

# **Request for Proposal**

## **Structuring and Operationalizing of the Airports Economic Regulatory Authority of India**

<b>RFP No.</b>	<b>02/2009-10</b>
<b>RFP issue date</b>	<b>Friday, the 9th October 2009</b>
<b>Pre-Bid Conference</b>	<b>Monday, the 19th October 2009</b>
<b>Deadline for Submission</b>	<b>1600 hrs (IST) on Thursday, the 29<sup>th</sup> October 2009</b>

## **Disclaimer**

The information contained in this Request for Proposal document (“**RFP**”) or subsequently provided to Applicants, whether verbally or in documentary or any other form by or on behalf of the Airports Economic Regulatory Authority of India (hereinafter referred to as AERA) or any of its employees or advisers, is provided to Applicants on the terms and conditions set out in this RFP and such other terms and conditions subject to which such information is provided.

This RFP is not an agreement and is neither an offer nor invitation by AERA to the prospective Applicants or any other person. The purpose of this RFP is to provide interested parties with information that may be useful to them in the formulation of their Proposals pursuant to this RFP. This RFP includes statements, which reflect various assumptions and assessments arrived at by AERA in relation to the Consultancy. Such assumptions, assessments and statements do not purport to contain all the information that each Applicant may require. This RFP may not be appropriate for all persons, and it is not possible for AERA, its employees or advisers to consider the objectives, technical expertise and particular needs of each party who reads or uses this RFP. The assumptions, assessments, statements and information contained in this RFP, may not be complete, accurate, adequate or correct. Each Applicant should, therefore, conduct its own investigations and analysis and should check the accuracy, adequacy, correctness, reliability and completeness of the assumptions, assessments and information contained in this RFP and obtain independent advice from appropriate sources.

Information provided in this RFP to the Applicants is on a wide range of matters, some of which depends upon interpretation of law. The information given is not an exhaustive account of statutory requirements and should not be regarded as a complete or authoritative statement of law. AERA accepts no responsibility for the accuracy or otherwise for any interpretation or opinion on the law expressed herein.

AERA, its employees and advisers make no representation or warranty and shall have no liability to any person including any Applicant under any law, statute, rules or regulations or tort, principles of restitution or unjust enrichment or otherwise for any loss, damages, cost or expense which may arise from or be incurred or suffered on account of anything contained in this RFP or otherwise, including the accuracy, adequacy, correctness, reliability or completeness of the RFP and any assessment, assumption, statement or information contained therein or deemed to form part of this RFP or arising in any way in this Selection Process.

AERA also accepts no liability of any nature whether resulting from negligence or otherwise however caused arising from reliance of any Applicant upon the statements contained in this RFP.

AERA may in its absolute discretion, but without being under any obligation to do so, update, amend or supplement the information, assessment or assumption contained in this RFP.

The issue of this RFP does not imply that AERA is bound to select an Applicant or to appoint the Selected Applicant, as the case may be, for the Consultancy. AERA reserves the right to reject all or any of the Proposals without assigning any reasons whatsoever.

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

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## 1. Background

1.1 The Parliament of India, enacted an Act called “The Airports Economic Regulatory Authority of India Act, 2008” (hereinafter to be referred as the ‘Act’). The said Act envisages the establishment of a statutory authority called the Airports Economic Regulatory Authority (hereinafter referred to as the ‘AERA’) to regulate tariff for the aeronautical services, determine other airport charges for services rendered at major airports and to monitor the performance standards of such airports. The provisions of the said Act came in to force w.e.f 1<sup>st</sup> January, 2009 and 1<sup>st</sup> September, 2009.

1.2 The AERA, was established by the Government of India vide its notification No.GSR 317(E) dated 12th of May, 2009. The AERA functions, inter alia, include to create a level playing field; foster healthy competition amongst all major airports and to encourage investment in the facilities at major airports.

1.3 The statutory functions of the AERA in respect of major airports are specified in section 13 of the Act, which are as below :-

- a. to determine the tariff for aeronautical services taking in to consideration -
  - i. the capital expenditure incurred and timely investment in improvement of airport facilities;
  - ii. the service provided, its quality and other relevant factors;
  - iii. the cost for improving efficiency;
  - iv. economic and viable operation of major airports;
  - v. the concession offered by the Central Government in any agreement or memorandum of understanding or otherwise;
  - vi. any other factor which may be relevant for the purpose of the Act.
- b. determine the amount of the development fees;
- c. determine the amount of the passengers service fee levied under rule 88 of the Aircraft Rules, 1937 made under the Aircraft Act, 1934;
- d. monitor the set performance standards relating to quality, continuity and reliability of service as may be specified by the Central Government or any authority authorised by it in this behalf;
- e. call for any such information as may be necessary to determine the tariff for aeronautical services;
- f. perform such other functions relating to tariff, as may be entrusted to it by the Central Government or as may be necessary to carry out the provisions of the Act.

1.4 While discharging its functions qua an airport the AERA shall ensure transparency by, inter alia, holding due consultations with a stake-holder, which includes a licensee of an airport, airlines operating there at and/or a person who provides aeronautical services and any association of individuals, which in the opinion of AERA, represents the passenger or cargo facility users, by permitting such stake-holder to make submissions in writing and by documenting all its decisions and explanations thereof.

## **2. Services required**

AERA, invites request for proposal (RFP-for short) from applicants who possess requisite experience and capabilities required for undertaking this consultancy either individually (the Sole Firm or Company) or as lead member of a consortium of firms/Companies (the Lead Member) in response to this invitation. The term Applicant means the Sole Firm or the Company or the Lead Member as the case may be. The RFP is for the selection of an Applicant to, inter alia, advise AERA and render services in the following core areas (collectively the 'Consultancy'):

- i. Structuring of the AERA -Designing organisational structure and staff responsibilities including capacity building of AERA;
- ii. Define systems, process and procedures for enabling AERA to carry out its regulatory functions;
- iii. Assist in stakeholder consultations with respect to the recommendations made at clause (ii) above and modifying and altering the same, if required;
- iv. Translating the recommendations regarding the processes and procedures after stakeholder consultations into legally binding document(s) like rules and regulations for implementation and enforcement;
- v. Hand holding support.

## **3. Delivery Schedule**

Upon successful acceptance of the RFP, the Selected Applicant shall be given a fixed period of four months from the date of award of the Consultancy to accomplish the tasks at 2 (i), 2 (ii), 2 (iii) and 2 (iv), above. The Selected Applicant shall be first required to submit a draft of recommendations within a period of two months from the date of acceptance of RFP. After receipt of draft recommendations, the stakeholder consultations and consequential modifications, if any, are expected to take one month. Thereafter, the Selected Applicant shall be required to formulate the final draft of necessary rules and regulations within a further period of one month. Upon submission of the final draft of the rules and regulations, the Selected Applicant shall be bound to extend a hand holding support for a period of one year.

## **4. Scope of Work**

The scope of work to be undertaken by the Selected Applicant is given herein after and the same is merely illustrative and not exhaustive. The Selected Applicant shall thus have to consider the required output and include all further incidental activities that may be necessary for efficient and successful implementation and for achieving the ultimate purpose of the assignment awarded pursuant to the RFP.

### **4.1. Designing AERA's organizational structure and staff responsibilities including Capacity Building**

The Selected Applicant shall submit recommendations on the detailed mapping of AERA's organizational structure, its functional divisions, responsibilities of the officers/officials and shall, inter alia, cover the following:

- i. design the organizational structure of AERA keeping in view the other regulatory authorities in India and/or similar regulatory authorities related to airports in other countries; and

- ii. design the Organogram of AERA vis-a-vis the specific duties and responsibilities of the officers and the other officials ; and
- iii. suggest guidelines for engaging the experts and professionals on contractual basis including their compensation structure; and
- iv. highlight the key issues in building sustainable relationship with the Government and stakeholders ; and
- v. generally any other recommendations incidental thereto.

