

# **Request for Proposal**

**ENGAGEMENT OF CONSULTANTS TO ASSIST THE  
AIRPORTS ECONOMIC REGULATORY AUTHORITY OF INDIA (AERA)**

**IN DETERMINATION OF TARIFFS FOR  
AERONAUTICAL SERVICES AT MAJOR AAI AIRPORTS OF VARANASI, AMRITSAR, AND,  
BAGDOGRA.**

**AIRPORTS ECONOMIC REGULATORY AUTHORITY OF INDIA**

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<b>RFP No.</b>	<b>01/2019-20</b>
<b>RFP issue date</b>	<b>Friday, the 24<sup>th</sup> May, 2019</b>
<b>Deadline for Submission</b>	<b>1100 hrs (IST) Wednesday, the 26<sup>th</sup> June, 2019</b>

## **Disclaimer**

The information contained in this Request for Proposal document (this “**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 neither an agreement nor an offer 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 the 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 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 and presentations which may be required by AERA or any other costs incurred in connection with or relating to its Proposals. 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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**INVITATION FOR PROPOSALS**

## GLOSSARY

<b>Act</b>	As defined in Clause 1.1.1
<b>AERA</b>	As defined in Clause 1.1.1
<b>AO</b>	Airport Operator(s)
<b>Applicant</b>	The interested parties who, in response to this RFP, apply for the bid.
<b>Associate</b>	As defined in Clause 2.9.3
<b>Authorised Representatives</b>	As defined in Appendix I, Form-4
<b>Aviation expert</b>	As defined in Clause 2.5.1
<b>Conflict of Interest</b>	As defined in Clause 2.9
<b>Consultant</b>	As defined in Clause 1.2
<b>Consultancy</b>	As defined in Clause 1.2
<b>Deliverables</b>	As defined in Clause 4 of Schedule 1
<b>Documents</b>	As defined in Clause 2.11
<b>Airport details</b>	As defined in Clause 1.1.7
<b>Key Personnel</b>	As defined in Clause 2.5.2
<b>LOA</b>	Letter of Award
<b>Major Airport</b>	As defined in Clause 1.1.3
<b>Prohibited Practices</b>	As defined in Clause 6.1
<b>Proposal Due Date</b>	As defined in Clause 2.16
<b>Proposals</b>	As defined in Clause 1.2
<b>RFP</b>	As defined in the disclaimer
<b>Shortlisted Applicants</b>	All Applicants who are selected after Technical Bid evaluation.
<b>Selected Applicant</b>	Applicant selected for the bid
<b>Selection Process</b>	As defined in Clause 1.5
<b>Subject person</b>	As defined in Clause 2.9.3
<b>Technical Bid</b>	As defined in Clause 2.13.1
<b>TOR</b>	Terms of Reference

## 1. INTRODUCTION

### **1.1 BACKGROUND**

1.1.1 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 into force w.e.f. 1<sup>st</sup>September, 2009.

1.1.2 AERA, was established by the Government of India vide notification No. GSR 317(E) dated 12<sup>th</sup> May 2009. The functions of AERA, in respect of major airports, are specified in section 13 of the Act, which are as below:-

- I. to determine the tariff for aeronautical services taking into consideration –
  - a) the capital expenditure incurred and timely investment in the improvement of airport facilities;
  - b) the service provided, its quality and other relevant factors;
  - c) the cost for improving efficiency;
  - d) economic and viable operation of major airports;
  - e) the concession offered by the Central Government in any agreement or memorandum of understanding or otherwise; and
  - f) any other factor which may be relevant for the purpose of the Act.
- II. determine the amount of the development fees;
- III. determine the amount of the passengers’ service fee levied under Rule 88 of the Aircraft Rules, 1937 made under the Aircraft Act, 1934;
- IV. monitor the set performance standards relating to quality, continuity and reliability of service as may be specified by the Central Government or any authority authorized by it in this behalf;
- V. call for any such information as may be necessary to determine the tariff for aeronautical services; and
- VI. 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.

1.1.3 The terms ‘aeronautical services’ and ‘major airports’ are defined in Sections 2(a) and 2 (i) of the Act, respectively and the same shall be read herein.

1.1.4 While discharging its functions, AERA is required to ensure transparency by, inter alia, holding due consultations with stake-holders, 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 passengers or cargo facility users, by permitting such stake-holders to make submissions in writing and by documenting all its decisions and explanations thereof.

1.1.5 After its establishment, AERA has categorized the aeronautical services, in respect of which it is required to determine Tariff, as under:

- a) Aeronautical services provided by the airport operators;
- b) Cargo, Ground Handling and Fuel Supply Services; and
- c) Air Navigation Services.

1.1.6 AERA has, after extensive stakeholder consultation, finalized its approach to the economic regulation of services categorized in (a) and (b) above. Detailed Guidelines laying down information requirements, periodicity and procedure for Tariff determination have also been issued. The details of Orders and Guidelines issued in this behalf are as under:

- a) Order No. 13 dated 12.01.2011 and Direction No. 5 dated 28.02.2011; and
- b) Order No. 05 dated 02.08.2010; Order No. 12 dated 10.01.2011 and Direction No. 4 dated 10.01.2011;
- c) Order No. 14/2016-17 dated 23.01.2017;
- d) Order No. 35/2017-18 dated 12.01.2018 and Amendment No. 01 to Order No. 35/2017-18 dated 09.04.2018;
- e) Order no. 07/2016-17 dated 13.06.2016;
- f) Order no. 20/2016-17 dated 31.03.2017;

These can be downloaded from <http://aera.gov.in>.

1.1.7 In pursuance of AERA's Orders and Guidelines as brought out in Clause 1.1.6 above, the regulated entities are in the process of filing their tariff proposals for the first Control Period of 05 (five) years, commencing w.e.f. 01.04.2019. The proposals in respect of the regulated entities viz. Airport Operator(s) (AO) for the purpose of this RFP, in accordance with the Terms of Reference specified at Schedule-1 hereto (the "TOR"), are as listed below:

Name of the Airport Operator
Airports Authority of India for Varanasi, Airport
Airports Authority of India for Amritsar Airport
Airports Authority of India for Bagdogra Airport

## 1.2 REQUEST FOR PROPOSALS

AERA invites proposals (the "Proposals") for selection of a Consultant for performing the Scope of Services, deliverables and other requirements, as specified in this RFP. The applicant applying in response to this invitation can be a Sole Proprietorship Firm or Partnership Firm or LLP or a Company. This RFP is for the selection of a Consultant ("Consultant") as mentioned in Clause 1.1.7 hereinabove, to, *inter alia*, advise AERA, and, render services in the following core areas, as detailed in the TOR (collectively the "Consultancy"):

- (a) Assist AERA in scrutinizing the tariff proposals submitted by the Airport Operators;
- (b) Undertake "detailed and critical review in respect of various assumptions/projections /forecasts made in each proposal;
- (c) Analyze different scenarios, ("What if" analyses);
- (d) Assist in formulation of tariff to be determined;
- (e) At Consultation Paper stage analyse the comments of stakeholders on Consultation Paper and include the same in the Tariff Order;
- (f) The Consultant shall assist AERA in all the matters relating to 'Appeal' and 'Legal cases' filed up to **31.03.2024** (end of control period) against AERA with respect to this assignment.

AERA intends to select the Consultant through an open competitive bidding process in accordance with the procedure set out herein.



### 1.3 DETAILED AND CRITICAL REVIEW BY APPLICANTS

Applicants are encouraged to inform themselves fully about the assignment before submitting their Proposal by paying a visit to AERA, sending written queries to AERA, and attending a Pre-Bid Conference on the date and time specified in Clause 1.7.

### 1.4 VALIDITY OF THE PROPOSAL

The Proposal shall be valid for a period of 90 (ninety) days from the Proposal Due Date. AERA may at its sole discretion extend the validity of the Proposal. In case of such extension, the Applicant shall not be allowed to modify the Proposal and will be required to extend the EMD so submitted for such extended period.

### 1.5 SELECTION PROCESS

AERA would adopt a two stage selection process i.e. Technical and Financial (collectively the “**Selection Process**”) in evaluating the Proposals. Accordingly, the Applicant would submit its bid in a sealed envelope containing two separate envelopes i.e. one for technical bid and the other for financial bid. In the first stage, a technical evaluation shall be carried out as specified in Clause 3.1. In the second stage, based on the technical evaluation, a list of short-listed applicants shall be prepared whose financials bids shall be opened for final selection of the Applicant. For selection of an Applicant criterion stipulated under Clause 3.3 shall be considered.

