

**Selection of a Private Developer for Development of Project  
Facility on Build, Own, Operate and Transfer basis**

**REQUEST FOR PROPOSAL (RFP)**

MARCH 2005

<<Name of Municipal Body>>

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## **REQUEST FOR PROPOSAL**

<<Name of Municipal Body>>

*Selection of a private developer/ operator for development/ operations of Treatment Facility on Build, Own, Operate and , Transfer basis*

*(Tender No.XXX)*

*Request for Proposal - Document No. :*

*Issued to:*

*Price of RFP document: Rs.*

*Last date and time for submission of duly filled in RFP document:*

This tender is to select a developer/ operator for development/ operation and maintenance of treatment facility in <<name of the Town>> on BOOT basis

**Notes:**

1. This RFP Document consists of:

*Part 1: Request for Proposal*

*Part 2: Concession Agreement*



**7. Submission of the Bid:**

**7.1.1 Cover 1-Technical and Financial Capability**

The Bidder shall place one (1) original + two (2) copies of the Technical and Financial Capability in a sealed envelope, which shall be inscribed as under:

Cover 1–Technical and Financial Capability

Submitted by: \_\_\_\_\_(name of Bidder)

Cover 2–Techno-Business Proposal

The Bidder shall place one (1) original + two (2) copies of the Techno-Business Proposal in a sealed envelope, which shall be inscribed as under:

**7.1.2 Cover 2 – Techno-Business Proposal**

Submitted by: \_\_\_\_\_(name of Bidder)

**7.1.3 Cover 3 – Commercial Offer**

The Information to be submitted by the Bidders in the Commercial Offer (Cover 3) is described in Schedule A. Bidders are required to submit the commercial offer as in Schedule A.

It may be noted that proposals of bidders, which do not contain the commercial offer as specified above, would be considered invalid and liable for rejection.

The Bidder shall place one (1) original + two (2) copies of the Commercial Offers (as specified above) in a sealed envelope, which shall be inscribed as under:

Cover 3 – Commercial Offer

Submitted by: \_\_\_\_\_(name of Bidder)

**7.2 Submission of Bids**

All three covers of the Bid organised as above, shall be placed in a sealed outer envelope or a box, with the following inscription:

*Selection of a private party for Development of Project Facility (Tender No.XXX )*

**Name of the Bidder:** \_\_\_\_\_

The Bidder can submit the Bid by registered post/ courier or submit the Bid in person, so as to reach the under mentioned address by the time and date stipulated in point 6 above. Municipal Body shall not be responsible for any delay in submission of the Bids. Any Bid received by Municipal Body after the deadline for submission of the Bids stipulated in point 6 above shall not be opened.

**8. Technical and Financial Eligibility criteria:**

The Bidder is required to submit the Technical Eligibility in the prescribed format given herein below:

Name of the projects	Location/ place/ country	Type of project	Installed Capacity of treatment plant and capacity utilisation over the previous three years	Equity participation in the project, if any (as % of total equity and Value in Rs.).	Total investment, if any (in Rs. Lakh)	Documents required
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		BOT/ O&M/ Service Contract				Completion Certificates to be attached along with any other supporting documents.
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**Minimum Technical Eligibility criteria for qualification:**

The Bidding Company (or its Key Person) **OR** for a Bidding Consortium, Technical Consortium Member should meet the following eligibility criteria:

*Has designed, constructed, commissioned, operated and maintained a treatment facility capable of treating at least 50% of the load envisaged for the Project under consideration. **OR***

*Has operated and maintained a Municipal Solid Waste Treatment Facility capable of treating at least 75% of the load envisaged for the Project under consideration. **OR***

*Has operated a Municipal Solid Waste Treatment Facility capable of treating at least 125% of the load envisaged for the Project under consideration.*

The Bidder is required to submit the Financial Eligibility in the prescribed format given herein below:

Parameter	Figures for the three Most recent Financial Year	Definition	Information Details
<b>SOLVENCY: Net Worth (if Bidding company/ Lead Member is a registered company) <b>OR</b></b>		Tangible Net Worth = (Equity Capital + Free Reserves and Surplus - Revaluation Reserve) - (Accumulated Losses + Intangible assets)	In the event that the accounting practices adopted in the Annual Accounts do not provide the break-up details as required by the definition, the same are to be furnished.
<b>SOLVENCY: Returns filed with the statutory tax authorities</b>		Tax returns that are required to be filled by an individual/entity engaged in any commercial activity with the concerned statutory authorities as required under Law	
<b>Net Tangible Assets (if Bidding company/ Lead Consortium Member is a registered company) <b>OR</b></b>		Net Fixed Assets (excluding revaluation reserves, intangible assets such as goodwill etc.) + Investments + Current assets + Loans & Advances.	In the event that the accounting practices adopted in the Annual Accounts do not provide the details as required by the definition, the same are to be furnished.
<b>Assets owned by individual/entity as certified by a valuation agency</b>		Assets could be any marketable asset excluding investments in capital markets	The details of the valuation agency also have to be furnished

The Bidding Company (or Key Person as indicated by the Bidder) **OR** for a Bidding Association, Lead Member should meet the following eligibility criteria:

- 1) Solvency as measured by the following: (i) In the case of LM being a registered company, Tangible Networth determined as Paid Up Equity Capital + Reserves and Surplus excluding Intangibles like Revaluation Reserves, Good will, etc Less Accumulated Losses and Miscellaneous Expenses to the extent not written off (ii) in case of LM being an entity other than a registered company, the cumulative annual profitability as reflected in the tax returns filed by the LM over the past three years with the statutory tax authorities shall be at least equal to **(30% of the estimated project cost)**
- 2) Tangible Assets as measured by the following: (i) In the case of LM being a registered company, determined as Net Fixed Assets (excluding revaluation reserves, intangible assets such as goodwill, etc.) +

Investments + Current Assets + Loans & Advances (ii) in case of LM being an entity other than a registered company, Tangible Assets viz. property, buildings, etc. (as evident from the property taxes by the LM) in the name of the LM shall be at least equal to (cost of the Project Facility)

If the Technical and Financial Eligibility criteria are fulfilled, then the bidder can be evaluated for the Project Execution Plan as detailed below.

**9. Project Execution Plan capability criteria:**

The bidders shall submit a Project Execution Plan that would be in conformance with the requirements for the Project as detailed in Schedule 1 and Schedule 2 of the Part 2 of the RFP document.

The Bidder (s) short-listed based on this criteria shall be evaluated based on the commercial offer as detailed below.

**10. Commercial/ Price Evaluation for determining the successful bidder:**

The Commercial Offer evaluation seeks to select the bidder offering the best commercial offer to the Municipal Body.

The Bidder is required to offer its price/ commercial offer in the format herein below:

Base Tariff per month for Municipal Body in Rupees	_____
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The Bidder is also required to provide an undertaking in writing along with the price/ commercial offer that the price/ commercial offer is unconditional and that the same would be applicable for treating all the quantities of waste supplied by the Municipal Body in accordance with this RFP document.

**11. Special Conditions:**

The successful Bidder shall be eligible for an escalation in the Tariff per month over the Base Tariff at the rate mentioned herein below:

Tariff per month	Escalation Factor
After Two years from Commercial Operations Date	1.05 * Base Tariff
After Four Years from Commercial Operations Date	1.1025* Base Tariff
After Six Years from Commercial Operations Date till the end of the Contract Period	1.1576* Base Tariff

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## 1 ACKNOWLEDGEMENT

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**To be returned to the following address on receipt of this Document:**

<< ADDRESS OF THE MUNICIPAL BODY >>

<i>Request for Proposal Document number</i>	
<i>Request for Proposal Document collected by (Name of the person)</i>	
<i>Designation</i>	
<i>Name of the organisation</i>	
<i>Address</i>	
<i>Signature</i>	
<i>Date of Receipt</i>	