#### **4.2. Define systems, processes and procedures for enabling AERA to carry out its Regulatory Functions**

In order to facilitate AERA discharge its regulatory functions the Selected Applicant shall design and suggest systems and procedures to be adopted for determination of tariff for aeronautical services and fixation of other airport charges as indicated in subsection (1) of section 13 of the Act, monitoring performance standards relating to quality keeping in view the international best practices, continuity and reliability of service and also for dealing with the various stakeholders. The recommendations regarding the systems and procedures should specifically include:

- i. identifying data / information ( both physical and financial) that should be furnished by the service provider for the purpose of determining the tariff for aeronautical services, development fee (DF), user development fee (UDF), passenger service fee (PSF) and for monitoring set performance standards in terms of Section 13 of the Act;
- ii. recommend records, documents or any such relevant information in specific formats that will have to be maintained by the service providers in terms of Section 14 (3) of the Act, for capturing relevant data and information for determining tariff for aeronautical services, DF, UDF, PSF and for monitoring performance standards, which would be required to be made available for inspection/ verification;
- iii. design specific formats for capturing the relevant data/information from the service provider;
- iv. systems and formats for analyzing the data received from the service providers and interpreting the results;
- v. identify key performance indicators that contribute to the overall airport efficiency like dwell time and recommend effective monitoring mechanism, including frequency of such monitoring;
- vi. evolve suitable benchmarks for service quality standards at the major airports;
- vii. advise on the appropriate tariff determination model, taking into consideration the factors indicated in clause (a) of Section 13(1) of the Act and having regard to the models usually followed viz. single till, dual till and hybrid till;
- viii. identify key services and their quality levels which may eventually be considered at the time of fixing or review of tariff at the airports;

- ix. identify costs related to improvement in economic efficiency so that only such efficient costs are allowed to be recovered through pricing;
- x. evolve methodology for assessing the timely investments and underlying financing decisions of the service provider or the stakeholder;
- xi. evolve suitable benchmarks for the rate of return, cost of capital, and cost of debt etc. so as to ensure economic and viable operation of major airports;
- xii. evolve appropriate systems for identifying revenue from regulated services and revenue from services other than aeronautical services at major airports;
- xiii. evolve suitable benchmarks for factoring of revenue received from services other than aeronautical services towards determination of tariff for aeronautical services;
- xiv. suggest norms for appropriate consideration of the capital expenditure incurred by the service provider with a view to prevent 'gold plated investments' and to consider whether such capital expenditure incurred is timely or not;
- xv. suggest suitable norms for determination of DF, UDF and PSF at the major airports.

#### **4.3. Assistance in stakeholder consultations**

The Selected Applicant shall assist AERA in holding consultations with stakeholders in respect of the recommendations on the systems and procedures indicated at clause 2 (ii) above and in firming up the recommendations pursuant to such stakeholder consultation.

#### **4.4. Assistance in forming legally binding Rules and Regulations**

The Selected Applicant shall translate the set of procedures and systems, firmed up after consultations with the stake holders, into legally binding document(s) such as rules and regulations etc. for implementation and enforcement. The Selected Applicant shall ensure that these regulatory provisions are in line with the legal framework as well as international best practices.

#### **4.5. Hand holding Support**

During the handholding period, the Selected Applicant shall assist AERA in the practical implementation of the systems and procedures finalised pursuant to their recommendations, specifically during the first tariff cycle of the major airports. The hand holding support period shall be for a period of one year. The handholding period shall be used for capacity building and training of the AERA team members in such a way so as to enable them to undertake the work of tariff determination and performance monitoring after the completion of the handholding period. Close cooperation with and knowledge transfer to the AERA team members are key outputs expected from this assignment. The Selected Applicant shall deploy experts who are effective in communicating, documenting and imparting the theoretical and practical aspects of the suggested systems and procedures.



## 5. Pre Bid Conference

5.1. A Pre-Bid conference shall be convened at the Seminar Hall, IIIrd Floor, “A” Wing, Rajiv Gandhi Bhawan, Safdarjung, New Delhi 110 003, on Monday, 19<sup>th</sup> October 2009 from 1600 hrs to 1800 hrs. A maximum of three representatives of each Applicant shall be allowed to participate in the Pre-Bid Conference. The Applicants shall send their queries to the designated office by fax / email along with the details of the representatives attending the Pre Bid conference latest by 1200 hrs on Thursday, 15<sup>th</sup> October 2009. The queries shall be sent in the format below. The document type for the queries shall be Microsoft Word 2003.

Query No	RFP Section			Bidders Query
	No.	Name	Text requiring clarification	

5.2. A single query list only shall be accepted from a bidder. The queries must reach the designated office of AERA by the scheduled time. AERA, may decide not to have the Pre-Bid conference if it is able to resolve the queries otherwise. In such a case the clarifications shall be sent to the Applicants electronically or posted on the “AERA Corner” in the website of the Ministry of Civil Aviation ([www.civilaviation.nic.in](http://www.civilaviation.nic.in)). During the course of Pre-Bid conference, the Bidders will be free to seek clarifications and make suggestions for consideration of the AERA. AERA shall endeavor to provide clarifications and such further information as it may, in its sole discretion, consider appropriate for facilitating a fair, transparent and competitive Bidding Process.

## 6. Number of Proposals

Each Applicant shall submit only 1 (one) proposal in response to this RFP. An Applicant who submits more than one proposal shall be disqualified.

## 7. Bid Security

7.1. The Applicant shall submit, along with their bids a **Bid Security of Rupees Ten Lakhs only in the form of a Demand Draft** issued by a Nationalised Bank in India in favour of the “**PAO, Secretariat, Ministry of Civil Aviation**” payable at New Delhi. Bid Security in any other form shall not be entertained. The bid security shall be returnable not later than 30 (thirty) days from the proposal due date, except in case of the two highest ranked Applicants as required in Clause 21.1. In the event that the first ranked Applicant commences the assignment as required in Clause 21.5, the second ranked Applicant, who has been kept in reserve, shall be returned its Bid Security forthwith, but in any case not later than 120 (one hundred and twenty) days from proposal due date. The Selected Applicant’s Bid Security shall be returned, upon the Applicant signing the Agreement and completing the Deliverables assigned to it for the first 2 (two) months of the Consultancy in accordance with the provisions thereof.

7.2. Any proposal not accompanied by the Bid Security shall be rejected by the AERA as non-responsive.

7.3. AERA shall not be liable to pay any interest on the Bid Security and the same shall be interest free.

7.4. The Applicant, by submitting its proposal pursuant to this RFP, shall be deemed to have acknowledged that without prejudice to AERA's any other right or remedy hereunder or in law or otherwise, the Bid Security shall be forfeited and appropriated by AERA as the mutually agreed pre-estimated compensation and damage payable to AERA for, *inter alia*, the time, cost and effort of AERA in regard to the RFP including the consideration and evaluation of the Proposal under the following conditions:

- (a) If an Applicant submits a non-responsive Proposal;
- (b) If an Applicant withdraws its Proposal during the period of its validity as specified in this RFP and as extended by the Applicant from time to time;
- (d) In the case of the Selected Applicant, if the Applicant fails to reconfirm its commitments during negotiations as required vide Clause 21.1;
- (e) In the case of a Selected Applicant, if the Applicant fails to sign the Agreement or commence the assignment as specified in Clauses 21.4 and 21.5 respectively; or
- (f) If the Applicant is found to have a Conflict of Interest as specified in Clause 14.

## 8. Selection Process

AERA would adopt a two stage selection process (collectively the “**Selection Process**”) in evaluating the Proposals comprising technical and financial bids to be submitted in two separate sealed envelopes. In the first stage, a technical evaluation shall be carried out as specified in Clause 19.7. Based on this technical evaluation, a list of short-listed applicants shall be prepared whose financials bids shall be opened for final selection of the Applicant. The first ranked Applicant shall be selected for negotiation (the “**Selected Applicant**”) while the second ranked Applicant shall be kept in reserve.