AERA would endeavor to adhere to the following schedule:

S. No.	Event Description	Date
a.	Last date for receiving queries/ clarifications	11.06.2019
b.	Pre-Bid Conference	17.06.2019
c.	AERA’s response to queries	21.06.2019
d.	Proposal Due Date (Submission date)	26.06.2019
e.	Presentation by Applicants	Tentatively between July 2, 2019 and July 3, 2019
f.	Opening of Financial Proposals	Tentatively by July 10, 2019
g.	Letter of Award (LOA)	Tentatively by July 15, 2019
h.	Signing of Agreement	Within 30 days from issue of LOA
i.	Validity of Proposal	90 days from Proposal Due Date

### 1.6 DELIVERY SCHEDULE

The Selected Consultant shall be given a period of 04(Four) months to **accomplish the assignment from the date of allocation of the assignment/proposal of the respective Airport Operator**. The allocation of assignment shall be subsequent to the issue of Letter of Award and signing of Agreement. AERA may, however, in its discretion, extend the delivery period on case to case basis. In case an applicant is successful for more than one Airport, the firm has to plan and deploy manpower so that the work assignment for all the Airports is completed within the 04 months period. Timeline for achieving the targets will be as follows:

- a) Work assigned to be started within 10 working days from issue of award letter.
- b) Within next 15 working days to collect information / records from Airport Operator and submit preliminary study report of the airports. The initial data shall be collected and provided by

- AERA. Any further information required, is to be collected from the Airport Operator by the selected Consultant. Authority shall provide necessary assistance in collection of data.
- c) Within next 15 working days draft a Consultation Paper to be submitted along with presentation to the Authority.
  - d) To submit analysis of the comments raised by stakeholders on the Consultation Paper within 01 (one) week of last date of submission of written comments or Stakeholder Consultation meeting, whichever is later.
  - e) Submit draft Tariff Order within 15 days after submission of 'd' above.

## 1.7 PRE BID CONFERENCE

- 1.7.1 A Pre-Bid conference shall be convened in Conference Hall, 1<sup>st</sup> Floor, AERA Building, Administrative Complex, Safdarjung Airport, New Delhi- 110003, on **17.06.2019 at 11.00 Hrs.** A maximum of two representatives for each Applicant shall be allowed to participate in the Pre-Bid Conference. The Applicants shall send their queries, if any, to the designated office by fax/email along with the details of the representatives who shall attend the Pre Bid conference, at least three clear days before the day on which the Pre-Bid Conference is scheduled i.e. 17.06.2019.

The queries shall be sent in the format below.

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

- 1.7.2 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 website <http://aera.gov.in> under the link "Tenders". During the course of the Pre-Bid conference, the Applicants will be free to seek clarifications and make suggestions. 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, a competitive bidding process.

## 1.8 COMMUNICATIONS

- 1.8.1 All communications including the submission of the Proposal should be addressed to:

Deputy Chief,  
Airports Economic Regulatory Authority of India,  
AERA Building, New Administrative Block,  
Safdarjung Airport  
New Delhi-110003.

- 1.8.2 The Official Website of AERA is: [www.aera.gov.in](http://www.aera.gov.in)

Note: All future communications related to the RFP document can be accessed through the link provided on the homepage

- 1.8.3 All communications, including the envelopes, should contain the following information, to be marked at the top in bold letters:

**RFP Notice No. 01/2019-20 dated 24.05.2019 "For Engagement of Consultants .....(as stated in Clause 1.1.7 of the RFP) to assist Airports Economic Regulatory Authority of India (AERA) in Determination of Tariffs for Aeronautical Services at 03 Major AAI Airports of India".**

## 2. INSTRUCTIONS TO APPLICANTS

### A. GENERAL

#### 2.1 SCOPE OF WORK

Detailed description of the objectives, scope of services, deliverables and other requirements to be undertaken by the Selected Applicant are given herein after, however, 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 this RFP. The Selected Applicant shall assist AERA in:

- i. Examine the MYTP of the Airport Operator and verify the data with reference to the Balance Sheet, P&L account and auditor certificates relating to Aeronautical services;
- ii. Examine Traffic Forecasts for their correctness and adequacy;
- iii. Examine & Analyse CHQ Expenditure and look into the correctness of its apportionment to the particular airport for which tariff is being determined;
- iv. Ensure that the financial model employed is in line with the methodology prescribed by the Authority;
- v. **Examine each building block in tariff determination and ensure that the treatment given to it is in line with the Authority's methodology, approach, Studies ;**
- vi. Prepare a Consultation Paper working out the **Aggregate Revenue Requirement (ARR)** of the Operator and incorporate the proposed tariff plan that the Operator has submitted to achieve the ARR;
- vii. **Assist the Authority to implement the Tribunal Orders, whenever required;**
- viii. Assist the Authority in holding consultations with the stakeholders and analyze the various suggestions made by the stakeholders;
- ix. Draw up the final version of the Tariff Order for the approval of the Authority;
- x. Assist the Authority in 'Appeals' and 'Legal Cases' against the Orders of the Authority.

It is clarified that each of the tariff proposals need to be considered separately, based on the submissions made therein as well as other factors that AERA is mandated to consider while determining the aeronautical tariffs or as AERA may instruct from time to time.

#### 2.2 EARNEST MONEY DEPOSIT (EMD)

2.2.1 The Applicants shall submit, along with their Proposal, a **EMD of Rs.1,50,000/- (Rupees One Lakh Fifty Thousand only)** for each Airport, separately, in the following form:

- a) The EMD shall be in the form of a Demand Draft / Bank Guarantee issued by a Nationalized/Scheduled Bank in India in favour of the "**Airports Economic Regulatory Authority of India**" payable at New Delhi;
- b) EMD in any other form shall not be entertained;
- c) The EMD shall be returnable as per Clause 2.2.5 herein below, except under the circumstances stipulated under Clause 2.2.4;
- d) Exemption will be considered as per Govt. Notification in respect of MSME registered entities, if requisite documentary evidence is provided in advance.

2.2.2 Any proposal not accompanied by EMD shall be considered as non-responsive and will be summarily rejected.

2.2.3 AERA shall not be liable to pay any interest on the EMD and the same shall be interest free.

#### 2.2.4 FORFEITURE OF EARNEST MONEY DEPOSIT (EMD)

The Applicant, by submitting its proposal pursuant to this RFP, shall be deemed to have acknowledged that without prejudice to AERA's other rights or remedy hereunder or in law or otherwise, the EMD 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, without any notice and proof of damages, under the following conditions:

- (a) If an Applicant submits a non-responsive Proposal;
- (b) If an Applicant withdraws its Proposal during the period of validity of RFP, including extension thereof, if any, by AERA from time to time;
- (c) In the case of a Selected Applicant, if the Applicant fails to sign the Agreement or commence the assignment as specified in Clause 3.6;
- (d) If the Selected Applicant is found to have a 'Conflict of Interest' as specified in Clause 2.9; and
- (e) If the Selected Applicant, fails to furnish the required **Performance Guarantee** within the time limit as specified in Clause 3.4.

#### 2.2.5 RELEASE OF EARNEST MONEY DEPOSIT (EMD)

Without prejudice to Clause 2.2.4 above, the EMD shall be released in the following manner:

- (a) The EMD of all the unsuccessful Applicants shall be returned within 07 working days of opening of financial bid.
- (b) The EMD of the Successful Applicant, to whom the contract is awarded, will be returned after receipt of **Performance Guarantee (refer clause 3.4 & 5)**.
- (c) The **Performance Guarantee** shall be refunded to the party after completion of 01 (one) year from the issue of Tariff Order after obtaining a written Undertaking (to be furnished on Rs.100/- Non-Judicial stamp paper) from the Consultant that they shall assist AERA in any litigation arising on the Tariff Order.

### 2.3 NUMBER OF PROPOSALS

Each Applicant may apply for one or more Airports (refer Clause 1.1.7) in response to this RFP. Any applicant who submits more than one proposal for the same Airport(s) shall be disqualified. Conditional bids shall also be disqualified. **The participating applicants can submit one technical bid and separate financials bids if they wish to apply for more than one Airport.**

### 2.4 TRANSFER OF PROPOSAL DOCUMENTS

Transfer of Proposal documents by one prospective Applicant to another is not permissible.

### 2.5 COMPOSITION OF THE TEAM

An Applicant shall propose and submit a team for this RFP consisting of following experts (minimum three persons in case one expert has a technical expertise of another expert having requisite skills in finance/data analysis and experience in aviation sector). The team shall have the following composition:

- (a) Team Leader

- (b) Aviation Expert
- (c) Financial Expert
- (d) Data Analysis Expert

The detailed Educational requirements/ Technical experience etc. are given at para 2.6.1 (g & h).

The teams may consist of more than 3 Member as per the discretion of the agency.

