

Queries regarding RFP No.1/2018-19 dated 25.06.2018 for “Engagement of Consultants to assist the Airports Economic Regulatory Authority of India (AERA) in Determination of Tariffs for Aeronautical Services at Delhi and Mumbai Airport”

Query No.	RFP Clause
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Name of Bidder	No.	Name	Text requiring clarification	Bidders Query	Remarks	
M/s KITCO						
M/s KITCO	1	2.6	Conditions of Eligibility	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,	We propose subsidy modeling for regulated entity shall also be included in eligible assignment	The Original Clause is retained and there is no change.
M/s KITCO	2	2.6	Conditions of Eligibility	The Applicant should have minimum10 (ten) professionals as chartered accountants (CA) or Cost Accountant (ICWA) on the pay roll of the Applicant.	We proposed 10 CAs may not be necessarily in payroll of applicant and We would like to know whether a JV is permitted	- JVs. / consortium not permitted. - Out of 10 professionals there should be 6 CAs and rest can be ICWA or MBA (Fin) from a premier

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						institute on the pay roll of the Applicant.
M/s Pary & Co.						
M/s Pary & Co.	1	1.2	Request for Proposal	The applicant applying in response to this invitation can be a sole proprietorship firm or partnership firm or LLP or company.	You are requested to allow the consortium of firms or Companies, as the aviation sector advisory is a new sector in India context and desired expertise in this aviation sector might not be available with the single entity. Therefore, for polling of resources and to get the quality service Consortium of firms/ companies should be allowed.	The Original Clause is retained and there is no change.
M/s Pary & Co.	2	1.6	Delivery Schedule	Within next 15 days to collect information / records from Airport Operator and submit preliminary study of the airports awarded.	If possible then the responsibility to collect information/ records should be shared by AERA, as they have legal recourse available to ensure the timely submission of the complete information / records. If above-mentioned suggestion is not practically possible to implement then please clarify whether consultant has to collect the information /records physically from the office of Airport Operators? If yes, please ensure that AERA will assist in getting the same in the given timelines. Also provide the detailed correspondence address of the Airport Operator.	The initial data shall be collected and provided by AERA.

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M/s Pary & Co.	3	2.2.1	Bid Security	The applicant shall submit, along with their proposal, a Bid security of Rs. 3,00,000 (Rupees Three Lakhs only) for each Group in the following form:	You are requested to Exempt this Bid Security for the MSME registered entities, as per provisions of the referred Notification*. The same practice has been followed in other Govt. undertakings for selection of consultants (Refer Tender No. SECI/Cont.1/2016/500 dated 22/04/2016)	Exemption of Bid Security for MSME registered entities is already in the RFP at clause 2.2.1(d).
M/s Pary & Co.	4	2.6.1 (b)	Condition of Eligibility	The fact that the Applicant has participated as a consultant in any of the above projects of 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)	You are requested to remove this clause justification: <ul style="list-style-type: none"> 1) Aviation Sector on PPP is a new sector in India and there are very few consulting firms who have experience in this sector. 2) The consultant who have provided their services w.r.t. similar nature of assignment for other sectors are also competent to give desired solutions to your organization, if the fair level play field has been given to them. 3) This will curtail down the healthy competition among the deserving consulting firms, who can provide their services at competitive price. 	The Original Clause is retained and there is no change.
M/s Pary & Co.	5	2.6.1 (C)	Conditions of Eligibility	The applicant should have minimum 10 (ten) professionals as chartered accountants (CA) or Cost Accountant (ICWA) on the pay roll	You are requested to include MBA (Finance) in the minimum 10 professionals, as the same is mentioned in clause 2.6.1.(g). Further,	Out of 10 professionals 6 CAs and rest can be ICWA or MBA (Fin)

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				of the applicant	you are requested to relax this condition to some reasonable number (say 5 or 7), as you required only 3 members and these key members would be duly supported by experience and well qualified MBA(Fin) persons or CAs.	from a premier institute on the pay roll of the Applicant.
M/s Pary & Co.	6	2.6.1(d)	Condition of Eligibility	The Applicant should have a minimum turnover of Rs. 5,00,00,000(Rupees <u>Five Crores</u>) 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.	You are requested to relax this requirement to some reasonable amount of say Rs. 2.00 Crore, as most the Indian consultation firms do not have this much of turnover from consultancy. The financial consultancy is rather new to the Indian Economy. Further, you are requested to consider the Average annual turnover of last three years, instead of a particular amount of turnover continuously for the last three years. Justification 1) There is no such turnover criteria in other Govt. agencies, like in NHA I and Power Secotr Compansis like RECTPCL/PRF Ltd. 2) This will promote the healty competition; and in turn will increase the participation and you will get more competitive biddings.	The Original Clause is retained and there is no change.
M/s Pary & Co.	7	2.6.1 (f)	Condition of Eligibility	Team Leader Preference shall be given to those who have participated in any of the above assignments specifically relating to	You are requested to remove this clause, because: 1) It will deprived those firms who have experienced key	The Original Clause is retained and there is no change.