## 9. Composition of the team

### 9.1. Key Personnel

The Applicant shall be required to offer a team of key personnel to carry out the assignment. The team shall consist of the following key personnel for discharge of responsibilities as specified below:

Key Personnel	Responsibilities
Team Leader	Will lead, co-ordinate and supervise the team for the Consultancy and shall be responsible for the of services mentioned at para 2.
Sector Experts (atleast 4 experts)	The sector experts will bring in aviation sector experience, including Airport Economics, Finance, Legal, Institutional and MIS to the team and be responsible individually for work relating to their respective field of expertise.

The composition of the team should be adequate to ensure that prerequisite skills are available to provide all the outputs required from the assignment within the timeframe prescribed.

## 10. Eligibility Criteria

### 10.1. Conditions of Eligibility

10.1.1. In order to be eligible to submit the RFP, an Applicant should have participated as a Consultant in any one of the following projects/assignments:

- i. Assisted and/or advised in the capacity building or setting up of a Regulatory Authority;
- ii. Assisted a minimum of 2 Regulatory Authorities in any infrastructure sector in preparing multi-year tariff regulations, tariff reviews or tariff fixation;
- iii. Assisted a minimum of 2 Regulatory Authorities in any infrastructure sector in evaluation of multi-year tariff petitions or submissions and fixation of tariffs;

10.1.2. An applicant who has participated as a Consultant in any of the above projects or assignments specifically relating to the airport infrastructure or air navigation service sector shall be given preference.

10.1.3. The Applicant should have received a minimum income of Rs. 30 crores per annum under the head of professional fees during each of the last three financial years. For avoidance of doubt, professional fees hereunder refers to fees received by the Applicant for providing advisory or consultancy services to its clients. (Refer Appendix-I, Form- 5)

10.1.4. Availability of Key Personnel: The proposed Team Leader and Sector Experts must be the employees of the Applicant or any of the Consortium members (in case the Application is made by a Lead Member on behalf of a Consortium). It shall offer the services of only those Key Personnel who fulfil the eligibility requirements specified in the table given at clause 10.1.5.

10.1.5. Eligibility criteria for Key Personnel: Each of the Key Personnel must fulfil the eligibility criteria specified here in below:

Key Personnel	Length of Professional Experience	Experience in Eligible Assignments
Team Leader	20 years	<p>The Team Leader should have sound understanding and experience (which may include operational experience) of the legal, economic and regulatory framework governing the airport and air navigation service sector in India and abroad or other infrastructure sectors.</p> <p>He should have participated in the process of assisting or advising at least two regulatory authorities on capacity building; or preparing multiyear tariff regulations; or tariff reviews; or tariff fixation; or evaluation of multiyear tariff petitions /submissions;</p>

		Preference shall be given to those who have participated in any of the above assignments specifically relating to the airport infrastructure or air navigation service sector.
<b>Sector Experts</b>		
Airport Expert	7 years	The airport expert should have sound understanding of all the operational aspects of airports and air navigation services in India with hands-on experience of at least 2 years in managing airports or air navigation services.
Financial Expert	7 years	The financial expert should have experience in the financial analysis of public, private and PPP projects in the airport infrastructure and /or air navigation service sector as well as across other infrastructure sectors. Preference shall be given to experts who have assisted regulatory / regulated entities in reviewing tariff applications/ making tariff submissions.
Institutional Expert	7 years	The Institutional expert should have expertise in setting up/ review/ strengthening/ restructuring of government supported statutory/ autonomous bodies and experience in manpower assessment/ planning. Preference shall be given to experts who have participated in assignments specifically relating to the assessment of manpower planning for regulatory authorities in India.
Legal Expert	7 years	The legal expert should have experience in legal due diligence and drafting of various legally binding documents such as rules and regulations. Preference shall be given to experts who have participated in similar assignments specifically relating to a regulatory authority in India.

10.1.6. The Applicant shall enclose with the Technical proposal, a certificate issued by its Statutory Auditors stating its year wise income against the professional fee during the past three years in the format prescribed at Form 5, Appendix I.

10.1.7. A person/entity barred from participating in any project/assignment by the Central Government or any State Government or by any other authority under the direct or indirect control of Government, shall not be eligible to submit a proposal provided such bar is still subsisting

10.1.8. An Applicant, in the last three years, must not have failed to perform on any agreement and/or contract by way of an imposition of a penalty/damages by an arbitral award or any other judicial pronouncement. The Applicant must not have either been expelled from any project or faced any termination of the agreement/contract for being held responsible for its breach.

## **11. Preparation and Submission of the Proposal**

### **11.1. Language**

The Proposal with all accompanying documents (the “Documents”) and all communications in relation to or concerning the Selection Process shall be in English language and strictly on the forms provided in this RFP. No supporting document or printed literature shall be submitted with the Proposal unless specifically asked for and in case any of these Documents is in another language, it must be accompanied by an accurate translation of the relevant passages in English, duly authenticated and certified by the Applicant. For the purpose of interpretation and evaluation of the Proposal, the translation in English shall prevail.

### **11.2. Format and signing of Proposal**

11.2.1. The Applicant shall provide all the information sought under this RFP. AERA would evaluate only those Proposals that are received in the specified forms and complete in all respects.

11.2.2. The Applicant shall prepare one original set of the Technical Proposal (together with originals/ copies of Documents required to be submitted along therewith pursuant to this RFP) and clearly marked “ORIGINAL”. In addition, the Applicant shall submit 2 (two) copies of the Technical Proposal, along with documents, marked “COPY”. In the event of any discrepancy between the original and its copies, the original shall prevail. It is clarified that the Technical Proposal marked “ORIGINAL” only shall be considered for the purpose of scrutiny and evaluation.

11.2.3. The Proposal marked “ORIGINAL” shall be typed or written in indelible ink and signed by the authorised signatory of the Applicant who shall initial each page, in blue ink. In case of printed and published Documents, only the cover shall be initialled. All the alterations, omissions, additions, or any other amendments made to the Proposal shall be initialled by the person(s) signing the Proposal. The Proposals must be properly signed by the authorised representative (the “Authorised Representative”) as detailed below:

- (a) by the proprietor, in case of a proprietary firm; or
- (b) by a partner, in case of a partnership firm and/or a limited liability partnership; or
- (c) by a duly authorised person holding the Power of Attorney, in case of a Limited Company or a corporation; or
- (d) by the authorised representative of the Lead Member, in case of consortium.

11.2.4. A copy of the Power of Attorney certified under the hands of a partner or director of the Applicant and notarised by a notary public in the form specified in Appendix-I (Form- 4) shall accompany the Proposal.

11.2.5. Applicants should note the Proposal Due Date, as specified in Clause 15 for submission of Proposals. Except as specifically provided in this RFP, no supplementary material will be entertained by AERA, and that evaluation will be

carried out only on the basis of Documents received by the closing time of Proposal Due Date as specified in

11.2.6. Applicants will ordinarily not be asked to provide additional material information or documents subsequent to the date of submission, and unsolicited material if submitted will be summarily rejected. For avoidance of doubts, AERA reserves the right to seek clarifications under and in accordance with the provisions of Clause 18.