## **2.6 ELIGIBILITY CRITERIA**

### **2.6.1 Conditions of Eligibility**

- (a) JVs. / Consortiums are not permitted.
- (b) In order to be eligible to submit the RFP, an Applicant should have assisted at least 1(One) Regulatory Authority or Government Authority in any infrastructure/essential services sector such as aviation, power, gas, telecommunication, shipping, etc., or assisted any regulated entity viz. airport, port, power distribution company, etc. in preparation and evaluation of multiyear tariff proposals and submissions and determination of tariffs/user charges, thereof details of which are to be provided in Form-8.
- (c) The fact that the Applicant has participated as a Consultant in any of the above projects or assignments specifically relating to the airport infrastructure and for other aeronautical services shall be provided appropriate weightage as per the scheme of technical evaluation (refer to Clause 3.1).
- (d) The Applicant should have minimum 10 (ten) professionals. – on their pay roll, out of which there should be 06 Chartered Accountants and rest can be Cost Accountants (ICWA) or MBA (Finance) from a Premier Institute.
- (e) The Applicant should have a minimum turnover of Rs.3,00,00,000/- (Rupees Three Crores) per annum under the head of ‘professional fees’ during each of the last three accounting years. For avoidance of doubt, professional fees here under refers to fees earned by the Applicant for providing ‘advisory’ or ‘consultancy’ services to its clients.
- (f) **Availability of Key Personnel:** The proposed Team Leader and other Experts except Aviation Expert must be employees/ partner of the Applicant firm at least for the last one year. The Applicant shall offer the services of only those Key Personnel who fulfill the eligibility requirements specified at (h) below.
- (g) An individual, who has expertise in the Aviation Sector preferably with at least 7 years experience in Airports (“Aviation Expert”). He should have worked at an Airport in a ‘Managerial’ position or attached with an Organization operating at the Airport. The Aviation Expert may be on the pay rolls of the Applicant or act as a Consultant to the Applicant, provided his/her appointment as a Consultant to the Project shall be for the entire duration of the Assignment. The Applicant shall submit the terms of the engagement of appointment, including period of engagement, of the Aviation Expert (except the financial terms) along with the Technical Bid.  
Also, if the Aviation Expert is the Team Leader, then relaxation of ‘age above 70 years’ shall not be allowed and further he shall have to be employed with the Consultant/ Applicant for more than one year.

- (h) **Eligibility criteria for Key Personnel:** Each of the Key Personnel must fulfill the eligibility criteria specified here in below:

<b>Key Personnel</b>	<b>Educational Qualifications</b>	<b>Length of Professional Experience</b>	<b>Experience in Eligible Assignments</b>
<b>Team Leader</b>	. Graduate/ Post Graduate / MBA in any discipline	7 years	The Team Leader should have led a team involving the process of assisting or advising the regulatory authorities or assisted any regulatory entity in preparation and evaluation of multiyear tariff proposals and submissions and determination of tariffs/user charges as given in para 2.6.1(b)
<b>Sector Experts</b>			
<b>Financial Expert</b>	ICWA/CA/MBA (Finance)	5 years	The financial expert should have experience in the cost and financial analysis of public, private and PPP Projects in the airport infrastructure or other aeronautical services or across other infrastructure/ essential services/ including cost analysis and determination of tariff or user charges specially in the field of tariff determination of an Airport.
<b>Data Analysis Expert</b>	Graduate/ Post Graduate in Statistics/ Transport Economics	5 years	Analysis would require experience in software based analytical tools, sensitivity analysis, econometric modeling including experience in MS Word / Excel.
<b>Aviation Expert</b>	Graduate /Post Graduate in any discipline	7 years	The aviation expert shall have relevant experience in the Airport sector. He should have experience of working at an Airport in a 'Managerial' position or attached with an Organization operating at any Airport. (Audit will not be counted as experience)

- (i) The Aviation Expert should continue to be associated with the applicant during the entire tenure of the project and should fulfill the eligibility criterion as specified in the table at para 2.6.1 (h).
- (j) The Applicant shall enclose with the Technical proposal, a Certificate issued by its Statutory Auditors stating its year wise income against professional fees from Consultancy Services during the last three years in the format prescribed in Form 5, Appendix I.

- (k) 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 the Central Government or any State Government, shall not be eligible to submit a proposal provided such bar is still subsisting.
- (l) 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 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 by the awarding authority.
- (m) The Aviation Expert shall normally be associated in all the meetings of AERA with the Consultant.

## **2.7 COST OF PROPOSAL**

The Applicants shall be responsible for all of the costs associated with the preparation of their Proposals and their participation in the Selection Process including subsequent negotiation, visits to AERA, Project site etc. AERA will not be responsible or in any way liable for such costs, regardless of the conduct or outcome of the Selection Process.

## **2.8. ACKNOWLEDGEMENT BY APPLICANT**

- 2.8.1 It shall be deemed that by submitting the Proposal, the Applicant has:
  - (a) made a complete and careful examination of the RFP;
  - (b) received all relevant information requested from the AERA;
  - (c) accepted the risk of inadequacy, error or mistake in the information provided in the RFP or furnished by or on behalf of AERA or relating to any of the matters referred to in Clause 2.6 above;
  - (d) satisfied itself about all matters, things and information in this RFP, including matters referred to in Clause 2.6 herein above, necessary and required for submitting an informed Application and performance of all of its obligations thereunder;
  - (e) acknowledged that it does not have a Conflict of Interest; and
  - (f) agreed to be bound by the undertaking provided by it under and in terms hereof.
- 2.8.2 AERA shall not be liable for any omission, mistake or error in respect of any of the above or on account of any matter or thing arising out of or concerning or relating to RFP or the Selection Process, including any error or mistake therein or in any information or data given by AERA.

## **2.9 CONFLICT OF INTEREST**

Consulting Companies of Govt. of India and Public Sector Banks are exempt from this clause.

- 2.9.1 An Applicant shall not have a conflict of interest that may affect the Selection Process or the Consultancy (“**Conflict of Interest**”). 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 the foregoing, the Consultant or any of its Associates shall not take up any assignment that by its nature will result in conflict with the present assignment i.e., during the period of this assignment and for a period of 1 (one) year thereafter. It is further clarified that during the aforementioned period of consultancy, the selected Consultant shall not accept any assignment of similar nature from any other service provider operating at the airports under the categories as defined in Clause 1.1.7 for which the work has been assigned to the Consultant. Whereas, a similar engagement for any other regulator (viz. Central government in the case of airports other than major airports) may not be so construed.

In case the bidder is dealing with the statutory audit / advisory services on tariff matter of the specific airport for which he is bidding, it shall be treated as direct conflict of interest.

- 2.9.2 Any Applicant found to have a Conflict of Interest shall be disqualified. In the event of disqualification, AERA shall forfeit and appropriate the EMD as the mutually agreed, genuine, pre-estimated compensation and damage 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.
- 2.9.3 Some guiding principles for identifying and addressing 'Conflicts of Interest' have been illustrated in the Guidance Note at **Schedule-II**. Without limiting the generality of the above, an Applicant shall be deemed to have a Conflict of Interest affecting the Selection Process, if:
- (a) the Applicant or any of its Associates (or any constituent thereof) and any other Applicant or any of its Associate, have common controlling shareholders or other ownership interest; provided that, this disqualification shall not apply in cases where the direct or indirect shareholding or ownership interest of an Applicant, or Associate (or any shareholder thereof having a shareholding of more than 5 per cent of the paid up and subscribed share capital of such Applicant or Associate, as the case may be) in the other Applicant or its Associate is less than 5% (five per cent) of the subscribed and paid up equity share capital thereof. For the purposes of this Clause 2.9.3, indirect shareholding held through one or more intermediate persons shall be computed as follows:
    - (i) where any intermediary is controlled by a person through management control or otherwise, the entire shareholding held by such controlled intermediary in any other person ("Subject Person") shall be taken into account for computing the shareholding of such controlling person in the Subject Person; and
    - (ii) subject always to Sub-clause (aa) above, where a person does not exercise control over an intermediary, which has shareholding in the Subject Person, the computation of indirect shareholding of such person in the Subject Person shall be undertaken on a proportionate basis; provided, however, that no such shareholding shall be reckoned under this Sub Clause (ii) if the shareholding of such person in the intermediary is less than 26% (twenty six per cent) of the subscribed and paid up equity shareholding of such intermediary; or
  - (b) a constituent of such Applicant is also a constituent of another Applicant; or
  - (c) such Applicant or its Associate receives or has received any direct or indirect subsidy or grant from any other Applicant or its Associate; or
  - (d) such Applicant has the same legal representative for purposes of this Application as any other Applicant; or
  - (e) such Applicant has a relationship with another Applicant, directly or through common third parties, that puts them in a position to have access to each other's information about, or to influence the Application of either or each of the other Applicant; or
  - (f) a firm which has been engaged by AERA to provide goods or works or services for a project, and its Associates, will be disqualified from providing consulting services for the same project; conversely, a firm hired to provide consulting services for the preparation or implementation of a project, and its Associates, will be disqualified from subsequently providing goods or works or services related to the same project; or
  - (g) such Applicants (including their experts and other personnel) that have a close business or family relationship with a professional staff of AERA who are directly or indirectly involved in any part of i) the preparation of the TOR for the assignment, ii) the selection process for the contract, or iii) the supervision of such contract, may not be awarded the Consultancy, unless the conflict stemming from this relationship has been resolved in a manner acceptable to AERA throughout the selection process and the execution of the contract; or



- (h) Fairness and transparency in the selection process require that Applicants or their affiliates competing for a specific assignment do not derive a competitive advantage from having provided consulting services related to the assignment in question. To that end, AERA shall make available to all the Shortlisted Applicants, together with the request for proposals, all information that would in that respect give an Applicant a competitive advantage.
- (i) Govt. Shareholding shall be exempted from ‘Conflict of Interest’

For purposes of this RFP, Associate means, in relation to the Applicant, a person who controls, is controlled by, or is under the common control with such Applicant, or is deemed or published as an “Associate Office”; or has a formal arrangement such as tie up for client referral or technology sharing, joint venture with the Applicant (the “**Associate**”); provided, however, that if the Applicant has any formal arrangement such as consortium membership in a consortium of advisers/ consultants for a particular assignment/ project, not being this project, with any other person, then such other person shall not be treated to be an Associate of the Applicant solely due to the reason of forming such consortium. As used in this definition, the expression “control” means, with respect to a person which is a company or corporation, the ownership, directly or indirectly, of more than 50% (fifty per cent) of the voting shares of such person, and with respect to a person which is not a company or corporation, the power to direct the management and policies of such person by operation of law or by contract.