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				<p>tariff fixation for the airport infrastructure sector/ user charges and/or other aeronautical services.</p> <p>Financial Expertise and Database Management.</p> <p>Preference shall be given to experts who have assisted regulatory bodies/ regulated entities in reviewing tariff applications/ making tariff submissions.</p>	<p>persons fulfilling the requirement of;</p> <p>“..participated in the process of assisting or advising the regulatory authorities or assist any regulated entity in preparation and evaluation of multiyear tariff proposals and submissions and determination of tariffs/user charges as given in para 2.61. (a)”</p> <p>And</p> <p>“... have experience in th cost and financial analysis of PPP projects... or across other infrastructure essential services/ including cost analysis and determination of tariff or user charges.”</p> <p>Alternatively you are requested to incorporate the same to incorporate the same wordings as mentioned in clause 3.1.3 (reproduced below) so that the requirement should be clear and aligned.</p> <p>“...Preference shall be given to bidders who have worked on tariff determination on airports/ other projects run on PPP mode.”</p>	
M/s Pary & Co.	8	3.1.8	Technical Proposal Evaluation	Applicants are advised that selection of the successful Applicant will be entirely at the	You are requested to inform that the evaluation process is being conducted by the in house team of AERA or some	AERA retains the discretionary power.

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				discretion of the AERA	outside agency has been hired for that purpose.	
M/s Pary & Co.	9	3.6	Execution of Agreement	After acknowledgement of the LOA as aforesaid, the Selected Applicant shall sign the Agreement within 15 (fifteen) days from the issue of the LOA. The Selected applicant shall not be entitled to seek any deviation in the Agreement.	You are requested to provide the draft copy of the said agreement, as mentioned in this clause with a conformation that there would be no change in it on getting the assignment allotted.	A draft copy of the agreement shall be uploaded alongwith reply.
M/s Pary & Co.	10	5.4 5.5	Completion of Service	The period of consultancy services shall not be more than 9 (Nine) months from the date of LOA and shall be completed within the stipulated period. AERA reserves the right to extend the period of Consultancy beyond the period of 9 (Nine) months in its own discretion.	In case the period of consultancy services goes beyond the stipulated period of 9 months because the administrative delays then there should be some provisions to compensate the consultant in a fair manner.	The Original Clause is retained and there is no change.
SBI Capital Market Ltd.						
SBI Capital Market Ltd.	1	2.2.4.(c)	Forfeiture of Bid security	In the case of a Selected Applicant, if I the Applicant fails to sign the Agreement or commence the assignment as specified in Clause 3.7	Request AERA to share the draft copy of the Agreement proposed to be signed before the Proposal due date as this has to be cleared with our compliance team prior to bid submission.	Draft agreement is attached with this reply..
SBI Capital Market	2	2.2.5 (c)	Bid Security	Performance security will be refunded to the party after completion of control period i.e.	Request AERA to keep the validity requirement of Performance Security till 3 months from the date of	The performance security shall be refunded to the

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Ltd.				March 31, 2024 or completion of court case against the above assignment, whichever is later	completion of assignment or from the date of issue of order, whichever is later.	party after completion of 01 (one) year from the issue of order after obtaining a written undertaking from the consultant that they shall assist AERA in any litigation arising on the tariff order.
SBI Capital Market Ltd.	3	2.9.1	Conflict of Interest	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...	In case of bidding by a subsidiary (Applicant) of a Public Sector Bank (PSB), the definition of Associate includes the Government of India (ultimate parent having shareholding of more than 50% in the PSB), PSB (parent having shareholding of more than 50% in the Applicant), other subsidiaries of PSB (parent) and also other PSBs as well as PSUs along with their subsidiaries as more than 50% of their equity is held On account of the above, it is difficult to confirm on behalf of Gol, PSBs, PSUs and their subsidiaries. Further, the parent institution of the Applicant being a public sector bank carries out routine banking operations with airport service providers including the airport operators operating the Delhi and Mumbai airports. Hence, request AERA to kindly remove	The Original Clause is retained and there is no change. Consulting companies of Govt. of India and Public Sector Banks are exempt from this clause.