## **12. Technical Proposal**

12.1.1. Applicants shall submit the technical proposal in the formats at Appendix-I (the “**Technical Proposal**”). While submitting the Technical Proposal, the Applicant shall, in particular, ensure that:

- a) All forms are submitted in the prescribed formats and are signed by the prescribed signatories;
- b) The Bid Security is provided as per Clause 7;
- c) Power of Attorney as specified in Form-4, Appendix-I, is executed as per Applicable Laws;
- d) CVs of all Key Personnel have been included;
- e) Key Personnel have been proposed only if they meet the Conditions of Eligibility laid down at Clause 10.1.4 and 10.1.5 of the RFP;
- f) No alternative proposal for any Key Personnel is being made and only one CV for each position has been furnished;
- g) the CVs have been signed and dated in blue ink by the respective Personnel and countersigned by the Applicant. Photocopy or unsigned /countersigned CVs shall be rejected;
- h) the CVs shall contain an undertaking from the respective Key Personnel about his/her availability for the duration specified in the RFP;
- i) Key Personnel proposed have good working knowledge of English language;
- j) Key Personnel would be available for the entire period of the assignment including the Hand holding period.
- k) no Key Personnel should have attained the age of 75 (seventy five) years at the time of submitting the proposal; and
- l) the proposal is responsive in terms of Clause 19.3

12.1.2. Failure to comply with the requirements spelt out in this Clause 12.1.1 shall make the Proposal liable to be rejected.

12.1.3. If an individual Key Personnel makes a false averment regarding his qualification, experience or other particulars, or his commitment regarding availability for the Project is not fulfilled at any stage after signing of the Agreement, he shall be liable to be debarred for any future assignment of AERA for a period of 5 (five) years. The award of this consultancy to the Applicant may also be liable to cancellation in such an event.

12.1.4. The Technical Proposal shall not include any financial information relating to the Financial Proposal.

12.1.5. The AERA reserves the right to verify all statements, information and documents, submitted by the Applicant in response to the RFP. Any such verification or the lack of such verification by the AERA to undertake such verification shall not relieve the Applicant of its obligations or liabilities hereunder nor will it affect any rights of the AERA thereunder.

12.1.6. In case it is found during the evaluation or at any time before signing of the Agreement or after its execution and during the period of subsistence thereof, that one or more of the eligibility conditions have not been met by the Applicant or the Applicant has made material misrepresentation or has given any materially incorrect or false information, the Applicant shall be disqualified forthwith if not yet appointed as the Consultant either by issue of the Letter of Award (LOA) or entering into of the Agreement, and if the Selected Applicant has already been issued the LOA or has entered into the Agreement, as the case may be, the same shall, notwithstanding anything to the contrary contained therein or in this RFP, be liable to be terminated, by a communication in writing by AERA without AERA being liable in any manner whatsoever to the Applicant or Consultant, as the case may be.

12.1.7. In such an event, the AERA shall forfeit and appropriate the Bid Security as mutually agreed pre-estimated compensation and damages payable to the AERA for, *inter alia*, time, cost and effort of AERA, without prejudice to any other right or remedy that may be available to AERA.

### **13. Submission of Proposal**

13.1. The Applicants shall submit the Proposal in hard bound form with all pages numbered serially and by giving an index of submissions. Each page of the submission shall be initialled by the Authorised Representative of the Applicant as per the terms of the RFP.

13.2. In case the proposal is submitted on the document down loaded from Official Website, the Applicant shall be responsible for its accuracy and correctness as per the version uploaded by the AERA and shall ensure that there are no changes caused in the content of the downloaded document. In case of any discrepancy between the downloaded or photocopied version of the RFP and the original RFP issued by AERA, the latter shall prevail.

13.3. The Proposal shall be sealed in an outer envelope which should bear the address of the AERA, RFP Number, Consultancy Name, Name and address of the Applicant. If the envelope is not sealed and marked as instructed herein, AERA assumes no responsibility for the misplacement or premature opening of the contents of the Proposal submitted and consequent losses, if any, suffered by the Applicant.

13.4. The aforesaid outer envelope should contain two separate sealed envelopes, one clearly marked '**Technical Proposal**' and the other clearly marked '**Financial Proposal**'.

13.4.1. The envelope marked "**Technical Proposal**" shall contain:

- (i) Application in the prescribed format (Form-1 of Appendix-I) along with all Forms 2 to 10 of Appendix-I and supporting documents; and

- (ii) Bid security as specified in Clause 7.

13.4.2. The envelope marked “**Financial Proposal**” shall contain the financial proposal in the prescribed format (Forms 1 and 2 of Appendix-II).

13.5. The Technical Proposal and Financial Proposal shall be typed or written in indelible ink and signed by the Authorised Representative of the Applicant. All pages of the Technical Proposal (marked ‘ORIGINAL’) and Financial Proposal must be numbered and initialled by the person or persons signing the Proposal.

13.6. The completed Proposal must be delivered on or before the specified time on Proposal Due Date. Proposals submitted by fax, telex, telegram or e-mail shall not be entertained. The Proposal shall be made in the Forms specified in this RFP. Any attachment to such Forms must be provided on separate sheets of paper and only information that is directly relevant should be provided. This may include photocopies of the relevant pages of printed documents. No separate documents like printed annual statements, company brochures, copy of contracts etc. will be entertained.

#### **14. Conflict of Interest**

14.1. AERA requires the Consultant to provide professional, objective and impartial advice and at all times hold AERA’s interests paramount and avoid conflict of interest with any other assignment. Without limitation on the generality of conflict of interest the Consultant or any of their associates shall not take up any assignment that by its nature will result in conflict with present assignment.

14.2. Any Applicant found to have a Conflict of Interest shall be disqualified. In the event of disqualification, AERA shall forfeit and appropriate the Bid Security as mutually agreed genuine pre-estimated compensation and damages payable to the AERA for, *inter alia*, the time, cost and effort of AERA including consideration of such Applicant’s Proposal, without prejudice to any other right or remedy that may be available to the AERA hereunder or otherwise.

#### **15. Proposal Due Date**

The Proposal should be submitted at or before **1600 hrs (IST) on Thursday, the 29<sup>th</sup> October 2009** at the designated address in the manner and form as detailed in this RFP. AERA may, in its sole discretion, extend the Proposal Due Date by issuing an Addendum.

#### **16. Late Proposals**

Proposals received by AERA after the specified time on Proposal Due Date shall not be eligible for consideration and shall be summarily rejected.

#### **17. Modification/ substitution/ withdrawal of Proposals**

17.1. The Applicant may modify, substitute, or withdraw its Proposal after submission, provided that written notice of the modification, substitution, or withdrawal is received by AERA prior to Proposal Due Date. No Proposal shall be modified, substituted, or withdrawn by the Applicant on or after the Proposal Due Date.



Date. The modification, substitution, or withdrawal notice shall be prepared, sealed, marked, and delivered in accordance with Clause 13, with the envelopes being additionally marked “**MODIFICATION**”, “**SUBSTITUTION**” or “**WITHDRAWAL**”, as appropriate.

17.2. Any alteration / modification in the Proposal or additional information or material supplied subsequent to the Proposal Due Date, unless the same has been expressly sought for by AERA, shall be disregarded.

## **18. Clarifications**

18.1. To facilitate evaluation of Proposals, AERA may, at its sole discretion, seek clarifications from any Applicant regarding its Proposal. Such clarification(s) shall be provided within the time specified by AERA for this purpose. Any request for clarification(s) and all clarification(s) in response thereto shall be in writing.

18.2. If an Applicant does not provide clarifications sought under Clause 18.1 above within the specified time, its Proposal shall be liable to be rejected. In case the Proposal is not rejected, AERA may proceed to evaluate the Proposal by construing the particulars requiring clarification to the best of its understanding, and the Applicant shall be barred from subsequently questioning such interpretation of the AERA.

## **19. Evaluation Process**

19.1. Evaluation of Proposals – The Proposals shall be opened at 1630 hours on the Proposal Due Date, at **Room No.1, New Administrative Block, Safdarjung Airport, New Delhi 110 003**, in the presence of the Applicants who choose to attend. The envelopes marked “**Technical Proposal**” shall be opened first. The envelopes marked “**Financial Proposal**” shall be kept sealed for opening at a later date.