## **B. DOCUMENTS**

### **2.10 AMENDMENT OF RFP**

- 2.10.1 At any time prior to the deadline for submission of the Proposal, AERA may, for any reason, whether at its own initiative or in response to clarifications requested by an Applicant, modify this RFP document by the issuance of Addendum/ Amendment and posting it on its Official Website.
- 2.10.2 All such amendments posted on the Official Website along with the revised RFP containing the amendments, will be binding on all Applicants.
- 2.10.3 In order to afford the Applicants a reasonable time for taking an amendment into account, or for any other reason, AERA may, at its sole discretion, extend the Proposal Due Date as indicated under Clause 2.16.

## **C. PREPARATION AND SUBMISSION OF THE PROPOSAL**

The Applicant shall submit the proposal in the manner stated below. The proposal shall comprise of Technical Proposal and Financial Proposal.

### **2.11 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 in 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.

### **2.12 FORMAT AND SIGNING OF PROPOSAL**

- 2.12.1 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.

- 2.12.2 The Applicant shall prepare one original set of the Technical Proposal (together with originals/ copies of Documents required to be submitted therewith pursuant to this RFP) 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.
- 2.12.3 The Proposal marked “ORIGINAL” shall be typed or written in indelible ink and signed by the Authorized Signatory of the Applicant who shall initial each page, in blue ink. In case of printed and published Documents, only the cover shall be initialed. All the alterations, omissions, additions, or any other amendments made to the Proposal shall be initialed in blue ink by the person(s) signing the Proposal. The Proposals must be properly signed in blue ink by the authorized representative (the “Authorized Representative”) as detailed below:
- (a) by the proprietor, in case of a proprietary firm; or
  - (b) by a partner who is duly authorized vide Power of Attorney, in case of a partnership firm and/or a limited liability partnership; or
  - (c) by a duly authorized person holding the Power of Attorney, in case of a Limited Company or a Corporation.
- 2.12.4 A copy of the Power of Attorney certified under the hands of a partner or director of the Applicant and notarized by a notary public in the form specified in Appendix – I (Form-4) shall accompany the Proposal.
- 2.12.5 Applicants should note the Proposal Due Date, as specified in Clause 2.16 for submission of Proposals. Except as specifically provided in this RFP, no supplementary material will be entertained by AERA, and evaluation will be carried out only on the basis of Documents received by the closing time of Proposal Due Date as specified in this RFP.
- 2.12.6 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 and seek additional material under and in accordance with the provisions of Clause 2.19.

## **2.13 TECHNICAL PROPOSAL**

- 2.13.1 Applicants shall submit the technical proposal in the formats at Appendix-I (Form No. 1 to Form No. 10) (the “**Technical Bid**”).
- 2.13.2 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 EMD is provided as per Clause 2.2;
  - (c) Power of Attorney as specified in Form-4, Appendix - I, is executed as per Applicable Laws and submitted;
  - (d) CVs of all Aviation Experts and Key Personnel have been included;
  - (e) Key Personnel have been proposed only if they meet the Conditions of Eligibility laid down at Clause 2.6.1 of this 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 Key Personnel and countersigned by the Applicant. Photocopy or un-signed/non-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 and counter signed by the applicant;**
- (i) **Key Personnel proposed have good working knowledge of English language;**
- (j) **Key Personnel would be available for the entire period indicated in the TOR (Schedule –I).**
- (k) No Key personnel should have attained the age of 70 years at the time of submitting the proposal except the Aviation Expert. However, if the Aviation Expert is the Team Leader, then relaxation of ‘age above 70 years’ shall not be allowed.
- (l) The proposal is responsive in terms of Clause 2.20.3.

2.13.3 Failure to comply with the requirements spelt out in Clause 2.13.2 shall make the Proposal liable to be rejected.

2.13.4 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 further assignment of AERA for a period of 05 (five) years. The award of this Consultancy to the Applicant may also be liable to cancellation in such an event **along with the forfeiture of EMD/ Performance Guarantee as available with Authority.**

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

2.13.6 AERA reserves the right to verify all statements, information and documents, submitted by the Applicant in response to the RFP. Any such verification, or in case of non-verification by applicant shall not be relieved of its obligations or liabilities hereunder nor will it affect any rights of the AERA there under.

2.13.7 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 if the Applicant has made material misrepresentation or has given any materially incorrect or false information, the Applicant shall be disqualified forthwith, if he has not yet been appointed as the Consultant either by issue of the Letter of Award (LOA) or by entering into the Agreement. 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 along with forfeiture of EMD/Performance Guarantee without AERA being liable in any manner whatsoever to the Applicant, or, Consultant, as the case may be.

2.13.8 In such an event, AERA shall forfeit and appropriate the entire EMD/Performance Guarantee as the case may be as mutually agreed pre-estimated compensation and damages payable to the AERA for, *interalia*, time, cost and effort of AERA, without prejudice to any other right or remedy that may be available to AERA.

## **2.14 FINANCIAL PROPOSAL**

2.14.1 The Applicants shall submit the Financial Proposal in the formats at Appendix-II, Form-1, clearly indicating the cost of the Consultancy assignment, for the respective airport(s) in both figures and words, in Indian Rupees, and, signed by the Applicant’s Authorized Signatory. In the event of a difference between the amounts indicated in figures and words, the **lower** of the two shall be considered and taken into account. While submitting the Financial Bid, the Applicant shall ensure the following:

- a) The 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. No additional costs on any of the aforementioned expenditure heads, over and above the financial quote, shall be reimbursed by AERA. The Financial Bid shall be unconditional, unqualified, and, shall be final and binding. It is clarified that the selected Applicant (at least one of the team member) may be required by AERA to be present in meetings to assist it during the same as and when organized by AERA. Such meetings are generally held in Delhi. However, in case AERA organizes such a meeting outside Delhi, the actual fare paid (including the fare paid for rail and road travel) or Economy Class return airfare, whichever is lower for the shorter route from Delhi to the station where such meeting is held (whichever is less) will be reimbursed by the Authority in respect of maximum of two representatives of the selected applicant firm. Failure to attend any meeting arranged by AERA will lead to a Penalty of Rs. 25000/- per instance. The agency will be informed minimum 07 days in advance of such meetings.
- b) The professional fee quoted in the financial Bid shall be exclusive of all statutory tax liabilities which should be indicated separately. The statutory Tax liability shall be paid by AERA as per actuals.

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

## **2.15 SUBMISSION OF PROPOSAL**

- 2.15.1 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 initialed by the Authorized Representative of the Applicant as per the terms of Clause 2.12 of the RFP and condition therein.
- 2.15.2 In case the proposal is submitted on the document downloaded from AERA's Website, the Applicant shall be responsible for its accuracy and correctness as per the version uploaded by 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. Further, in case of any modification/substitution/withdrawal of proposals by the Applicant, Clause 2.18 may be referred to.
- 2.15.3 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.
- 2.15.4 The aforesaid outer envelope should contain two separate sealed envelopes, one clearly marked 'Technical Proposal' and the other clearly marked 'Financial Proposal'.
- a) The envelope marked "Technical Proposal" shall contain:
- (i) Application in the prescribed format (Form-1 of Appendix-I) along with all Forms no.2 to no.10 of Appendix- I, and, supporting documents; and
  - (ii) EMD as specified in Clause 2.2.
- b) The Technical Proposal and Financial Proposal shall be typed or written in indelible ink and signed by the Authorized Representative of the Applicant. All pages of the Technical Proposal (marked 'ORIGINAL') and Financial Proposal must be numbered and initialed by the person or persons signing the Proposal.

2.15.5 The complete Proposal must be delivered on or before the specified time on Proposal Due Date at designated office address given at Clause 1.8 of the RFP. 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.

## **2.16 PROPOSAL DUE DATE**

**The Proposal should be submitted on or before 26.06.2019 at 1100 Hrs. at the designated address in the manner and form as detailed in Clause 2.15.5 of this RFP. AERA may, at its sole discretion, extend the Proposal due date by issuing an Addendum.**

## **2.17 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.

## **2.18 MODIFICATION/ SUBSTITUTION/ WITHDRAWAL OF PROPOSALS**

2.18.1 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.

2.18.2 The modification, substitution, or withdrawal notice shall be prepared, sealed, marked, and delivered in accordance with Clause 2.15, with the envelopes being additionally marked “**MODIFICATION**”, “**SUBSTITUTION**” or “**WITHDRAWAL**”, as appropriate.

2.18.3 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.

## **2.19 CLARIFICATIONS**

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

2.19.2 If an Applicant does not provide clarifications as sought under Clause 2.19.1 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(s) of the AERA.