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					the mention of ' Associates' in the subject clause (OR) exempt public sector banks from the conflict of interest clause. Further, request you to confirm if routine banking operations carried out by the Associate (OR) project advisory / fund raising exercises carried out by the Applicant for the airport operators shall not be construed as an assignment of similar nature.	In case the bidder dealing with the statutory audit / advisory services on tariff matter of the specific airport, it shall be treated as direct conflict of interest.
SBI Capital Market Ltd.	4	2.9.1	Conflict of Interest	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.	Request AERA to kindly confirm whether banking operations /project advisory / fund raising exercises carried out by the Associate/ Applicant for the airport operators shall not be construed as an assignment which will result in conflict with the present assignment.	- In case the bidder dealing with the statutory audit / advisory services on tariff matter of the specific airport, it shall be treated as direct conflict of interest.
SBI Capital Market Ltd.	5	2.9.3 (a)	Conflict of Interest	The Applicant or any of its Associates and any other Applicant or any of its Associate, have common controlling shareholders	As per the Clause, no two public sector entities (or their associates/ subsidiaries/JVs) can submit a competitive bid, though their conduct of business is independent, as they have common controlling shareholders i.e. Government of India (GoI)/State Governments. For Example: The subsidiaries of many PSBs provide independent consultancy services to the client even though they have common controlling	Govt. Shareholding shall be exempted from Conflict of Interest.

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					shareholders. The subject clause prevents a subsidiary from submission of bid if another subsidiary of another PSB submits a bid. An Applicant would not have any knowledge of / control over prospective bidders at the time of submission of bid. Hence we request AERA to kindly exempt GoI/State government shareholding on public entities from the conflict of interest clause.	
SBI Capital Market Ltd.	6	3.3.3	Financial Proposal Evaluation	The Applicant achieving the highest combined score for a Airport shall be invited for discussions and given the offer for the respective Group.	In case two Applicants for the same Group achieve the same combined highest score, what will be the process followed for selection of applicant.	The bidder who has submitted the lower financial bid shall be awarded the work.
SBI Capital Market Ltd.	7	5.3	LD 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.	Request AERA to maintain that the total LD on account of delay and error / variation shall not be more than 5% of the value of the contract.	Overall LD whether on account of delay and error / variation shall be limited to 10 percent of contract value.
SBI Capital Market Ltd.	8	Appendix 1/Form 1 (Point 12)	Letter of Proposal	We further certify that no investigation by a regulatory authority is pending either against us or against our Associates or against our CEO / Directors.	In case of bidding by a subsidiary (Applicant) of a Public Sector Bank (PSB), the definition of Associate includes the Government of India (ultimate parent having shareholding of more than 50% in the PSB), PSB	The word 'Associates' is removed from the Appendix 1/ Form 1 (Point 12) of the RFP.

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					<p>(parent having shareholding of more than 50% in the Applicant), other subsidiaries of PSB (parent) and also other PSBs as well as PSUs along with their subsidiaries as more than 50% of their equity is held by Gol. In such cases, it will be difficult to get certification of the same from Associates (Gol, PSB (parent), other PSBs and PSUs) in this regard. Hence, we request AERA to kindly remove the mention of 'Associates' in the subject clause (OR) exempt Gol/State government / public sector banks from the conflict of interest clause.</p>	
M/s Deloitte						
M/s Deloitte	1	1.2.(b)	Request for Proposals, Page Number-8	<p><i>(b) Undertake "detailed and critical review in respect of various assumptions / projections / forecasts made in each proposal</i></p>	<p>We request the Authority to appreciate that there would be a number of assumptions, data points etc. submitted by the airport operators and other service providers. Undertaking a due diligence in respect of various assumptions / projections / forecasts made in each proposal will mean that the consultant will be required to review and comment upon the business plans of various players.</p> <p>Also, the consultant will not be able to undertake detailed due diligence of</p>	<p>The Original Clause is retained and there is no change.</p>

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					<p>any technical and financial aspects such as project cost, asset and cost allocation etc. as part of this assignment as it has not been sought by AERA for the said proposal. Further, this due diligence is best conducted by the authorities through a separate consultancy process.</p> <p>Accordingly, we request the Authority to remove this part of the clause</p>	
M/s Deloitte	2	1.6	Delivery Schedule, Page Number-9	<p>The Selected Consultant shall be given a period of Nine Months to “accomplish the assignment from the date of allocation of the assignment/proposal of the respective Airport Operator”.</p>	<p>Internationally tariff determination exercises under a Price Cap regime take around 1.5 – 2 years for each Airport. Even in the Indian context, precedence indicates substantial time requirement for review of proposals received from airport operators / service providers, preparation of list of data gaps, receipt of additional information, analysis of tariff models / preparation of tariff (financial) models, receipt of certified information, review of projections of regulatory building blocks, preparation of draft / consultation papers, conducting of stakeholder meetings, preparation of notes for proceedings before Appellate Tribunal, preparation of summary of responses received from</p>	<p>The Original Clause is retained and there is no change.</p>