19.2. Proposals for which a notice of withdrawal has been submitted in accordance with Clause 17 shall not be opened.

19.3. Prior to evaluation of Proposals, AERA shall determine whether each Proposal is responsive to the requirements of the RFP. AERA may, reject any Proposal that is not responsive hereunder. A Proposal shall be considered responsive only if:

- a) the Technical Proposal is received in the form specified at Appendix-I, with three Copies, one marked “**ORIGINAL**” and two marked as “**COPY**”;
- b) it is received by the Proposal Due Date including any extension thereof pursuant to Clause 15;
- c) it is accompanied by the Bid Security as specified in Clause 7.
- d) it is signed, sealed, bound together in hard cover and marked as stipulated in Clauses 11.2 and 13;
- e) it is accompanied by the Power of Attorney as specified in Form-4, Appendix-I;
- f) it contains all the information (complete in all respects) as requested in the RFP;
- g) it does not contain any condition or qualification; and

h) it is not non-responsive in terms hereof.

19.4. AERA reserves the right to reject any Proposal which is non-responsive and no request for alteration, modification, substitution or withdrawal shall be entertained by AERA in respect of such Proposals.

19.5. AERA shall subsequently examine and evaluate each of the proposal. The technical evaluation of the proposals shall be done on 3<sup>rd</sup> November' 2009 after the presentation to be made by the Applicant(s) on the Approach and Methodology. The presentation shall be held in the Board Room, IIIrd floor, 'A' Wing, Rajiv Gandhi Bhawan, Safdarjung, New Delhi 110 003, on 3<sup>rd</sup> November 2009 from 0930 hours onwards.

#### **19.6. Team Composition and Experience of Key professionals /Experts**

19.6.1. The score for the experience of the Applicant in participating or assisting or advising in any of the assignment/ projects mentioned at clause 10.1.1 shall be 30 marks. The Applicant shall provide details of the experts proposed to be deployed together with the time/ duration for the proposed assignment. Applicants, who offer to provide more than one expert for one or more sectors, shall clearly specify the sector expert who should be evaluated for the purpose of Technical Evaluation. Such Applicant, if successful, shall be bound to provide the services of the additional sector expert(s) to AERA at no additional cost or liability whatsoever. However, in no case, not more than one person should be proposed as the Team Leader.

19.6.2. The team of experts proposed to be deployed shall be available to AERA in continuity until successful completion of the hand holding support period. The Curriculum Vitae (CV) of each expert proposed to be deployed for the assignment shall be given along with the duration proposed for this assignment.

19.6.3. AERA would evaluate each member proposed to be deployed based on their qualifications, experience etc, and assign score for every applicant based on its evaluation as under:

One Team Leader	12
Four Sector Experts	35 (8.75 each)
Total	47 marks

Weightages for evaluation of the above shall be as under:

For Educational Qualification	25%
Relevant Experience	75%

(Participation in projects/ assignments specifically relating to the aviation sector would be given preference and higher weightage).

19.6.4. The score for the financial strength shall be 3 marks. The score for Approach and Methodology and presentation by the Authorised Signatory and/or the Team Leader and Sector Experts shall be 20 marks. The presentation shall be made by the Authorised Signatory and/or the Team Leader, when at least one of the Sector Experts

would be required to be available. The presentation should clearly bring out the understanding of the Applicant with regard to the requirements of AERA and concisely present the approach and methodology proposed to be followed for the successful completion of the assignment. The presentation should, normally, not exceed a time limit of twenty minutes. The presentation shall be held on Tuesday, 3rd November 2009 from 0930 hrs onwards in the Seminar Hall,, IIIrd Floor, “A” Wing, Rajiv Gandhi Bhawan, Safdarjung, New Delhi 110 003.

## 19.7. Technical Proposal Evaluation

19.7.1. The Technical Proposals shall be examined by the AERA to determine whether the bids received are responsive in terms of the requirements stipulated based on the evaluation criteria below:

	Criteria	Wt	Marks
<b>A</b>	<b>Experience of the Consulting Firm</b>		<b>30</b>
1	Assisting / advising in the capacity building / setting up of a Regulatory Authority	30%	9
2	Assisting at least 2 Regulatory Authorities in any infrastructure sector in preparing multi-year tariff regulations, Tariff reviews or Tariff fixation	20%	6
3	Assisting at least 2 Regulatory Authorities in any infrastructure sector in evaluation of multi-year tariff petitions /submissions and fixation of tariffs;	20%	6
4	Participation in any of the above projects/ assignments specifically relating to the airport infrastructure or air navigation service sector	30%	9
	Proportionate higher score will be awarded based on the number of successful assignments completed / participated in each of the above category and on the basis of scope / content of such assignments.		
<b>B</b>	<b>Qualification and Experience of Team Leader</b>		<b>12</b>
1	Educational Qualification	16.67%	2
2	Relevant Experience /participation in the process of assisting / advising Regulatory Authorities On Capacity building, preparing multi year tariff regulations, evaluation of multi year tariff petitions/ submissions;	50%	6
3	Participation in any of the above projects/ assignments specifically relating to the Aviation Sector	33%	4
<b>C</b>	<b>Qualification and Experience of Sector Experts</b> Educational Qualification and Relevant Experience -(Edu.Qual-25% and Experience 75%)		<b>35</b>
1	- Airport Expert	25%	8.75
2	- Institutional Expert	25%	8.75
3	- Finance Expert	25%	8.75
4	- Legal Expert	25%	8.75
<b>D</b>	<b>Financial Strength</b>		<b>3</b>
1	Professional fees received is more than Rs.30 crores in each of the last three years	16.67%	0.5
2	Professional fees received is more than Rs.30 crores but less than Rs.60 crores in each of the last three years	33%	1
3	Professional fees received is more than Rs.60 crores in each of the last three years	50%	1.5
<b>E</b>	<b>Approaches and Methodology and Presentation</b> The presentation shall be made by the Authorised Signatory and/or the Team Leader when at least one of the Sector Experts should be required to be available. The presentation should clearly bring out the understanding of		<b>20</b>

	<b>Criteria</b>	<b>Wt</b>	<b>Marks</b>
	the Applicant with regard to the requirements of AERA and concisely present the approach and methodology proposed to be followed for the successful completion of the assignment. The presentation should, normally, not exceed a time limit of twenty minutes.		
	<b>Total Technical Score</b>		<b>100</b>

19.7.2. The total technical score would be an arithmetic sum of scores obtained by the Applicant for each of the parameter indicated above viz. experience of the Applicant, qualification of and relevant experience of the Team Leader and Sector experts, financial strength and approach methodology proposed by the applicant etc. The maximum achievable total technical score for any applicant would be 100 marks. A minimum of 70 marks is necessary for qualifying in the Technical Bid. The Applicants would be ranked based on the technical score obtained.

19.7.3. If more than three Applicants secure the minimum score of 70, the first three ranked applicants shall be qualify for opening the financial bids. In case the number of applicants who secure the minimum score of 70 is less than three, then the financial bids of all such applicants who secure the minimum score shall be opened. In case, no applicant secures the minimum qualifying score of 70 marks, the AERA may, in its sole discretion, pre-qualify the first three ranked applicant(s), even though their technical score is less than 70 marks.

19.7.4. Financial bids of the firms who do not qualify shall be returned, unopened.

19.7.5. After the technical evaluation, AERA shall prepare a list of the shortlisted Applicants for opening of their Financial Bid. A date, time and venue will be notified to the shortlisted Applicants for announcing the result of evaluation and opening of Financial Proposals. Before opening of the Financial Proposals, the Technical Score of the shortlisted Applicants shall be read out. The opening of Financial Bids/Proposals shall be done in presence of representatives of the shortlisted Applicants who choose to be present. AERA will not entertain any query or clarification from Applicants who fail to qualify at any stage of the Selection Process.

19.7.6. Applicants are advised that selection of the successful applicant will be entirely at the discretion of the AERA. Applicants will be deemed to have understood and agreed that no explanation or justification on any aspect of the Selection Process or Selection will be given. Any information contained in the Proposal shall not in any way be construed as binding on the AERA, its agents, successors or assigns, but shall be binding against the Applicant if the Consultancy is subsequently awarded to it.