## **D. EVALUATION PROCESS**

### **2.20 EVALUATION OF PROPOSALS**

2.20.1 The Proposals shall be opened on **26.06.2019 at 12.00 Hrs** in Conference Hall, 1<sup>st</sup>Floor, AERA Building, Administrative Complex, Safdarjung Airport, New Delhi - 110003, 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 which shall be subsequently communicated to the applicant firms.

2.20.2 Proposals for which a notice of withdrawal has been submitted in accordance with Clause 2.18 shall not be opened.

2.20.3 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 forms (Form No. 1 to Form No. 10) 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 2.16;
- c) it is accompanied by the EMD as specified in Clause 2.2;
- d) it is signed, sealed, bound together in hard cover and marked as stipulated in Clauses 2.12 & 2.15;
- 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.

2.20.4 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.

#### **2.20.5 PRESENTATION**

AERA shall subsequently examine and evaluate each of the Proposals. The technical evaluation of the Proposals shall be done after the presentation to be made by the Applicant(s) on the Approach and Methodology. The presentation shall be held in the Conference Hall, 1<sup>st</sup>Floor, AERA Building, Administrative Complex, Safdarjung Airport, New Delhi- 110003 on the date intimated by AERA to the applicant firms. The Applicants shall ensure that the presentation is held on the date intimated by AERA.

#### **2.20.6 TEAM COMPOSITION AND EXPERIENCE OF KEY PROFESSIONALS/EXPERTS**

- (a) The Applicant shall provide details of the experts proposed to be deployed for the proposed assignment. The 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 as necessitated for successful completion of the consultancy assignment at no additional cost or liability whatsoever. However, in no case, more than one person should be proposed as the Team Leader;
- (b) The team of experts proposed to be deployed shall be available to AERA in continuity until **successful completion of the consultancy assignment**. The Curriculum Vitae (CV) of each expert proposed to be deployed for the assignment shall be given along with the proposal;
- (c) 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 detailed in Clause 3.1 herein; and
- (d) The presentation shall be made by the Authorized Signatory and/or the Team leader, when all the Sector Experts (Financial Expert/ Aviation Expert & Data Analysis) 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 intended to be followed for the successful completion of the assignment. The presentation should, normally, not exceed a time limit of twenty minutes. The Team Leader and/ or Sector Experts shall appear for a personal interview, at the time of Presentation, as communicated by AERA (at least one week before presentation date).

## **2.21 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 AERA or as may be required by law or in connection with any legal process.

### **3. CRITERIA FOR EVALUATION**

#### **3.1 TECHNICAL PROPOSAL EVALUATION**

3.1.1 The Technical Proposals submitted by Bidders shall be evaluated on the basis of their responsiveness to the RFP, Applicant's experience, their understanding of TOR by proposed methodology and work plan, and the experience of Key Personnel by applying the evaluation criteria as specified below and also interview with the team leader and experts:

<b>Table 1</b>					
<b>Technical Evaluation -Total marks out of 100</b>					
	<b>Criteria</b>	<b>No. of years</b>			<b>Max. Marks</b>
<b>A</b>	<b>i. Firm's Experience for the Consultancy Assignment</b>	1-5 yrs	05		<b>15</b>
		5-10 yrs	10		
		10 or more	15		
	<b>ii. Firm's Relevant Experience in Airport tariff determination;</b>	Each Assignment	3 Marks		<b>10</b>
<b>iii. Firm relevant experience in tariff determination in other Regulatory field;</b>	Each Assignment	2 Marks			
<b>B</b>	<b>Approaches and Methodology and Presentation</b>				<b>15</b>
	The presentation shall be made by the Team Leader. 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 20 (twenty) minutes.				
<b>C</b>	<b>Qualification and experience of the key staff/ Personal Interaction.</b>				<b>60</b>
		<b><u>Qualification</u></b>	<b><u>Experience</u></b>		<b><u>Personal Interaction</u></b>
			<b>No. of studies undertaken</b>	<b>Total Marks out of 05</b>	
	Team Leader	5	1 study	03	5
			2 studies or more	05	
	Financial Expert-	6	<b>No. of work executed relating to tariff determination</b>	<b>Total Marks out of 09</b>	
			1 work	05	5
			More than 01 work	09	20
	Aviation Expert	6	5		5
	Data Analyst	3	3		3



In case the any of the above Key Personnel is not present at the time of Presentation, then no mark will be awarded for personal interaction in this case.

- 3.1.2 The proposed Key Personnel except Aviation Expert must be on the pay rolls of the Applicant and will be duly supported with professional staff of the Applicant. The Aviation Expert may be on the pay rolls of the Applicant or act as a Consultant to the Applicant, provided his/her appointment as a Consultant to the Project shall survive during be for the entire duration of the Assignment
- 3.1.3 In case all other parameters are same, preference shall be given to bidders who have worked on tariff determination on airports/other projects run on PPP mode.
- 3.1.4 The total technical score(**St**) would be an arithmetic sum of scores obtained by the Applicant for each of the parameters indicated above viz. relevant experience of the Applicant, approach and methodology and presentation, qualification and relevant experience of the team leader and financial analyst, financial strength, etc. The maximum achievable total technical score for any applicant would be 100 marks.
- 3.1.5 **A minimum of 70 marks is necessary for qualifying in the Technical Bid. The Applicants would be ranked based on the technical score obtained.**
- 3.1.6 **Financial bids of firms who do not qualify the Technical Bid shall be returned unopened.**
- 3.1.7 The financial bids of all Applicants who secure the minimum score of 70 in technical bid shall be opened. In case no Applicant secures the minimum qualifying score of 70 marks, AERA may, at its sole discretion, pre-qualify the first three ranked Applicant(s), even though their technical score is less than 70 marks.
- 3.1.8 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 the presence of representatives of the qualified Shortlisted Applicants who choose to be present on the date of opening of financial bid. AERA will not entertain any query or clarification from Applicants who fail to qualify at any stage of the Selection Process.

### **3.2 FINANCIAL PROPOSAL EVALUATION AND OFFER OF CONTRACT**

- 3.2.1 In the second stage, the financial evaluation will be carried out as per the provisions of this Clause. AERA will determine whether the Financial Proposals are complete, unqualified and unconditional. The cost indicated in the Financial Proposal shall be deemed as final and reflecting the total cost of services. Omissions, if any, in costing any item shall not entitle the Consultant to be compensated and the liability to fulfill its obligations as per the TOR (see schedule- I) within the total quoted price shall be that of the Consultant.
- 3.2.2 The lowest Financial Proposal (L1) for each Airport separately shall be considered for award of assignment/ letter of award. In the event of more than one Applicant becoming L1 for any one or more airports, then, the Applicant with the higher technical score shall be considered as lowest bidder and considered for award of Assignment/ Letter of Award for that particular airport(s).
- 3.2.3 Applicants are apprised that selection of the successful Applicant will be entirely at the discretion of the AERA based on their technical score and financial bid. 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 AERA, its agents, successors or assigns, but shall be binding on the Applicant if the Consultancy is subsequently awarded to it

### **3.3 Substitution of Key Personnel**

AERA will not normally consider any request of the Selected Applicant Firm 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 ill health or death, subject to equally or better qualified and experienced personnel being provided to the satisfaction of AERA. Such substitution shall be limited to only two Key Personnel. AERA expects all the Key Personnel to be available during implementation of the Agreement.

Substitution of the Team Leader will normally not be considered, except in case of death or incapacitation due to accident, illness etc. and may lead to disqualification of the Applicant or termination of the Agreement.

### **3.4 AWARD OF CONSULTANCY/ SUBMISSION OF PERFORMANCE GUARANTEE**

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 07 (seven) working days of receipt of the LOA, sign and return the duplicate copy of the LOA in acknowledgement thereof and submit **Performance Guarantee** equivalent to 10% of the value of the award for Consultancy, in the form of a Bank Guarantee issued by a Nationalized/Scheduled Bank in India in favour of the “Airports Economic Regulatory Authority of India”. In the event, the duplicate copy of the LOA duly signed by the Selected Applicant, and, Performance Guarantee, is not received by the stipulated date, AERA may, unless it consents to extension of time for submission thereof, forfeit the EMD of such Applicant on account of failure of the Selected Applicant to acknowledge the LOA.

### **3.5 EXECUTION OF AGREEMENT**

After acknowledgement of the LOA as aforesaid, the Selected Applicant shall sign the Agreement within 30 (thirty) days from the issue of the LOA. The Selected applicant shall not be entitled to seek any deviation in the terms and conditions of the Agreement. A draft copy of the agreement is attached along with this RFP.

### **3.6 COMMENCEMENT OF ASSIGNMENT**

The Selected Applicant shall commence the Consultancy services within 07 (seven) days of the date of signing of the Agreement or such other date (handing over of MYTP proposal) as may be mutually agreed. If the Selected Applicant fails to either sign the Agreement as specified in Clause 3.5 or fails to commence the assignment as specified herein, the Performance Guarantee of the Selected Applicant shall be invoked and appropriated in accordance with the provisions of Clause 5.2.

### **3.7 PROPRIETARY DATA**

Subject to the provisions of Clause 2.2, all documents/information provided by the AERA or submitted by an Applicant are to be treated as strictly confidential information. AERA will not return any Proposal or any information related thereto except as stated in Clause 3.1.6 herein. All information collected, analyzed, processed or in whatever manner provided by the Applicants/Selected Applicant to AERA in relation to the Consultancy, shall be the property of AERA.