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					<p>stakeholders, preparation of final multi-year tariff order, etc.</p> <p>The timelines for undertaking tariff determination for the major airports seem extremely challenging. In view of numerous activities mentioned above being outside the control of the Consultant, it is requested that the Delivery Schedule be specified with reference to the tasks / outputs expected from the Consultant and not covering periods / activities on which the Consultant has no control.</p>	
M/s Deloitte	3	2.1	Scope of Work, Page Number-11	<p>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</p>	<p>In context of scope of work, a number of activities are expected to be completed towards determination of tariffs by the selected Consultant.</p> <p>Therefore, it is requested, that the Authority may please specify the required output from the Consultants so that the incidental activities may be considered and appropriate proposals prepared and submitted.</p> <p>As per our past experience, we believe that the expected output from the Consultants shall include – 1) lists of</p>	<p>The Original Clause is retained and there is no change.</p>

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				the assignment awarded pursuant to this RFP.	deficiencies in the proposals submitted, 2) lists of information requirements, 3) list of certification requirements, 4) analyses of various elements / regulatory building blocks, 5) preparation of draft consultation / multi-year tariff paper, 6) modification of tariff (financial) models submitted by airport operator, 7) preparation of analyses sheets / models for Authority decision, 8) preparation of final multi-year tariff orders. Request the Authority to please confirm the aforementioned list of output.	
M/s Deloitte	4	2.2.1	Bid Security Fee, Page Number-12	The Applicant shall submit, along with their Proposal, a Bid Security of Rs.3,00,000 (Rupees Three Lakhs only) for each of the Airport in the following form	As the tender process pertains to a single RFP, under which only 1 (one) airport will be awarded to a consultant, we would request AERA to accept a single bid security. Additionally, we request the authority to consider reducing the bid security fees to INR 1,00,000 (Rupees One Lakh Only).	The Authority further deliberated on the matter and decided not to accept the proposal.
M/s Deloitte	5	2.2.5 a)	Release of Bid Security, Page Number-12	The Bid Security of all the unsuccessful Applicants shall be returned as promptly as possible, but not later than 1 (one) month after expiration of Bid Validity i.e.	In case the Consultants are unsuccessful in the bidding process, we request the Authority to kindly consider the release of bid security within 7 days of Award of Projects	Authority decided that Bid Security shall be released within one week of opening of

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				90 days.		financial bid.
M/s Deloitte	6	2.2.5 c)	Release of Bid Security, Page Number-12	Performance Security will be refunded to the party after completion of control period i.e. 31st March, 2024 or completion of the court case against the above assignment, whichever is later.	We request the Authority to limit the validity of the Performance Security until the completion of the Consultancy Assignment	The performance security shall be refunded to the party after completion of 01 (one) year from the issue of order after obtaining a written undertaking from the consultant that they shall assist AERA in any litigation arising on the tariff order.
M/s Deloitte	7	2.5.1	Aviation Expert, Page Number-13	"..The Applicant shall submit the terms of the engagement of appointment of the Aviation Expert."	Consulting Firms are bound by Non-Disclosure policies, which prohibit them from disclosing contractual details / terms of the engagement or appointment of an Expert. Experts are usually on boarded on a Contractual basis, which are renewed / extended at regular intervals. We would therefore request AERA to relax this requirement completely, and if not, provide specific details that AERA may require us to furnish.	Consultants have to submit the terms of the engagement of aviation expert. They can submit the same, except the financial terms.
M/s Deloitte	8	2.5.2	Key Personnel, Page Number-13	Team Leader Will lead, co-ordinate and	We request the Authority to note, that the word "satisfactory" is subjective.	The Original Clause is retained and

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				supervise the team for the Consultancy and shall be responsible for the timely, efficient and satisfactory delivery of services mentioned in Clause1.2.	Hence, we would like to request that an acceptance criteria is defined for each of the deliverables to avoid any ambiguity.	there is no change.
M/s Deloitte	9	2.6.1	Conditions of Eligibility Sector Expert: Financial Expertise and Database Management, Page Number-14	Database management and analysis would require experience in RDMS, Data mining , software Based analytical tools, sensitivity analysis, econometric modelling including experience in word and excel sheet.	Request AERA to confirm if this position is for one single expert or two separate experts (One Financial and the other Database Management Expert) Based on our past experience in similar engagements, we understand that AERA would require an expert who can manage the information submitted by stakeholders, use the same to perform analysis (including sensitivity), work on excel models and subsequently draft documents for consultation and the final tariff orders. These tasks, would not require expertise of an I.T. expert who specializes in niche areas of Relational Database Management System (RDMS) and Data Mining. We therefore request AERA to modify the clause and accept a "Data Analysis Expert" instead of a "Database	Agreed to.