## **19.8. Financial Proposal**

19.8.1. The Applicants shall submit the Financial Proposal in the formats at Appendix-II, Form 1 clearly indicating the total cost of the Consultancy assignment in both figures and words, in Indian Rupees, and signed by the Applicant's authorised signatory. In the event of any difference between figures and words, the amount indicated in words shall be considered for evaluation. In the event of a difference

between the arithmetic total and the total shown in the Financial Bid, the lower of the two shall be taken into account. While submitting the Financial Bid, the Applicant shall ensure the following:

(i) The lump sum professional fee quoted in the Financial Bid shall be inclusive of all costs associated with the assignment and shall cover remuneration for all the Personnel, accommodation, air fare, equipment, printing of documents, surveys etc. The Financial Bid shall be unconditional, unqualified and shall be final and binding.

(ii) The lump sum professional fee quoted in the Financial Bid shall be inclusive of all statutory tax liabilities and expenses. Further, all payments shall be subject to deduction of taxes at source as per applicable laws.

19.8.2. The shortlisted Applicant whose financial bid is found to be the lowest shall be selected as Consultant.

19.8.3. The selected Consultant shall be paid professional fees for the services which shall be linked to milestone achievements as indicated below:

<b>Milestone</b>	<b>Description of Deliverables</b>	<b>Months (from award date)</b>	<b>% of the professional fee payable</b>
1	Draft Report on 2(i) and 2 (ii)	2	20%
2	Final Report on 2(i) and 2 (ii) after 2 (iii)	3	20%
3	Formulation of legally binding document(s) with rules and regulations as per 2 (iv)	4	20%
4	Handholding Support period	16	40%

Note:

- The payment during the handholding period shall be made in two instalments. First instalment shall be payable on satisfactory completion of six months of the hand holding period and the second instalment shall be payable on successful completion of the entire handholding period.*

## **20. Confidentiality**

Information relating to the examination, clarification, evaluation, and recommendation for the selection of Applicants shall not be disclosed to any person who is not officially concerned with the process or is not a retained professional adviser advising the AERA in relation to matters arising out of, or concerning the Selection Process. AERA will treat all information, submitted as part of the Proposal, in confidence and will require all those who have access to such material to treat the same in confidence. AERA may not divulge any such information unless it is directed to do so by any statutory entity that has the power under law to require its disclosure or is to enforce or assert any right or privilege of the statutory entity and/or the Authority.

## **21. Appointment of Consultant**

### **21.1. Negotiations**

21.1.1. The Selected Applicant may, if necessary, be invited by AERA for negotiations. The negotiations could be for reducing the price of the Proposal and for re-confirming the obligations of the selected Applicant under this RFP. Issues such as deployment of Key Personnel, understanding of the RFP, methodology and quality of the work plan may be discussed during negotiations. In case the Selected Applicant fails to reconfirm its commitment, AERA reserves the right to designate the next ranked Applicant as the Selected Applicant and invite it for negotiations.

### **21.2. Substitution of Key Personnel**

21.2.1. AERA will not normally consider any request of the Selected Applicant for substitution of Key Personnel as the ranking of the Applicant is based on the evaluation of Key Personnel and any change therein may upset the ranking. Substitution will, however, be permitted if the Key Personnel is not available for reasons of any incapacity or due to health, subject to equally or better qualified and experienced personnel being provided to the satisfaction of AERA.

21.2.2. AERA expects all the Key Personnel to be available during implementation of the Agreement. AERA will not consider substitution of Key Personnel except for reasons of any incapacity or due to health. Such substitution shall ordinarily be limited to one Key Personnel subject to equally or better qualified and experienced personnel being provided to the satisfaction of the Authority.

21.2.3. Substitution of the Team Leader will not normally be considered and may lead to disqualification of the Applicant or termination of the Agreement

### **21.3. Award of Consultancy**

After selection, a Letter of Award (the “LOA”) shall be issued, in duplicate, by the AERA to the Selected Applicant and the Selected Applicant shall, within 7 (seven) days of the receipt of the LOA, sign and return the duplicate copy of the LOA in acknowledgement thereof. In the event the duplicate copy of the LOA duly signed by the Selected Applicant is not received by the stipulated date, AERA may, unless it consents to extension of time for submission thereof, appropriate the Bid Security of such Applicant as mutually agreed genuine pre-estimated loss and damage suffered by AERA on account of failure of the Selected Applicant to acknowledge the LOA, and the next highest ranking Applicant may be considered.

### **21.4. Execution of Agreement**

After acknowledgement of the LOA as aforesaid by the Selected Applicant, it shall execute the Agreement within fifteen days. The Selected Applicant shall not be entitled to seek any deviation in the Agreement.

### **21.5. Commencement of assignment**

The Selected Applicant shall commence the Consultancy services within 7 (seven) days of the date of the Agreement, or such other date as may be mutually agreed. If the Selected Applicant fails to either sign the Agreement as specified in Clause 21.4 or commence the assignment as specified herein, AERA may invite the second ranked Applicant for negotiations. In such an event, the Bid Security of the first ranked Applicant shall be forfeited and appropriated in accordance with the provisions of Clause 7.

### **21.6. Proprietary data**

Subject to the provisions of Clause 20, all documents and other information provided by the AERA or submitted by an Applicant to AERA shall remain or become the property of the AERA. Applicants are to treat all information as strictly confidential. AERA will not return any Proposal or any information related thereto. All information collected, analysed, processed or in whatever manner provided by the Applicants/ Selected Applicant to the AERA in relation to the Consultancy shall be the property of AERA.

## **22. Liquidated Damages and Penalties**

### **22.1. Corporate Guarantee**

The Selected Applicant, shall furnish a Corporate Guarantee or Bank Guarantee equal to 10% of the value of the Contract.

### **22.2. Performance Security**

AERA shall retain by way of performance security, 10% (ten percent) of all the amounts due and payable to the Consultant, to be appropriated against breach of contract or for recovery of liquidated damages as specified in Clause 22.3 herein. The balance remaining out of the Performance Security shall be returned to the Consultant at the end of three months after the expiration of the hand holding period. The Consultant may, in lieu of retention of the amounts as referred above, furnish a Bank Guarantee.

### **22.3. Liquidated Damages for error/variation**

In case any error or variation is detected in the reports submitted by the Consultant and such error or variation is the result of negligence or lack of due diligence on the part of the Consultant, the consequential damages thereof shall be quantified by AERA in a reasonable manner and recovered from the Consultant by way of liquidated damages, subject to a maximum of 5% (five percent) of the total value of the contract.

### **22.4. Liquidated Damages for delay**

In case of delay in completion of the work as specified in the delivery schedule, the consultant shall be liable to pay liquidated damages not exceeding an amount equal to 0.5% (zero point five percent) of the total value of the contract per day, subject to a maximum of 5% (five percent) of the total value of the contract. However, in the event

of delay caused due to reasons beyond the control of the Consultant, AERA may, in its sole discretion, consider granting of appropriate extension of time.

**22.5. Penalty for deficiency in Services**

In addition to the liquidated damages not amounting to penalty, as specified in Clauses above, the Consultant may be censured and / or debarred for deficiencies on its part.

**23. Validity of the Proposal**

The Request For Proposal shall be valid for a period of **90 days** from the proposal due date.

**24. Right to reject any or all Proposals**

Notwithstanding anything contained in this RFP, AERA reserves the right to accept or reject any Proposal, and to annul the selection process and reject all Proposals at any time prior to award of contract, without assigning any reason and without incurring any liability, whatsoever, to the bidder(s).

**25. Designated Office**

**Secretary**

**Airports Economic Regulatory Authority of India**

Government of India,

Room # 58, 'B' Wing,

Rajiv Gandhi Bhawan.