#### **4. PAYMENT SCHEDULE**

**4.1** The Selected consultant shall be paid professional fees for the services rendered as per following schedule.:

<b>SNO.</b>	<b>Milestones</b>	<b>Time Frame for completion of Assignment for each Airport</b>	<b>Payment Schedule.</b>
1.	Submission of initial analysis which includes identification of information gaps	<u>04 Months</u>	<b>10%</b>
2.	Finalisation of Consultation Paper		<b>35%</b>
3.	Assisting AERA in Stakeholder consultation and evaluating Stakeholders' response		<b>25%</b>
4.	Assisting AERA in determination of Aeronautical Tariffs and issuance of Tariff Orders post stakeholders' consultation and on successful completion of the assignment.		<b>30%</b>

*Note -1 If due to any reason, work / assignment is not completed within the stipulated time, AERA may at its discretion extend the last date of completion of work without any financial implication to AERA.*

## 5. LIQUIDATED DAMAGES AND PENALTIES

### **5.1 PERFORMANCE GUARANTEE**

The Selected Applicant shall furnish a **Performance Guarantee (see para 3.4)** in the form of Bank Guarantee equal to 10% of the value of the Agreement.

### **5.2 APPROPRIATION OF PERFORMANCE GUARANTEE**

- (a) AERA shall levy penalty for breach of terms and conditions of the contract or on account of delay in completing the task or towards any other default, any amounts as may be payable by the Consultant to AERA as stated in para 5.3 and 5.4 hereunder. The penalties so levied will be paid by the firm/ adjusted against bills payable failing which it will be appropriated against Performance Guarantee. Further, the Performance Guarantee shall be retained by AERA for a period of one year from the date of completion of consultancy assignment and will be released after submission of an affidavit (on non-judicial stamp paper of Rs.100/-) that they will assist AERA in 'Appeals' and 'Legal Cases' against the Orders of the Authority and to implement the Tribunal (Appellate Tribunal- TDSAT at present) Orders. The balance remaining out of the Performance Guarantee, if any, or the entire Performance Guarantee after adjustment of Penalty, as the case may be, shall be returned to the Consultant within a period of 30 (thirty) days after the period of one year from the completion of the consultancy assignment and issuance completion certificate by AERA to the Consultant. For the avoidance of doubt, the parties hereto expressly agree that in addition to appropriation of the amounts withheld hereunder, in the event of any default requiring the appropriation of further amounts over and above the Performance Guarantee, AERA, without prejudice to its rights and remedies as may be available under applicable laws, may make deductions from any subsequent payments due and payable to the Consultant hereunder, either in this agreement or any other live agreement with AERA as if it is appropriating the Performance Guarantee in accordance with the provisions of this Agreement.

### **5.3 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. This is without prejudice to the other remedies as may be available as per applicable law. Overall LD, whether on account of delay and error / variation, shall be limited to 10% (Ten percent) of the Agreement/ Award Value.

### **5.4 LIQUIDATED DAMAGES FOR DELAY/ COMPENSATION 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/ Compensation for Delay not exceeding an amount equal to 1% (one percent) of the total value of the Agreement, per week, subject to a maximum of 10% (ten percent) of the total value of the Agreement. AERA will take into consideration the reasons for delay, if any, while imposing Liquidated Damages on the selected Applicant. 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, without imposition of Liquidity Damages/Compensation for Delay.

### **5.5 PENALTY FOR DEFICIENCY IN SERVICES**

In addition to the Liquidated Damages listed hereinabove, as specified in Clauses 5.3 and 5.4 above, the Consultant may be censured and/ or debarred for deficiencies on its part in completion of the consultancy assignment.

## 6. FRAUD AND CORRUPT PRACTICES

- 6.1 The Applicants and their respective officers, employees, agents and advisers shall observe the highest standard of ethics during the Selection Process. Notwithstanding anything to the contrary contained in this RFP, AERA shall reject a Proposal without being liable in any manner whatsoever to the Applicant, if it determines that the Applicant has, directly or indirectly or through an agent, engaged in corrupt practice, fraudulent practice, coercive practice, undesirable practice or restrictive practice (collectively the “**Prohibited Practices**”) in the Selection Process. In such an event, AERA shall, without prejudice to its other rights or remedies, forfeit and appropriate the EMD, as genuine, pre-estimated compensation and damages payable to AERA for, *inter alia*, time, cost and effort of AERA, in regard to the RFP, including consideration and evaluation of such Applicant’s Proposal.
- 6.2 Without prejudice to the rights of AERA under Clause 7.3 hereinafter and the rights and remedies which AERA may have under the LOA or the Agreement, if an Applicant or Consultant, as the case may be, is found by AERA to have directly or indirectly or through an agent, engaged or indulged in any corrupt practice, fraudulent practice, coercive practice, undesirable practice or restrictive practice during the Selection Process, or after the issue of the LOA or the execution of the Agreement, such Applicant or Consultant shall not be eligible to participate in any tender or RFP issued by AERA during a period of 2 (two) years from the date such Applicant or Consultant, as the case may be.. Further, in such an event, AERA shall, without prejudice to its other rights or remedies, forfeit and appropriate the Performance Guarantee, as genuine, pre-estimated compensation and damages payable to AERA for, *inter alia*, time, cost and effort of AERA, in regard to the RFP, including consideration and evaluation of such Applicant’s Proposal.
- 6.3 For the purposes of this Clause 6.3, the following terms shall have the meaning hereinafter respectively assigned to them:
- (a) “**corrupt practice**” means (i) the offering, giving, receiving, or soliciting, directly or indirectly, of anything of value to influence the action of any person connected with the Selection Process (for avoidance of doubt, offering of employment to or employing or engaging in any manner whatsoever, directly or indirectly, any official of AERA who is or has been associated in any manner, directly or indirectly with the Selection Process or the LOA or has dealt with matters concerning the Agreement or arising therefrom, before or after the execution thereof, at any time prior to the expiry of one year from the date such official resigns or retires from or otherwise ceases to be in the service of AERA, shall be deemed to constitute influencing the actions of a person connected with the Selection Process); or (ii) save as provided herein, engaging in any manner whatsoever, whether during the Selection Process or after the issue of the LOA or after the execution of the Agreement, as the case may be, any person in respect of any matter relating to the Project or the LOA or the Agreement, who at any time has been or is a legal, financial or technical consultant/ adviser of AERA in relation to any matter concerning the Project;
  - (b) “**fraudulent practice**” means a misrepresentation or omission of facts or disclosure of incomplete facts, in order to influence the Selection Process;
  - (c) “**coercive practice**” means impairing or harming or threatening to impair or harm, directly or indirectly, any persons or property to influence any person’s participation or action in the Selection Process;
  - (d) “**undesirable practice**” means (i) establishing contact with any person connected with or employed or engaged by AERA with the objective of canvassing, lobbying or in any manner influencing or attempting to influence the Selection Process; or (ii) having a Conflict of Interest; and
  - (e) “**restrictive practice**” means forming a cartel or arriving at any understanding or arrangement among Applicants with the objective of restricting or manipulating a full and fair competition in the Selection Process.

## 7. MISCELLANEOUS

### **7.1 RIGHT TO REJECT ANY OR ALL DOCUMENTS**

- 7.1.1 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 without any liability or any obligation for such acceptance, rejection or annulment, and without assigning any reasons thereof. In an event of non-responsive bid or under any circumstance as AERA may consider appropriate, AERA reserves the right to float another RFP.
- 7.1.2 Without prejudice to any other provision hereto, AERA reserves the right to reject any Proposal if:
- (a) at any time, a material misrepresentation is made or discovered, or
  - (b) the Applicant does not provide, within the time specified by AERA, the supplemental information sought by AERA for evaluation of the Proposal.

Misrepresentation/ improper response by the Applicant may lead to the disqualification of the Applicant. If such disqualification / rejection occurs after the Proposals have been **opened and the highest ranking Applicant gets disqualified / rejected, then AERA reserves the right to consider the next best Applicant, or take any other measure as may** be deemed fit at the sole discretion of AERA, including annulment of the Selection Process.

- 7.2 The Selection Process shall be governed by, and construed in accordance with, the laws of India and the Courts in the State in which AERA has its headquarters shall have exclusive jurisdiction over all disputes arising under, pursuant to and/or in connection with the Selection Process.
- 7.3 AERA, in its sole discretion and without incurring any obligation or liability, reserves the right, at any time, to:
- (a) suspend and/or cancel the Selection Process and/or amend and/or supplement the Selection Process or modify the dates or other terms and conditions relating thereto;
  - (b) consult with any Applicant in order to receive clarification or further information;
  - (c) retain any information and/or evidence submitted to AERA by, on behalf of and/or in relation to any Applicant; and/or
  - (d) independently verify, disqualify, reject and/or accept any and all submissions or other information and/or evidence submitted by or on behalf of any Applicant.

**SCHEDULE-1**

## TERMS OF REFERENCE (TOR)

### FOR

## ENGAGEMENT OF CONSULTANTS TO ASSIST AIRPORTS ECONOMIC REGULATORY AUTHORITY OF INDIA (AERA) IN DETERMINATION OF TARIFFS FOR AERONAUTICAL SERVICES AT MAJOR AIRPORTS.