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					Management Expert who shall have to demonstrate expertise in “ RDMS, Data mining , software Based analytical tools, sensitivity analysis, econometric modelling including experience in word and excel sheet.”	
M/s Deloitte	10	2.9.1	Conflict of Interest, Page Number-16	“..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.”	We understand that this clause refers to those engagements for tariff determination which come under the purview of AERA and not any other regulatory body in the country. Additionally, selected Consultant be permitted to accept assignments from subsidiaries of Airport Operator, which may not have any direct linkage with tariff determination for the respective airport. We request the Authority to kindly confirm.	It is clarified that any engagement with Airport operator and its holding company shall be considered as conflict of interest.
M/s Deloitte	11	2.13.2 (k)	Technical Proposal, Page Number-19	No Key personnel should have attained the age of 70 years at the time of submitting the proposal except the Aviation Expert and only in such cases where he is not a team leader	We request AERA to relax this requirement as the expertise of an expert is not time barred and age should not be grounds for disqualification of an expert who is competent to play his part on this engagement.	Age limit, above 70 years are already been relaxed for aviation expert. The age limit for other team members shall be retained defined in RFP.

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M/s Deloitte	12	2.14.1 a)	Financial Proposal, Page Number-20	The lump sum professional fee quoted for the respective Airport 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.	<p>We understand that tariff determination engagements require surveys/reports from independent engineers, independent technical consultants, and independent auditors etc. which are essential in ending a deadlock between stakeholders with varied interests. The requirement of such surveys/reports are very case specific and may require a high amount of compensation to the entity/firm conducting such surveys for AERA. It would not be possible for any applicant assisting AERA to pre-budget such expenditures as part of their financial quote for the current tender process.</p> <p>We would therefore request AERA to clarify that, if required, AERA would independently commission aforementioned studies/surveys; and any expenses for the same shall be borne by the Airport Operator / AERA and not the selected applicant.</p> <p>Further, it is not envisaged by us that the Consultants would be required to bear any expenses for organising</p>	The word 'Survey' has been replaced with 'Site visit' in clause 2.14.1(a) of the RFP.

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					meetings / stakeholder consultations / Authority meetings / tours, etc. Our understanding in this regard may please be confirmed.	
M/s Deloitte	13	2.15.1	Submission of Proposal, Page Number-21	The Applicants shall submit the Proposal in hard bound form with all pages numbered serially and by giving an index of submissions.	Submission of a proposal in Hard Bound is a time consuming administrative requirement. Also, we have seen in the past that many government agencies condone such requirement while evaluating a proposal. To avoid such situation, we request AERA to also accept spiral bound proposals with all pages numbered serially and by giving an index of submissions.	The Original Clause is retained and there is no change.
M/s Deloitte	14	2.21	Confidentiality, Page Number-24	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	We request the Authority to modify the clause by adding the following, "The confidentiality obligations shall survive the termination of this Contract / completion of services for a period of one (1) year"	Agreed to.

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				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.		
M/s Deloitte	15	3 vi	Scope of Work, Page Number-34	Assist the Authority in holding consultations with the stakeholders and analyse the various suggestions made by the stakeholders	We request AERA to confirm that all costs incurred in organizing stakeholder consultation events shall be incurred by AERA.	It is clarified that all the cost incurred in organizing stakeholder consultation meetings shall be incurred by AERA.
M/s Deloitte	16	3 viii	Scope of Work, Page Number-34	Assist the Authority in appeals against the orders of the Authority.	We would like to inform the Authority that Deloitte cannot provide legal advice towards the Consultancy Project. Additionally, it is challenging to anticipate the time and cost implication for such a task at the time of participating for such a Consultancy assignment. Hence, we would request the Authority to remove this clause.	It is clarified that Consultant has to assist the Advocates hired by AERA.