Safdarjung,

New Delhi - 110 003

Tel: +91 11 2461 6025

Fax: +91 11 2465 6214

Email – sandeep.moca@nic.in



# APPENDICES

**TECHNICAL BID**

**Letter of Proposal**

(On Applicant's letter head)

(Date and Reference)

To,

\*\*\*\*\*  
\*\*\*\*\*  
\*\*\*\*\*

Sub: Appointment of Consultant for Structuring and Operationalising of AERA

Dear Sir,

With reference to your RFP Document dated ....., I/we, having examined all relevant documents and understood their contents, hereby submit our proposal for selection as Consultant for Structuring and Operationalising of AERA. The proposal is unconditional and unqualified.

2. All information provided in the proposal and in the Appendices is true and correct and all documents accompanying such proposal are true copies of their respective originals.

3. This statement is made for the express purpose of appointment as the Consultant for the aforesaid assignment.

4. I/We shall make available to the AERA any additional information it may deem necessary or require for supplementing or authenticating the Proposal.

5. I/We acknowledge the right of the AERA to reject our proposal without assigning any reason or otherwise and hereby waive our right to challenge the same on any account whatsoever.

6. I/We certify that in the last three years, we/ any of the consortium members have neither failed to perform on any contract, as evidenced by imposition of a penalty by an arbitral or judicial authority or a judicial pronouncement or arbitration award against the Applicant, nor been expelled from any assignment or contract nor have had any contract terminated for breach on our part.

7. I/We declare that:

(a) I/We have examined and have no reservations to the RFP Documents, including any Addendum issued by the AERA;

(b) I/We do not have any conflict of interest in accordance with Clause 14 of the RFP Document;

(c) I/We have not directly or indirectly or through an agent engaged or indulged in any corrupt practice, fraudulent practice, coercive practice, undesirable practice or restrictive practice, in respect of any tender or request for proposal issued by or any agreement entered into with the AERA or any other public sector enterprise or any government, Central or State; and

(d) I/We hereby certify that we have taken steps to ensure that no person acting for us or on our behalf will engage in any corrupt practice, fraudulent practice, coercive practice, undesirable practice or restrictive practice.

8. I/We understand that you may cancel the selection process at any time and that you are neither bound to accept any Proposal that you may receive nor to select the Consultant, without incurring any liability to the Applicants in accordance with Clause 24 of the RFP document.

9. I/We declare that we/any member of the consortium, are/is not a Member of a/any other Consortium applying for selection as a Consultant.

10. I/We certify that in regard to matters other than security and integrity of the country, we have not been convicted by a Court of Law or indicted or adverse orders passed by a regulatory authority which would cast a doubt on our ability to undertake the Consultancy for the Project or which relates to a grave offence that outrages the moral sense of the community.

11. I/We further certify that in regard to matters relating to security and integrity of the country, we have not been charge-sheeted by any agency of the Government or convicted by a Court of Law for any offence committed by us or by any of our Associates.

12. I/We further certify that no investigation by a regulatory authority is pending either against us or against our Associates or against our CEO or any of our Directors/Managers/ employees.

13. I/We hereby irrevocably waive any right or remedy which we may have at any stage at law or howsoever otherwise arising to challenge or question any decision taken by the Authority in connection with the selection of Consultant or in connection with the selection process itself in respect of the above mentioned assignment.

14. The Bid Security of Rs. 10,00,000/- (Rupees Ten Lakhs only) in the form of a Demand Draft, from a Nationalised Bank in India, is attached, in accordance with the RFP document.

15. I/We agree and understand that the proposal is subject to the provisions of the RFP document. In no case, shall I/we have any claim or right of whatsoever nature if the Consultancy for the assignment is not awarded to me/us or our proposal is not opened or rejected.

16. I/We agree to keep this offer valid for 90 (ninety) days from the proposal due date as per clause 23 of the RFP.

17. A Power of Attorney in favour of the authorised signatory to sign and submit this proposal and documents is attached herewith in Form 4.

18. In the event of my/our firm/ company/ corporation/ consortium being selected as the Consultant, I/we agree to enter into an Agreement with AERA for carrying out the assignment as set out in the RFP.

19. The Financial Bid is being submitted in a separate cover. This Technical Bid read with the Financial Bid shall constitute the Application which shall be binding on us.

20. I/We have studied RFP carefully and understand that except to the extent as expressly set forth in the RFP we shall have no claim, right or title arising out of any documents or information provided to us by AERA or in respect of any matter arising out of or concerning or relating to the selection process including the award of Consultancy.

21. I/We agree and undertake to abide by all the terms and conditions of the RFP Document. In witness thereof, I/we submit this Bid under and in accordance with the terms of the RFP Document.

Yours faithfully,

(Signature, name and designation of the Authorised Signatory)  
(Name and seal of the Applicant / Lead Member)

**Particulars of the Applicant**

1.1	Title of Consultancy: Consultant for Structuring and Operationalising of AERA
1.2	State whether applying as Sole Firm or Lead Member of a consortium:  Sole Firm  or  Lead Member of a consortium
1.3	State the following: Name of Company or Firm: Legal status (e.g. incorporated private company, unincorporated business, partnership etc.): Country of incorporation: Registered address: Year of Incorporation: Year of commencement of business: Principal place of business:  Brief description of the Company including details of its main lines of business  Name, designation, address and phone numbers of Authorised Signatory of the Applicant: Name: Designation: Company: Address: Phone No.: Fax No. : E-mail address:
1.4	If the Applicant is Lead Member of a consortium, state the following for each of the other Member Firms:  (i) Name of Firm:

	<p>(ii) Legal Status and country of incorporation</p> <p>(iii) Registered address and principal place of business.</p>
1.5	<p>For the Applicant, (in case of a consortium, for each Member), state the following information:</p> <p>(i) In case of non Indian company, does the company have business presence in India? Yes/No If so, provide the office address (es) in India.</p> <p>(ii) Has the Applicant or any of the Members in case of a consortium been penalized by any organization for poor quality of work or breach of contract in the last five years? Yes/No</p> <p>(iii) Has the Applicant/ Member ever failed to complete any work awarded to it by any public authority/ entity in last five years? Yes/No</p> <p>(iv) Has the Applicant or any member of the consortium been blacklisted by any Government department/Public Sector Undertaking in the last five years? Yes/No</p> <p>(v) Has the Applicant or any of the Members, in case of a consortium, suffered bankruptcy/insolvency in the last five years? Yes/No</p> <p><b>DECLARATION:-</b></p> <p><b>It is hereby declared and undertaken that the information contained above from point (ii) to (v) is true and correct my knowledge and nothing material has been concealed there from .</b></p> <p style="text-align: right;">(Signature, name and designation of the Authorised Signatory) For and on behalf of .....</p> <p><b>Note: If answer to any of the questions at (ii) to (v) is yes, the Applicant is not eligible for this consultancy assignment.</b></p>

**Statement of Legal Capacity**  
*(To be forwarded on the letter head of the Applicant)*

Ref. Date:

To,

\*\*\*\*\*  
\*\*\*\*\*

Dear Sir,

Sub: RFP for Structuring and Operationalising of AERA

I/We hereby confirm that we, the Applicant (along with other members in case of consortium), satisfy the terms and conditions laid down in the RFP document.

I/We have agreed that ..... (insert Applicant's name) will act as the Lead Member of our consortium.

I/We have agreed that ..... (insert individual's name) will act as our Authorised Representative/ will act as the Authorised Representative of the consortium on our behalf and has been duly authorized to submit our Proposal.

Further, the authorised signatory is vested with requisite powers to furnish such proposal and all other documents, information or communication and authenticate the same.

Yours faithfully,

(Signature, name and designation of the Authorised Signatory)  
For and on behalf of .....