### TERMS OF REFERENCE (TOR)

#### 1. General

- 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> September 2009.
- 1.2 AERA, was established by the Government of India vide notification No. GSR 317(E) dated 12<sup>th</sup> May 2009. The functions of AERA, in respect of major airports, are specified in Section 13 of the Act.
- 1.3 The terms ‘aeronautical services’ and ‘major airports’ are defined in Sections 2(a) and 2(i) of the Act, respectively.
- 1.4 While discharging its functions, AERA is required to ensure transparency by, *inter alia*, holding due consultations with stake-holders, 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 passengers or cargo facility users, by permitting such stake-holders to make submissions in writing and by documenting all its decisions and explanations thereof.
- 1.5 After its establishment, AERA has categorized the aeronautical services, in respect of which it is required to determine Tariff, as under:
- i. Aeronautical services provided by the Airport Operators;
  - ii. Cargo, Ground Handling and Fuel Supply Services;
  - iii. Air Navigation Services.
- 1.6 AERA has, after extensive stakeholder consultation, finalized its approach to the economic regulation of services categorized in (i) & (ii) above. Detailed Guidelines laying down information requirements, periodicity and procedure for Tariff determination have also been issued. The details of Orders and Guidelines issued in this behalf are as under:
- (i) Order No. 13 dated 12.01.2011 and Direction No. 5 dated 28.02.2011; and
  - (ii) Order No. 05 dated 02.08.2010; Order No. 12 dated 10.01.2011 and Direction No. 4 dated 10.01.2011;
  - (iii) Order No. 14/2016-17 dated 23.01.2017;
  - (iv) Order No. 35/2017-18 dated 12.01.2018 and Amendment No. 01 to Order No. 35/2017-18 dated 09.04.2018;
  - (v) Order no. 07/2016-17 dated 13.06.2016;
  - (vi) Order no. 20/2016-17 dated 31.03.2017;

These can be downloaded from <http://aera.gov.in>.



- 1.6.1 In pursuance of AERA's Orders and Guidelines as brought out in para 1.6 above, the regulated entities are in the process of filing their tariff proposals for the first Control Period of 05 years, which commenced w.e.f. 01.04.2019.

The proposal in respect of the regulated entities viz Airport Operator for the purpose of this RPF is listed below:

<b>Name of the Airport Operator</b>
Airports Authority of India for Varanasi Airport
Airports Authority of India for Amritsar Airport
Airports Authority of India for Bagdogra Airport

## **2. Objective**

The Objective is engagement of Consultants to assist Airports Economic Regulatory Authority of India (AERA) in Determination of Tariffs for Aeronautical Services at above AAI operated Major Airports.

## **3. Scope of Work**

The Selected Applicant shall perform the following services:

- i. Examine the MYTP of the Airport Operator and verify the data with reference to the Balance Sheet, P&L account and auditor certificates relating to Aeronautical services;
- ii. Examine Traffic Forecasts for their correctness and adequacy;
- iii. Examine & Analyze CHQ Expenditure and look into the correctness of its apportionment to the particular airport for which tariff is being determined;
- iv. Ensure that the financial model employed is in line with the methodology prescribed by the Authority;
- v. Examine each building block in tariff determination and ensure that the treatment given to it is in line with the Authority's methodology, approach, Studies ;
- vi. Prepare a Consultation Paper working out the Aggregate Revenue Requirement (ARR) of the Operator and incorporate the proposed tariff plan that the Operator has submitted to achieve the ARR;
- vii. Assist the Authority to implement the Tribunal Orders;
- viii. Assist the Authority in holding consultations with the stakeholders and analyze the various suggestions made by the stakeholders;
- ix. Draw up the final version of the Tariff Order for the approval of the Authority;
- x. Assist the Authority in 'Appeals' and 'Legal Cases' against the Orders of the Authority.

It is clarified that each of the tariff proposals need to be considered separately, based on the submissions made therein, as well as other factors that AERA is mandated to consider while determining the aeronautical tariffs, or, as AERA may instruct from time to time.

#### 4. Deliverables and Payment milestone:

In pursuance of this TOR, the Consultant shall undertake/deliver the following deliverables (the “Deliverables”) during the course of this Consultancy.

SNO.	Deliverables	Time Frame for completion of Assignment	Payment Schedule
1.	Submission of initial analysis which includes identification of information gaps	04 Months	10%
2.	Finalisation and issue of Consultation Paper		35%
3.	Assisting AERA in Stakeholder consultation and evaluating Stakeholders’ response		25%
4.	Assisting AERA in determination of Aeronautical Tariffs and issuance of Tariff Orders post stakeholders’ consultation and successful completion of the assignment.		30%

***Note -1 : If due to any reason, work / assignment is not completed within the stipulated time, AERA may add its discretion extend the last date of completion of work without any financial implication to AERA. Delay in submission of assignment attributable to the selected consultant firm will make them liable for action(s) given in Para 5 “Liquidated Damages and Penalties.” Decision of AERA in this regard shall be final and binding on the consultant firm.***

#### 5. Completion of Services

- 5.1 All the deliverables shall be compiled, classified and submitted by the Consultant to the Authority in soft form, to the extent possible. In addition to the soft form, the Consultant is required to submit two hard copies of the reports of each Deliverables.
- 5.2 The documents comprising the Deliverables shall remain the property of AERA and shall not be used by the Consultant for any purpose other than that intended under these Terms of Reference without the permission of AERA.
- 5.3 Each deliverable of the Consultancy shall stand completed on acceptance communicated to the Consultant in writing by AERA. Consultant is not entitled to any payment of the milestones of Deliverables unless the Deliverable is accepted by AERA in writing. Further, AERA may seek clarifications/queries with respect to the Deliverables, which shall be addressed by Consultant within the timelines stipulated by AERA
- 5.4 The period of consultancy services shall be 04 ( Four) months from the date of issue of LOA and shall be completed within the stipulated period.
- 5.5 AERA reserves the right to extend the period of Consultancy beyond the period of 04 (Four) months at its own discretion.

**SCHEDULE-II**  
(See Clause 2.9)  
**Guidance Note on Conflict of Interest**

1. This Note further explains and illustrates the provisions of Clause 2.9 of the RFP and shall be read together therewith in dealing with specific cases.
2. Consultants should be deemed to be in a ‘conflict of interest’ situation if it can be reasonably concluded that their position in a business or their personal interest could improperly influence their judgment in the exercise of their duties. The process for selection of consultants should avoid both actual and perceived conflict of interest.
3. ‘Conflict of Interest’ may arise between AERA and a Consultant or between Consultants and present or future Concessionaries/ Contractors. Some of the situations that would involve ‘conflict of interest’ are identified below:
  - (a) Consultants and Concessionaires/Contractors:
    - (i) No Consultant should have an ownership interest or a continuing business interest or an on-going relationship with a potential Concessionaire/ Contractor save and except relationships restricted to project-specific and short-term assignments;
    - (ii) No Consultant should be involved in owning or operating entities resulting from the project; and
    - (iii) No Consultant should bid for works arising from the Project.

The participation of companies that may be involved as investors or consumers and officials of AERA who have current or recent connections to the companies involved, therefore, needs to be avoided.

4. The normal way to identify ‘conflict of interest’ is through self-declaration by Consultants. Where a conflict exists, which has not been declared, competing companies are likely to bring this to the notice of AERA. All conflicts must be declared as and when the Consultants become aware of them.
5. Another approach towards avoiding a ‘conflict of interest’ is through the use of “Chinese Walls” to avoid the flow of commercially sensitive information from one part of the Consultant’s Company to another. This could help overcome the problem of availability of limited numbers of experts for the Project. However, in reality, effective operation of “Chinese Walls” may be a difficult proposition. As a general rule, larger companies will be more capable of adopting ‘Chinese Walls’ approach than smaller companies. Although, “Chinese walls” have been relatively common for many years, they are an increasingly discredited means of avoiding ‘conflicts of interest’ and should be considered with caution. As a rule, “Chinese Walls” should be considered as unacceptable and may be accepted only in exceptional cases upon full disclosure by a Consultant coupled with provision of safeguards to the satisfaction of AERA.
6. Another way to avoid ‘conflict of interest’ is through the appropriate grouping of tasks. For example, conflicts may arise if Consultants drawing up the terms of reference or the proposed documentation are also eligible for the consequent assignment or project.
7. Another form of ‘conflict of interest’ called “scope-creep” arises when Consultants advocate either an unnecessary broadening of the terms of reference or make recommendations which are not in the best interests of AERA but which will generate further work for the Consultants. Some

forms of contractual arrangements are more likely to lead to “scope-creep.” For example, lump-sum contracts provide fewer incentives for this, while time and material contracts provide built-in incentives for Consultants to extend the length of their assignment.

8. Every project contains potential conflicts of interest. Consultants should not only avoid any conflict of interest, they should report any present/ potential conflict of interest to AERA at the earliest. Officials of AERA involved in the development of a project shall be responsible for identifying and resolving any conflicts of interest. It should be ensured that safeguards are in place to preserve fair and open competition and measures should be taken to eliminate any conflict of interest arising at any stage in the process.