## 2 DISCLAIMER

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1. Though adequate care has been taken in the preparation of this *Request for Proposal* Document, the Bidder should satisfy himself that the Document is complete in all respects. Intimation of discrepancy, if any, should be given to the below mentioned office immediately. If no intimation is received by this office, it shall be deemed that the Bidder is satisfied that the *Request for Proposal* Document is complete in all respects.
2. Neither Municipal Body, nor their employees or consultants make any representation or warranty as to the accuracy, reliability or completeness of the information in this RFP and it is not possible for Municipal Body to consider the investment objectives, financial situation and particular needs of each party who reads or uses this RFP. Certain prospective Bidders may have a better knowledge of the Project than others. Each prospective Bidder should conduct his own investigations and analysis and check the accuracy, reliability and completeness of the information in this RFP and obtain independent advice from appropriate sources.
3. Neither Municipal Body nor their employees or consultants will have any liability to any prospective Bidder or any other person under the law of contract, tort, the principles of restitution or unjust enrichment or otherwise for any loss, expense or damage which may arise from or be incurred or suffered in connection with anything contained in this RFP, any matter deemed to form part of this RFP, the award of the Project, the information and any other information supplied by or on behalf of Municipal Body or their employees, any consultants or otherwise arising in any way from the selection process for the Project.
4. Municipal Body reserves the right to reject any or all of the Bids submitted in response to this *Request for Proposal* at any stage without assigning any reasons whatsoever.
5. Municipal Body reserves the right to change any or all of the provisions of this *Request for Proposal*. Such changes would be intimated to all parties procuring this *Request for Proposal*.

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### 3 DEFINITIONS

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#### **Bid/Proposal**

Bid shall mean the covers 1, 2, and 3 submitted by the Bidders in response to this RFP Document.

#### **Bidder**

Bidding Company or Bidding Consortium, as defined below that has submitted an RFP in response to this Document.

#### **Bidding Company**

If the RFP for the Project is submitted by a single entity/partnership firm, it shall be referred to as the Bidding Company.

#### **Bidding Association**

If the RFP for the Project is submitted jointly by more than one entity, then this group of entities shall be referred to as a Bidding Association.

#### **Bid Validity Period**

Bid Validity Period shall mean a period of not less than six months from the last date for submission of the Proposal, for which the Proposal submitted, is valid.

#### **Commercial Bids/Commercial Proposals**

Commercial Bids/Commercial Proposals shall mean the information submitted as per **Section 8** of this Document.

#### **Member**

Each entity in the Bidding Association shall be referred to as a Member.

#### **Document /RFP**

This *Request for Proposal* document in two parts.

#### **Facilities**

“Facilities” shall consist of all such assets and facilities that the bidder would construct/develop for the proposed project as per the terms of the Project Scope as detailed in Schedule I to Part II of this document and the Agreement to be signed by Municipal Body with the Successful Bidder.

#### **Good Industry Practice**

Good Industry Practice shall mean practices, methods, techniques and standards as changed from time to time that are generally accepted for use related to the Treatment Facility.

#### **Hectare**

Hectare is an area of 10,000 sq m.

#### **Lead Member (LCM)**

In case of a Bidding Association, the Lead Member (LM) shall be that Member vested with the prime responsibility of developing the Project. The Lead Member shall be the member evaluated for Financial Capability of the Bidding Association. It is desired that the Lead Member be a technically competent entity, however no additional weightage/ consideration shall be given in such an event.

The MOU to be entered into between the Members as per the proforma presented in Exhibit – 1 shall reflect the above. The LM shall be the authorised representative of the Bidding Association and shall be liable to Municipal Body for all the obligations of the Bidder.

#### **Key Person**

The entity holding the maximum stake in the Bidding Company / Lead Member of the Bidding Association and in no case less than 51% of the total equity/ interest.

**Letter of Acceptance**

Letter of Acceptance shall have a meaning as referred in Exhibit – 4: FORMAT OF LETTER OF ACCEPTANCE of this Document.

**Letter of Award**

This would mean as defined in Section 4.5.

**Letter of Commitment:**

Letter of Commitment shall have a meaning as referred in Exhibit – 3: FORMAT OF THE LETTER OF COMMITMENT of this Document.

**Project**

The Project refers to the operation and maintenance of the Treatment Facility at Municipal Body as per the conditions of this RFP Document.

**Proposal Security/Bid Security**

Proposal Security shall have a meaning as referred in Section 5.6 of this Document.

**Responsiveness/Non-Responsive**

Responsiveness/Non Responsive shall mean as referred in Section 4.2 of this Document.

**Successful Bidder**

The Bidder who meets the Technical and Financial criteria, whose Techno Business proposal adheres to the requirements as set in Schedule 1 and Schedule2 of Part 2 of this RFP document, offers the best Base Tariff per month for Waste treatment in the commercial offer to Municipal Body and interalia all other conditions laid by Municipal Body would be the Successful Bidder.

**Technical Member**

In case of a Bidding Association, the Technical Member would be the Member evaluated for Technical Capability. The Bidding Consortium should clearly mention the name of the entity wishing to be evaluated for Technical competence.

