Owner shall provide single occupancy accommodation for PMC Consultant Experts.	It is presumed that free and furnished accommodation will be made available for the PMC Consultants Experts. ---- Please confirm.	Owner shall provide single occupancy furnished accommodation (Once furnished only at the time of occupying the house)as per Indian Conditions Only.
17			Availability of Vehicle for Owner's Engineer No provision of vehicle has been offered for construction supervision and allied works at site by PMC Consultant's Experts	Please confirm the number of vehicles to be provided to PMC Consultant's Experts for construction supervision of works and what will be mode of R/M expenses	Facilities not contained in RFP, shall have to be arranged by PMC Consultant.
18	Clause 3.10.1	77	Clause No-3.10.1: Completion Schedule It is said that services of the PMC Consultant's Experts shall be for 60 months from the effective date of Contract.	All works of Civil / Hydro-mechanical / Electro-Mechanical are intended to be executed on EPC Contracts. There exists every likelihood of extension of time for completion / commissioning of the project. Thereby services of the PMC Experts will also need to be extended. In that case , charges for the PMC Consultant's Experts for the extended period are expected to be paid proportionately with escalation of 5% per annum. ----- Please confirm	Escalation for PMC Consultant shall be applicable after 66 months.
19			Form-B : POWER OF ATTORNEY Consultant shall enclose as Form-C their Power of Attorney in Original	Form C in Page-44 is a Warranty Form. Can the Consultant submit Power of Attorney as per standard norm ?-- Please clarify.	Power of Attorney format attached . It is clarified that if the bidder is an unincorporated JV, the POA should be executed by the JV and will not be supported by a Board Resolution.
20		50	Form-H : FINANCIAL DATA Current Income Tax Clearance Certificate's copy is wanted.	Issuance of Income Tax Clearance Certificate has been abolished, so submission of ITCC should be deleted. Please confirm.	The Owner has considered the request of the bidder and the Bidder's should not have to submit the Income Tax Clearance Certificate's copy. However, PAN Card copy shall be furnished along with bids.
21	NIL			RFP does not say about Bid Security, so we assume that bid security is not required, Please confirm.	Yes, No Bid security is required to be furnished. However Contract Performance Guarantee is required.
22		63	FORM-R	RFP does not confirm expatriate requirement for any particular position. Please clarify whether Indian Expert and Expatriate both are required for a single position. Also, we expect that experts of more than 15 years of experience in the field of Hydro Mechanical and Geology are also required for this work. Please clarify whether they should be included in the form R, page 61 of the RFP.	Minimum one expert (expatriate) is required in each of following area according to the work requirement: 1. Dam/ Diversion 2. Underground Works 3. Testing & commissioning as defined in scope of PMC Consultant. However, bidder may consider, if feels any additional requirement.
23	Clause 2.1-(1)	27	"..... Further, the Consultant should have completed the consultancy work for Project Planning, Monitoring and Controls of atleast one Underground power station with installed capacity of 500 MW and above which has been completed and commissioned in a period of four to five (4 to 5) years."	Please relax the qualification criteria by Considering a reduction in the installed capacity to 300 MW or by an increase in the considered time span of completed/ commissioning period to 20 years.	Please refer our reply at sl. No. 8 above.
24		61 & 62	FORM-R & FORM-S	Please clarify the reason to put two rows for Expatriate man months / man - day rate for each item.	As clarified during pre-bid meeting, Owner's requirement is one expert in each area. However, if additional experts are offered the Forms "R" & "S" can be expanded accordingly.
25	Clause 3.5.1	70	" Owner shall provide to PMC Consultant the construction Schedules of different EPC packages, assumptions made, drawings, Quality assurance and quality control plans, testing and commissioning procedures etc submitted by EPC Contractor's for the project."	Please provide DPR including construction schedule of the project.	As discussed during the pre-bid meeting, the following are attached: 1. Overall Tentative Construction Schedule(Attached at Annexure-I). 2. Lay out plan of the Project(Attached at Annexure-II).
26	Clause 3.6.4	71	" The Man day / Man week and Man month rates shall remain fixed and firm for 66 months from the date of Letter of Intent and thereafter the price shall be adjusted with an escalation of 5% per annum for the Key Indian Professionals and 2.5% per annum for the Expat Key Professionals. The escalation shall be calculated considering sixty sixth month as base month.	Adjustment of escalation considering 66th month as base month, would be very low. Base month should be date of LOI. Please consider.	This is Owners's pre-requisite for entering into contract and the Provisions kept in RFP shall remain unaltered.

27	Clause 3.7 (1)	71	" An interest free advance payment of five percent (5%) of the contract amount shall be paid against submission of Bank guarantee for equivalent amount. This advance will be recovered proportionately from the bills....."	Correspondingly, the Advance Bank Guarantee should be progressively extended on reducing amount basis. Please consider	This shall be considered at the time of award of Contract.
28	Clause 3.18.1	85	" Owner may for its convenience, without cause, terminate this contract at any time by giving PMC Consultant fifteen (15) days prior written notice of such termination. Thereupon, PMC Consultant shall	This is a one sided termination clause. Please remove " without cause " from this paragraph.	Owner has considered the request of the bidder and in case of termination for Owner's convenience, the cause shall be communicated to the PMC consultant.
29	NIL			A minimum extension of 15 calendar days may be considered for submission in view of three Tender submission on the same day.	The Owner has considered the request of the bidder and the bid submission date is hereby extended from 15.02.2012 to 21.03.2012.