**APPENDICES**  
**TECHNICAL BID**

Form - 1

(On Applicant's letter head)  
(Date and Reference)

To,

\_\_\_\_\_

\_\_\_\_\_

**Sub: Engagement of Consultants to assist Airports Economic Regulatory Authority of India (AERA) in Determination of Tariffs for Aeronautical Services for Major Airports.**

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 Assistance to Airports Economic Regulatory Authority of India (AERA) for Appraisal of Tariff Proposals and Determination of Tariffs for Aeronautical Services and declare as follows:

1. I, [Name], [Designation], of [Name of the Company], a company incorporated under the Companies Act, 1956/2013, having its CIN [●] and registered office at [●], am a duly authorized representative/signatory of [Name of the Company], authorized vide Board Resolution dated [●] to submit the Proposal in the subject matter for and on behalf of the [Name of the Company].

or

I, [Name], [Designation] of [Name of the Partnership Firm], a Partnership firm, registered under the Indian Partnership Act, 1932 carrying on its business under the name and style as hereinbefore mentioned and having its principal office at [●] and having Registration No.[●]dated[●], am a duly authorized representative/signatory of [Name of the Partnership Firm] to submit the Proposal in the subject matter for and on behalf of the [Name of the Partnership Firm].

or

I, [Name], [Designation] of [Name of the Partnership Firm], a Partnership firm, registered under the Limited Liability Partnership Act, 2008 carrying on its business under the name and style as hereinbefore mentioned and having its principal office at [●]and having Registration No. [●]dated[●], am a duly authorized representative/signatory of [Name of the LLP] to submit the Proposal in the subject matter for and on behalf of the [Name of the LLP].

or

I, [Name], am acting as the sole proprietor of the proprietary firm carrying on its business under the name and style as hereinbefore mentioned and having its principal office at [●].

2. Assistance in Appraisal of Tariff Proposals and Determination of Tariffs for Aeronautical Services at Major Airports. The proposal is unconditional and unqualified.
3. I/We acknowledge that the AERA will be relying on the information provided in the Proposal and the documents accompanying the Proposal for selection of the Consultant, and we certify that all information provided in the proposal and in the Appendices is true and correct, nothing has been omitted which renders such information misleading and all documents accompanying such proposal are true copies of their respective Originals.

4. This statement is made for the express purpose of appointment as the Consultant for the aforesaid assignment.
5. I/We shall make available to the AERA any additional information it may deem necessary or require for supplementing or authenticating the Proposal.
6. 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.
7. I/We certify that in the last three years, we 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.
8. I/We declare that:
  - I/We have examined and have no reservations against the RFP Documents, including any Addendum issued by the AERA;
  - I/We do not have any 'conflict of interest' in accordance with Clause 2.9 of the RFP Document;
  - 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,
  - 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.
9. 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 7.1 of the RFP document.
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 Associates or against our CEO/Applicant/Partner/Directors.
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 AERA in connection with the selection of Consultant or in connection with the selection process itself in respect of the above mentioned assignment.

14. The **EMD of Rs.1,50,000/- (Rupees One Lakh Fifty Thousand only)** in the form of a Demand Draft, from a Nationalized/Scheduled 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 1.4 of the RFP.
17. A Power of Attorney in favor of the Authorized Signatory to sign and submit this proposal and documents is attached herewith in Form 4.
18. In the event of my firm/ company/ corporation 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(s). This Technical Bid read with the Financial Bid(s) 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 Authorized Signatory)  
(Name and seal of the Applicant)

\*In case the Applicant is unable to provide the certification specified in point 10, it may precede the paragraph by the words viz. "Except as specified in Schedule .....hereto". The exceptions to the certification or any disclosures relating thereto may be clearly stated in a Schedule to be attached to the Application. AERA will consider the contents of such Schedule and determine whether or not the exceptions/disclosures are material to the suitability of the Applicant for pre-qualification hereunder.

**Particulars of the Applicant**

1.1	<p>Title of Consultancy: <b>Engagement of Consultants to assist Airports Economic Regulatory Authority of India (AERA) in Determination of Tariffs for Aeronautical Services for AAI Airports of Varanasi, Amritsar and Bagdogra (Major Airports).</b></p>
1.2	<p>State whether applying as a Sole Proprietorship Firm or Partnership Firm or LLP or Company and provide details of the relevant authorization</p>
1.3	<p>State the following:- Name of the Sole Proprietorship Firm or Partnership Firm or LLP or Company Country of incorporation: Registered address: Year of Incorporation: Year of commencement of business: Principal place of business:</p> <p>Brief description of the Company including details of its main lines of business:- Name, designation, address and phone number of Authorized Signatory of the Applicant: Name: Designation: Company: Address: Phone No.: Fax No.: E-mail address:</p>
1.4	<p>For the Applicant, state the following information: (i) In case of non-Indian Firm, does the Firm have business presence in India?  Yes/No If yes, provide the office address(es) in India.</p> <p>(ii) Has the Applicant 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 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 of its Associates 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 its Associates suffered bankruptcy/insolvency in the last five years?  Yes/No</p> <p><b>Note:</b> If the answer to any of the questions at (ii) to (v) is yes, the Applicant is not eligible for this consultancy assignment.</p>
1.5	<p>[Signature, name and designation of the Authorised Signatory] For and on behalf of .....</p>



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

Ref. Date:  
To,  
\_\_\_\_\_  
\_\_\_\_\_

Dear Sir,

**Sub: Engagement of Consultants to assist Airports Economic Regulatory Authority of India (AERA) in Determination of Tariffs for Aeronautical Services for AAI Airports of Varanasi, Amritsar and Bagdogra (Major Airports)..**

I/We hereby confirm that we, the Applicant, satisfy the terms and conditions laid down in the RFP document.

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

Further, the authorized 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 Authorized 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 authorize 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 “**Authorized Representatives**”) to do in our name and 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 **Engagement of Consultants to assist Airports Economic Regulatory Authority of India (AERA) in Determination of Tariffs for Aeronautical Services for AAI Airports of Varanasi, Amritsar and Bagdogra (Major Airports)**., 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 Authorized Representatives 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 Authorized 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 Powers of Attorney should be in accordance with the procedure, if any, laid down by the applicable law and the charter documents of the executants (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 notarized 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 legalized by the Indian Embassy and notarized 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 legalized by the Indian Embassy if it carries a conforming Apostille certificate.

**Financial Capacity of the Applicant**  
(Refer Clause 2.6.1(c))

S. No.	Financial Year	Professional Fees from Consultancy Services (Figures in INR)
1		
2		
3		

**Certificate from the Statutory Auditor**

This is to certify that ..... (name of the Applicant) had a turnover, as shown above, against the respective years on account of professional fees for providing advisory or consultancy to its clients.

Name of the Authorized Signatory:

Designation:

Name of the Audit firm:

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

**Note:**

- ❖ Please do not attach any printed Annual Financial Statement.
- ❖ 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 Aviation Expert

S. No.	Whether Employee or Consultant.	Name	Educational Qualification	Length of Professional Experience			Experience in eligible assignments	Proposed Deployment of the Aviation Expert in the Current Assignment
					Name of the Organization of employment of Aviation Expert	Employed Since		
1								

Particulars of Key Personnel

S. No.	Designation of Key Personnel	Name	Educational Qualification	Length of Professional Experience			Experience in eligible assignments	Proposed Deployment of the Key Personnel in the Current Assignment
					Name of Firm	Employed Since		
1								
2								

### **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 organization of personnel explaining how different areas of expertise needed for this assignment have been fully covered by its proposal. 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 2.6.1(a))

<b>S.No.</b>	<b>Name/Details of the Assignments (providing the scope of work conducted)</b>	<b>Year of Assignment</b>
1		

**Experience of Key Personnel**

[Refer to Clause 2.6 ]

**Name and experience 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	Man days 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 Key Personnel (i.e. Team Leader and atleast 2 Sector Experts)**

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
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 the entire duration of the Consultancy 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.
3. I shall maintain full confidentiality with respect to the material, information, document, etc. as may be made available to me during the proposed assignment.

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

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

**Note:**

1. Use separate form for each Key Personnel.
2. Each page of the CV shall be signed in ink by the Personnel concerned and by the Authorized 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,

**Sub: RFP No. 01/2019-20 for Engagement of Consultant to assist Airports Economic Regulatory Authority of India (AERA) in Determination of Tariffs for Aeronautical Services for AAI Airports of Varanasi, Amritsar, and, Bagdogra (Major Airports).**

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 Authorized Signatory)

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

**RFP No. 01/2019-20 for Engagement of Consultants to assist Airports Economic Regulatory Authority of India (AERA) in Determination of Tariffs for Aeronautical Services for AAI Airports of Varanasi, Amritsar, and, Bagdogra (Major Airports).**

**FORMAT FOR FEE QUOTE**

<b>Name of the Airport Operator</b>	<b>Amount in Rs. (in figures) (Excluding applicable taxes and levies).</b>	<b>Amount in Rs. (in words) (Excluding applicable taxes and levies).</b>
AAI Varanasi Airport		
AAI Amritsar Airport		
AAI Bagdogra Airport		

(To be signed by the authorized signatory)

**NAME & DESIGNATION**