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M/s Deloitte	17	3.3.3 (a)	Overall Evaluation & Offer of Contract, Page Number-26	The Applicant achieving the highest combined score for an Airport shall be invited for discussions and given the offer for the respective Airport. However, no Applicant shall be given an offer of contract for more than one Airport.	<p>We understand that such a clause will reduce competition in the tender process as an Applicant, which is awarded one airport, shall automatically stand disqualified for the other airport.</p> <p>We accordingly request AERA to relax this clause, as it prohibits an applicant from winning both airports as part of the engagement. This would in effect increase competition in the bidding process and ultimately lead to a more optimal allocation of projects.</p>	The Original Clause is retained and there is no change..
M/s Deloitte	18	3.4	Substitution of Key Personnel, Page Number-27	Substitute of the Team Leader will not normally be considered and may lead to disqualification of the Applicant or termination of the Agreement	We request AERA to provide an exception to this clause in cases of medical or other similar grounds which are beyond the control of the consultant.	The Original Clause is retained and there is no change.
M/s Deloitte	19	3.6	Execution of Agreement, Page Number-27	After acknowledgement of the LOA as aforesaid, the Selected Applicant shall sign the Agreement within 15 (fifteen) days from the issue of the LOA. The Selected applicant shall not be entitled to seek any deviation in the Agreement	The Authority may please provide contractual terms and conditions, to the extent not already incorporated in the RFP document, proposed to be incorporated in the Agreement that the Authority plans to execute with the successful Consultant.	It is clarified that Consultant has to sign the agreement within 15 (fifteen) days from the issue of LOA. In case of failure to do so, the bid security shall be forfeited and no further

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						communication shall be entertained.															
M/s Deloitte	20	3.8	Proprietary Data, Page Number-27	“,,All information collected, analyzed, processed or in whatever manner provided by the Applicants/Selected Applicant to the AERA in relation to the Consultancy shall be the property of AERA.”	We would like to clarify to the Authority that the pre-existing IPR of Deloitte will be with itself and that there is a proper bifurcation of the documents and property to identify the IPR.	The Original Clause is retained and there is no change.															
M/s Deloitte	21	4.1	Payment Schedule, Page Number-28	<table border="1"> <thead> <tr> <th>S No</th> <th>Milestones</th> <th>Payment Schedule</th> </tr> </thead> <tbody> <tr> <td>1</td> <td>Submission of initial analysis which includes identification of information gaps</td> <td>10%</td> </tr> <tr> <td>2</td> <td>Finalisation and issue of Consultation Paper</td> <td>40%</td> </tr> <tr> <td>3</td> <td>Assisting AERA in Stakeholder consultation and evaluating Stakeholders' response</td> <td>20%</td> </tr> <tr> <td>4</td> <td>Assisting AERA in</td> <td>30%</td> </tr> </tbody> </table>	S No	Milestones	Payment Schedule	1	Submission of initial analysis which includes identification of information gaps	10%	2	Finalisation and issue of Consultation Paper	40%	3	Assisting AERA in Stakeholder consultation and evaluating Stakeholders' response	20%	4	Assisting AERA in	30%	<p>The payment schedule currently provided in the RFP document is significantly back loaded. Based on our experience, during the progress of such assignments, a major portion of the work already gets completed till the Consultation Paper stage. Additionally, in a number of instances, even the issuance of Consultation Paper may take a lot of time depending upon the availability of data from the airport operators/other stakeholders. Therefore, it is extremely challenging for consultants to operate on such deferred payments for the entire duration.</p> <p>Hence, in view of the aforementioned aspects, we request AERA to modify the payment milestones in a manner</p>	The Original Clause is retained and there is no change.
				S No	Milestones	Payment Schedule															
				1	Submission of initial analysis which includes identification of information gaps	10%															
				2	Finalisation and issue of Consultation Paper	40%															
3	Assisting AERA in Stakeholder consultation and evaluating Stakeholders' response	20%																			
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Name of Bidder		No.	Name	Text requiring clarification		Bidders Query	Remarks												
				determination of	Aeronautical Tariffs and issuance of Tariff Orders post stakeholders' consultation and successful completion of the assignment.	<p>reflective of the time required to complete such tasks:</p> <p>a) in order to prevent acute mismatches between significant efforts required to be expended by the Consultant and the proposed payment schedule and associated financial implications; and</p> <p>b) in view of the fact that the Consultants shall be submitting a Performance Guarantee of 10% of the contract value</p> <p>The payment schedule may please be modified as below:</p> <table border="1" data-bbox="1234 899 1703 1393"> <thead> <tr> <th data-bbox="1234 899 1304 984">S No</th> <th data-bbox="1304 899 1556 984">Milestone</th> <th data-bbox="1556 899 1703 984">Payment Schedule</th> </tr> </thead> <tbody> <tr> <td data-bbox="1234 984 1304 1068">1</td> <td data-bbox="1304 984 1556 1068">On award of contract</td> <td data-bbox="1556 984 1703 1068">10%</td> </tr> <tr> <td data-bbox="1234 1068 1304 1192">2</td> <td data-bbox="1304 1068 1556 1192">Finalization of Consultation Paper</td> <td data-bbox="1556 1068 1703 1192">60%</td> </tr> <tr> <td data-bbox="1234 1192 1304 1393">3</td> <td data-bbox="1304 1192 1556 1393">Assisting in Stakeholder consultations and evaluating stakeholders'</td> <td data-bbox="1556 1192 1703 1393">20%</td> </tr> </tbody> </table>	S No	Milestone	Payment Schedule	1	On award of contract	10%	2	Finalization of Consultation Paper	60%	3	Assisting in Stakeholder consultations and evaluating stakeholders'	20%	
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Name of Bidder		No.	Name	Text requiring clarification	Bidders Query			Remarks
						response		
					4	Issuance of Order	10%	
M/s Deloitte	22	5.2 (a)	Appropriation of Performance Security, Page Number-29	AERA shall invoke the Performance Security, to be appropriated against breach of terms and conditions of the contract or on account of delay in completing the task or towards any amounts as may be payable by the Consultant to AERA.	<p>We understand that except the performance security, there is no amount payable by the consultant to AERA, therefore, a situation where selected Consultant defaults on a payment cannot arise.</p> <p>We would accordingly request the Authority to modify the clause by removing “or towards any amounts as may be payable by the Consultant to AERA” from the clause.</p>			The Original Clause is retained and there is no change.
M/s Deloitte	23	5.3	Liquidated damages for Error / Variation, Page Number-29	“..the consequential damages thereof shall be quantified by AERA in a reasonable manner and recovered from the Consultant by way of liquidated damages...”	<p>We understand that in similar engagements, damages and penalties for the consultant are usually limited to a fraction of the contract value. In the given RFP document, AERA has only set a limit for damages due to delay (Clause 5.4) and not for error/variation in services. We therefore request AERA to limit the overall liability to 5% of the contract value.</p>			Overall LD whether on account of delay and error / variation shall be limited to 10 percent of contract value.
M/s Deloitte	24	5.4	Liquidated damages for Delay, Page Number-29	“..liquidated damages not exceeding an amount equal to 0.5% (zero point five percent) of the total value of the contract per day, subject to a maximum of 5% (five percent) of the total value of the contract...”				
M/s Deloitte	25	5.5	Penalty for Deficiency in Services, Page Number-29	In addition to the Liquidated Damages listed hereinabove, as specified in Clauses 5.3 and 5.4 above, the Consultant may be				The Original Clause 5.5 is retained and there is no change.