**Base Tariff per month** – Base Tariff per month shall mean the amount quoted by the Successful Bidder in conformance with Schedule A hereto and payable by the Municipal Body to the Successful Bidder in consideration for the treatment of the Waste supplied by the Municipal Body.

**Total Consideration**

This would mean as mentioned in Section 8.3

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## 4 DESCRIPTION OF THE SELECTION PROCESS

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### 4.1 SELECTION PROCESS

The submission of Bids by interested parties in response to the *Request for Proposal* would require to be in three separate sealed covers as indicated below.

Cover 1: Technical and Financial Capability

Cover 2: Techno-Business Proposal

Cover 3: Commercial Offer

The Bids received would be subject to a responsiveness check followed by a step-wise evaluation procedure as described below.

### 4.2 RESPONSIVENESS OF BID

The Bids submitted by Bidders shall be initially scrutinised to establish “Responsiveness”. A Bid may be deemed “Non-responsive” if it does not satisfy any of the following conditions:

- It is not received by the due time and date as specified
- It does not include sufficient information for it to be evaluated and/or is not in the formats specified
- It is not signed and /or sealed in the manner and to the extent indicated in **Section 5** of this RFP Document.
- It is not accompanied by a valid Bid Security

The Bids of “Responsive” Bidders shall be evaluated in the following steps:

### 4.3 STEP 1 (COVER 1) EVALUATION OF TECHNICAL AND FINANCIAL CAPABILITY

In this stage the Technical and Financial capability of the Bidder in establishing the proposed facility would be assessed. The Bidders would be evaluated on parameters as defined in Schedule A, (Criteria for Evaluating Technical Capability) and the Bidders found to be Technically and Financially qualified would be eligible for the next stage of the selection process. The Techno-Business Proposal (Cover 2), and Commercial offer (Cover 3) of the Bidders not found to be Technically and Financially qualified would be returned unopened.

### 4.4 STEP 2 (COVER 2) EVALUATION OF TECHNO-BUSINESS PROPOSAL

The Evaluation criteria for the Techno-Business Proposal to be submitted are detailed in Schedule A of this Document. The Bidders short listed in Step 1 (Evaluation of Technical and Financial Capability) whose Techno-Business Proposals are found acceptable shall be deemed technically sufficient i.e. Responsive Bidders who would be eligible for the next stage of the selection process.

Municipal Body will return unopened the Commercial Offers (Cover 3) to the Bidders whose Techno-Business Proposals are found not acceptable.

### 4.5 STEP 3 (COVER 3) - EVALUATION OF COMMERCIAL OFFER

Evaluation of the commercial offers would be undertaken as detailed in Schedule A. A ranked list of Bidders based on the results of the evaluation would be prepared. Municipal Body may retain the top three ranked Bidders till negotiations are concluded successfully with the Successful Bidder.

The Letter of Award would be the letter issued to the Successful Bidder. The Successful Bidder would have to enter into an Agreement within 60 days from the Letter of Award. In case, the Successful Bidder fails to do so then the next lowest Bidder would be asked to match the Successful Bidder's offer and sign the Agreement within 60 days. This process would be repeated with the three top ranked Bidders. In case none of the three top ranked Bidders are able to sign the Agreement as mentioned above then Municipal Body reserves the right to give more time to the three top ranked Bidders; reject their Bids; or invite fresh Bids.

#### 4.6 GENERAL COMPLIANCE CRITERIA

1. In case of a Bidding Association,

- i. The Lead Member (LM) shall be that Member vested with the prime responsibility of developing the Project.
- ii. The Lead Member shall necessarily make the maximum financial commitment towards the successful execution of the Project.
- iii. The Technical Member is required to have a formal arrangement with the Lead Member wherein the roles and responsibilities to be shared between the LM and TM are going to be enunciated. At the bidding stage for evaluation, the LM and TM shall provide the Municipal Body with a document that shall encapsulate the understanding between the two entities.

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## 5 PROCEDURES TO BE FOLLOWED

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### 5.1 ENQUIRIES & CLARIFICATIONS

Enquiries, if any, can be addressed to the designated Authorised Persons as detailed in the Schedule A hereto.

Municipal Body shall aggregate all such clarifications, without specifying the source of clarifications, and shall prepare a response, which shall be distributed to all parties who have procured the Request for Proposal Document. It may be noted that queries in writing would be entertained only from those parties who have been provided this RFP Document.