**Power of Attorney**

Know all men by these presents, we, ..... (name of firm and address of the registered office) do hereby constitute, nominate, appoint and authorise Mr/Ms..... son/daughter/wife and presently residing at ....., who is presently employed with us and holding the position of ..... as our true and lawful attorney (hereinafter referred to as the “Authorised Representative”) to do in our name and on our behalf, all such acts, deeds and things as are necessary or required in connection with or incidental to the submission of our Proposal for selection as the Consultant for Structuring and Operationalising of AERA, including but not limited to signing and submission of all applications, proposals and other documents and writings, participating in pre-bid and other conferences and providing information/ responses to the AERA, representing us in all matters before the AERA, signing and execution of all contracts and undertakings/declarations consequent to acceptance of our proposal and generally dealing with the AERA in all matters in connection with or relating to or arising out of our Proposal for the said Project and/or upon award thereof to us till the execution of appropriate Agreement/s with the AERA.

AND, we do hereby agree to ratify and confirm all acts, deeds and things lawfully done or caused to be done by our said Authorised Representative pursuant to and in exercise of the powers conferred by the instant deed of Power of Attorney and that all acts, deeds and things done by our said Authorised Representative in exercise of the powers hereby conferred shall always be deemed to have been done by us.



IN WITNESS WHEREOF WE, ..... THE ABOVE NAMED PRINCIPAL  
HAVE EXECUTED THIS POWER OF ATTORNEY ON THIS ..... DAY  
OF ....., 20\*\*

For .....  
(Signature, name, designation and address)

Witnesses:

1.

2.

Notarised

Accepted

.....  
(Signature, name, designation and address of the Attorney)

Notes:

*The mode of execution of the Power of Attorney should be in accordance with the procedure, if any, laid down by the applicable law and the charter documents of the executant (s) and when it is so required the same should be under common seal affixed in accordance with the required procedure. The Power of Attorney should be executed on a non-judicial stamp paper of Rs. 50 and duly notarised by a notary public.*

*Wherever required, the Applicant should submit for verification the extract of the charter documents and other documents such as a resolution/power of attorney in favour of the person executing this Power of Attorney for the delegation of power hereunder on behalf of the Applicant.*

*For a Power of Attorney executed and issued overseas, the document will also have to be legalised by the Indian Embassy and notarised in the jurisdiction where the Power of Attorney is being issued. However, Applicants from countries that have signed the Hague Legislation Convention 1961 need not get their Power of Attorney legalised by the Indian Embassy if it carries a conforming Appostille certificate*

**Financial Capacity of the Applicant**  
(Refer Clause 10.1.3 )

<b>S. No.</b>	<b>Financial Year</b>	<b>Professional Fees</b> (figures in INR)
1		
2		
3		

**Certificate from the Statutory Auditor**

This is to certify that .....(name of the Applicant) has received the payments shown above against the respective years on account of professional fees for providing advisory or consultancy services to its clients.

Name of Authorised Signatory:

Designation:

Name of the Audit firm:

(Signature of the Authorised Signatory of the Statutory Auditor)  
Seal of the Firm

**Note:**

1. Please do not attach any printed Annual Financial Statement.
2. In case the Applicant does not have a statutory auditor, it shall provide the certificate from its chartered accountant that ordinarily audits the annual accounts of the Applicant.

**Particulars of Key Personnel**

S.No	Designation of Key Personnel	Name	Educational Qualification	Length of Professional Experience	Present Employment		Experience in eligible assignments	Proposed Deployment of the Key Personnel in the current Assignment
					Name of Firm	Employed Since		
1	Team Leader							
2	Airport Expert							
3	Financial Expert							
4	Institutional Expert							
5	Legal Expert							

### **Proposed Methodology and Work Plan**

The proposed methodology and work plan shall be described as follows:

1. Understanding of Assignment / Project (not more than two pages)

The Applicant shall clearly state its understanding of the Assignment / Project and also highlight its important aspects. The Applicant may supplement various requirements of the assignment/project and also make precise suggestions if it considers this would bring more clarity and assist in achieving the Objectives laid down in the assignment/project.

2. Methodology and Work Plan (not more than three pages)

The Applicant will submit its methodology for carrying out this assignment, outlining its approach toward achieving the objectives of the assignment. The Applicant will submit a brief write up on its proposed team and organisation of personnel explaining how different areas of expertise needed for this assignment have been fully covered by its proposal. In case the Applicant is a consortium, it should specify how the expertise of each firm is proposed to be utilised for this assignment. The Applicant should specify the sequence and locations of important activities, and provide a quality assurance plan for carrying out the Consultancy Services.

Note: Marks will be deducted for writing lengthy and out of context responses

**Experience of the Applicant**  
(Refer Clause 10.1.1)

S.No	Assisting/ advising in the following Assignments	Experience of the Applicant
1	Capacity building or setting up of a Regulatory Authority in any infrastructure sector	
2	Preparing multi-year tariff regulations or Tariff reviews or Tariff fixation for at least 2 Regulatory Authorities in any infrastructure sector	
3	Evaluation of multi-year tariff petitions or / submissions and fixation of tariffs for at least 2 Regulatory Authorities in any infrastructure sector	
4	Participation in any of the above projects/ assignments specifically relating to the airport infrastructure or air navigation service sector may be enumerated separately	

**Experience of Key Personnel@**  
(Refer Clause 9 and 10.1.4 to 10.1.6)

**Name and age of the Key Personnel:**  
**Designation:**

S.no	Name of the Project / Assignment	Name of firm for which the Key Personnel worked	Designation of the Key Personnel on the project	Date of completion of project assignment	Mandays spent
1					
2					
3					
4					
5					
6					
7					
8					

@ Use separate Form for the Team Leader and each of the Sector Experts.

**Curriculum Vitae (CV) of Professional Personnel**

1. Proposed Position:
2. Name of Personnel:
3. Date of Birth:
4. Nationality:
5. Educational Qualifications:
6. Employment Record:  
(Starting with present position, list in reverse order every employment held.)

7. List of projects on which the Personnel has worked

Project Name	Description of assignment performed
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8. Details of the current assignment and the time duration for which services are required for the current assignment.

**Certification:**

1. I am willing to work on the assignment / project and I will be available for entire duration of the Project assignment as required.
2. I, the undersigned, certify that to the best of my knowledge and belief, this CV correctly describes myself, my qualifications and my experience.

(Signature and name of the Professional)  
Place.....

**(Signature and name of the Authorised Signatory of the Applicant)**

**Note:**

1. Use separate form for each Professional Personnel.
2. Each page of the CV shall be signed in ink by both the Personnel concerned and by the Authorised Representative of the Applicant firm along with the seal of the firm. Photocopies will not be considered for evaluation.

**FINANCIAL BID**

**Covering Letter**  
(On Applicant's letter head)

(Date and Reference)

To,

\*\*\*\*\*  
\*\*\*\*\*  
\*\*\*\*\*

Dear Sir,

Subject: Appointment of Consultant for Structuring and operationalising of AERA

I/We, \_\_\_\_\_ (Applicant's name) herewith enclose the Financial Bid for selection of my/our firm as Consultant for above subject.

I/We agree that this offer shall remain valid for a period of 90 (ninety) days from the proposal due date or such further period as may be mutually agreed upon.

Yours faithfully,

(Signature, name and designation of the Authorised Signatory)

Note: The Financial Bid is to be submitted strictly as per forms given in the RFP



**APPOINTMENT OF CONSULTANT FOR  
STRUCTURING AND OPERATIONALISING OF  
AIRPORTS ECONOMIC REGULATORY AUTHORITY OF INDIA**

**FORMAT FOR FEE QUOTE**

<b>Name of Activity</b>	<b>Amount (Rs )</b>
Lump-sum professional fee for carrying out the assignment and related tasks as given in the scope of work (inclusive of all taxes, levies and duties)	

Total in  
words \_\_\_\_\_

**(To be signed by the authorized signatory)  
NAME & DESIGNATION**