Name of Bidder		No.	Name	Text requiring clarification	Bidders Query	Remarks
				censured and/ or debarred for deficiencies on its part.		
M/s Deloitte	26	5.4	Liquidated Damages for Delay, Page Number-29	In case of delay in completion of the work as specified in the delivery schedule, the consultant shall be liable to pay liquidated damages not exceeding an amount equal to 0.5% (zero point five percent) of the total value of the contract per day, subject to a maximum of 5% (five percent) of the total value of the contract. 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 liquidate damages.	<p>Internationally, the tariff determination exercise under a Price Cap regime takes around 1.5 – 2 years. The timelines for undertaking tariff determination for these airports seem extremely challenging and restrictive.</p> <p>Based on our experience of similar engagements, the timelines are critically dependent upon various factors which are completely beyond the control of consultants. For instance, delay by the airport operators in providing data/information sought by the Authority, stakeholders seeking extensions for submitting their responses, any stay by Appellate Tribunal etc. In such circumstances, it would not be appropriate for AERA to penalize the consultant with damages.</p> <p>We would therefore request AERA to delete the clause on Liquidated Damages on account of delay.</p>	The Original Clause is retained and there is no change.
M/s Deloitte	27	Schedule-I, Clause	Completion of Services, Page	The documents comprising the Deliverables shall remain the	We would request AERA to confirm that the Pre-existing IPR of the	The Original Clause is retained and