### 5.2 INITIALLING OF THE BIDS

Each page of the Bid should be initialled by the Authorised Representative and Signatory (as defined in Section 5.4), of the Bidding Company / Bidding Association.

### 5.3 OPENING OF BIDS

Cover 1 of the Bids received shall be opened on the date and time specified in Schedule A, at the Board/Conference room of Municipal Body, in the presence of one representative from each Bidder, if deputed. The details regarding the Bidder, as provided in the Covering Letter (Exhibit – 2) would be read out.

### 5.4 INSTRUCTIONS TO BIDDERS

All Bidders should note the following:

1. Bids that are incomplete in any respect or those that are not consistent with the requirements as specified in this *Request for Proposal* or those that do not contain the Covering Letter or Letters of Acceptance as per the specified formats may be considered non-responsive and may be liable for rejection.
2. Strict adherence to formats, wherever specified, is required. Non-adherence to formats may be a ground for declaring the Bid non-responsive.
3. For a Bid submitted by Bidding Association, the Bid should contain signed letters submitted by each of the Members, stating that the entire Bid has been examined and each key element of the Bid is agreed to, in the format as specified in Exhibit – 3. The Bid shall contain a copy of the document entered into between the Members, as per the principles stated in Section 9. In the absence of such a document, the Bid would be considered and evaluated as one from an individual company alone, submitting the Bid. The document shall clearly lay down the role that would be carried out by the TM and LM along with the share of liabilities towards the successful performance of obligations laid down in this document.
4. In case a Bidding Association is selected as the Successful Bidder, the Lead Member shall continue to remain the representative of the Bidding Association and shall be responsible to Municipal Body and for the fulfilment of all contractual obligations laid in this RFP document.
5. All communication and information should be provided in writing and in the English language only.
6. All communication and information provided should be legible, and wherever the information is given in figures, the same should also be mentioned in words.
7. No change in, or supplementary information to a Bid shall be accepted once submitted. However, Municipal Body reserves the right to seek additional information from the Bidders, if found necessary, during the course of evaluation of the Bid. Non-submission, incomplete submission or

- delayed submission of such additional information or clarifications sought by Municipal Body, may be a ground for rejecting the Bid.
8. The Bids shall be evaluated as per the criteria specified in this RFP Document. However, within the broad framework of the evaluation parameters as stated in the Request for Proposal, Municipal Body reserves the right to make modifications to the stated evaluation criteria, which would be uniformly applied to all the Bidders.
  9. No Promoter/Bidding Company can propose to be a member of more than one Bidder for submission of the Bid for the Project. A single entity cannot propose to be member of more than one Bidder.
  10. The Bidder should designate one person (“Contact Person” and “Authorised Representative and Signatory”) authorised to represent the Bidder in its dealings with Municipal Body. The Acknowledgement of Receipt of Request for Proposal Document shall be signed by the “Contact Person” and “Authorised Representative and Signatory”. This designated person should hold the Power of Attorney and be authorised to perform all tasks including but not limited to providing information, responding to enquiries, entering into contractual commitments on behalf of the Bidder etc. The Covering Letter submitted by the Bidder shall be signed by the Authorised Signatory and shall bear the stamp of the entity thereof.
  11. The Bid (and any additional information requested subsequently) shall also bear the initials of the Authorised Signatory and stamp of the entity thereof on each page of the Bid.
  12. For a Bidding Association, no change in the membership of the Project, in responsibilities, shall be permitted after submission of the Bid. If at any stage thereafter, a change in the responsibilities or membership in the Project (in respect of any Member) is proposed, it would need to be communicated to Municipal Body in writing for its approval. Municipal Body would reserve the right to reject such requests for a change of Project execution structure, if in its opinion; it would adversely affect the strengths of such Association as originally evaluated.
- Municipal Body also reserves the overriding right to reject any Bid pursuant to any change in the composition of the Bidding Company / Bidding Association without ascribing any reasons whatsoever.
13. Municipal Body reserves the right to reject any or all of the Bids without assigning any reason whatsoever.
  14. Mere submission of information does not entitle the Bidder to meet an eligibility criterion. Municipal Body reserves the right to vet and verify any or all information submitted by the Bidder.
  15. If any claim made or information provided by the Bidder in the Bid or any information provided by the Bidder in response to any subsequent query by Municipal Body, is found to be incorrect or is a material misrepresentation of facts, then the Bid will be liable for rejection. Mere clerical errors or bonafide mistakes may be treated as an exception at the sole discretion of Municipal Body and if Municipal Body is adequately satisfied.
  16. The Bidder shall be responsible for all the costs associated with the preparation of the Bid. Municipal Body shall not be responsible in any way for such costs, regardless of the conduct or outcome of this process.