Name of Bidder		No.	Name	Text requiring clarification	Bidders Query	Remarks
		5.2	Number-35	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	Consultant will remain with the Consultant and there would be a proper bifurcation of the documents and property to identify the IPR.	there is no change.
M/s Deloitte	28	Appendix-I, Form I, Point 12	Letter of Proposal, Page number-38	I/We further certify that no investigation by a regulatory authority is pending either against us or against our Associates or against our CEO / Applicant / Partner / Directors	For large consulting firms, it would be administratively difficult to provide such a declaration for all our Associates. Accordingly we propose the following: "We further certify that no investigation by a regulatory authority is pending either against us or against our Associates or against our CEO / Applicant / Partner / Directors."	The word 'Associates' removed from the Appendix 1/ Form 1 (Point 12) of the RFP.
M/s Deloitte	29	Appendix I, Form 10	CV of Key Personnel, Page Number-49	Note 2: Each page of the CV shall be signed in ink by the Personnel concerned and by the Authorised Representative of the Applicant firm along with the seal of the firm. Photocopies will not be considered for evaluation.	We request the Authority to consider CVs signed by the Authorised Representative in case an expert is not available for signing his/her CV for any reason by the bid submission date.	Agreed to. Authorized representative shall be a person as defined in clause 2.12.3 of RFP.
CRISIL						
CRISIL	1	Clause 2.6.1 (c), Page 14	Conditions of Eligibility	The Applicant should have minimum 10 (ten) professionals as chartered accountants (CA) or Cost Accountant (ICWA) on the pay roll of the Applicant.	We request the authority to kindly consider for evaluation, qualified CA/ICWA professionals on the payroll of the holding company of the applicant firm also. In respect of this, we request	Out of 10 professional 6 CAs and rest can be ICWA or MBA (Fin) from a premier institute on the pay roll of

Name of Bidder		No.	Name	Text requiring clarification	Bidders Query	Remarks
					alteration of the referred clause into the following form – “The applicant should have minimum 10 Chartered Accountant (CA)/ Cost Accountant (ICWA) on the payroll of the applicant/ it’s holding company.”	the Applicant.
CRISIL	2	Clause 2.6.1 (f), Page 14	Team Leader	<p>“The Team Leader should have participated in 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(a)</p> <p>Preference shall be given to those who have participated in any of the above assignments specifically relating to tariff fixation for the airport infrastructure sector/ user charges and/or other aeronautical services.”</p>	<p>In order to allow financial experts, with extensive cross-sectoral expertise in tariff-related assignments, including within the airports sector, to have their non-airport sector experience also factored in their profile’s evaluation, we request the Authority to kindly modify the referred clause into the following form –</p> <p><i>“5 years’ experience in the process of assisting or advising regulatory authorities or assisting any regulatory entity in the preparation and evaluation of rmulti-year tariff proposals and submissions and determination of tariffs/user charges as given in para</i></p> <p><i>Preference shall be given to those who have participated in any of the above assignments specifically relating to tariff fixation for the transport related infrastructure sector/ user charges and/or other aeronautical services.”</i></p>	The Original Clause is retained and there is no change.
CRISIL	3		Availability of			The Original Clause is retained and

Name of Bidder		No.	Name	Text requiring clarification	Bidders Query	Remarks
		Clause 2.6.1 (e), Page 14	Key Personnel:	<i>"The proposed Team Leader and Sector Experts must be employees/ partner of the Applicant at least for the last one year. The Applicant shall offer the services of only those Key Personnel who fulfil the eligibility requirements specified at (f) and (g) below."</i>	Based on our prior experience in successfully conducting similar assignments, and requirement being a sector specific expert, we request the authority to kindly allow an associate consultant to be eligible for qualification under the Sector Experts category	there is no change.
CRISIL	4	Clause 3 (v), Page 19	Scope of Work	<i>Assist the Authority to implement the Tribunal Orders.</i>	We request the Authority to kindly specify the nature of the tribunal orders, and provide more detail on the assistance that would be required of consultants.	Assist the Authority in Tariff determination in compliance with the Tribunal Orders.
CRISIL	5	Clause 1.2 (f), Page 8	Request for Proposals	<i>The consultant shall assist AERA in all the matters relating to legal cases filed upto 31.03.2024 against AERA with respect to this assignment."</i>	We request the Authority to kindly recognize, that consulting services providers, do not undertake legal-related assistance or advisory services. We hence request, the removal of this item from the scope of services to be provided in the assignment.	The Original Clause is retained and there is no change..
CRISIL	6	Request for Addition	Inclusion of Limited Liability Clause		We request the Authority to kindly incorporate the following statement in the contract to be signed, post selection of the Consultant. <i>"Notwithstanding anything to the contrary, the aggregate maximum liability of the Consultant shall not exceed the fees received by the</i>	The Original Clause is retained and there is no change..

Name of Bidder		No.	Name	Text requiring clarification	Bidders Query	Remarks
					<i>Consultant under this Work Order."</i>	