## 5.5 VALIDITY OF TERMS OF THE BID

Each Bid shall indicate that it is a firm and irrevocable offer, and shall remain valid and open for a period of not less than six months from the last date for submission of the Bid. Non-adherence to this requirement may be a ground for declaring the Bid as non-responsive. However, Municipal Body may solicit the Bidder’s consent for extension of the period of validity. The Bidder agrees to reasonably consider such a request. The request and response shall be in writing. A Bidder accepting Municipal Body request for extension of validity shall not be permitted to modify his Bid in any other respect.

## 5.6 FEES AND DEPOSITS TO BE PAID BY THE BIDDERS

### Bid Security

Subject to Schedule A, Municipal Body shall reserve the right to forfeit the Bid Security (by encashing the Fixed Deposit) under the following circumstances:

- (a) If the Bidder withdraws his Bid at any time during the stipulated period of Bid validity as per Schedule A (or as may be extended).
- (b) If the Bidder, for the period of Bid validity:
  - i) in Municipal Body opinion, commits a material breach of any of the terms and / or conditions contained in the RFP Document and / or subsequent communication from Municipal Body in this regard.
  - ii) refuses to accept the Letter of Award.

In the event that any Bidder is not found to be Technically and Financially qualified or found to be Technically Non Responsive, then the Bid Security (i.e. Fixed Deposit) of such Bidders can cease to be in force upon return of the unopened Covers 2 & 3 of their Bid.

The Bid Security of the unsuccessful Bidders (after opening of Cover 3) can cease to be in force after the selected bidder provides a Performance Guarantee of the requisite amounts as stated in the Agreement attached herewith.

The Bid Security of the Successful Bidder shall be required to be maintained till the signing of the Agreement.

#### 5.7 NON ASSOCIATION WITH PROJECT ADVISORS

In the event that Municipal Body appoints any Project Advisory Team/ Project Advisors for assistance in the selection process, Bidders are required not to have any association with the members, or attempt to exercise undue influence on the members, of the Project Advisory Team or to influence from the date of receipt of this document till the completion of the selection process. Non-conformance with this requirement is a sufficient condition for the disqualification of any bidder from the selection process.

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## **6 COVER 1 – TECHNICAL AND FINANCIAL CAPABILITY EVALUATION**

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The Cover 1 submission i.e. Technical and Financial Capability of the Bidders shall be assessed at this stage.

### 6.1 OBJECTIVE

In this stage the Technical and Financial Capability of the Bidder/Bidding Consortium in establishing the Project would be assessed.

### 6.2 EVALUATION CRITERIA FOR TECHNICAL AND FINANCIAL CAPABILITY

**7.2.1 For a Bidding Company-** For evaluation for the Technical and Financial capability criteria, Either the strength of the Bidding Company or if it so prefers, the strength of the Key Person shall be considered in lieu of the Bidding Company. The Bid should clearly indicate the entity that should be considered for the evaluation of Financial Capability as per the format in Schedule A.

#### **7.2.2 For a Bidding Consortium**

- For evaluation under the Financial Capability criteria,
  - Either the financial strength of the Lead Member shall be considered OR if it so prefers, the Key Person of the Lead Member could be presented for evaluation in lieu of itself. The Bid should clearly indicate the entity that should be considered for the evaluation of Financial Capability as per the format in Schedule A.
- For evaluation under the Technical capability criteria
  - Either the technical strength of the Lead Member shall be considered OR if it so prefers, the Key Person of the Lead Member could be presented for evaluation in lieu of itself. In the event that a Member of the Bidding Association has got the experience required for qualifying as Technical Member as detailed in Schedule A, then the details of the experience shall be provided for evaluation to the Municipal Body as per the formats prescribed in Schedule A.

### 6.3 MINIMUM ELIGIBILITY CRITERIA: TECHNICAL CAPABILITY

The minimum eligibility criteria and the requisite information format for the same is enclosed in Schedule A.

### 6.4 MINIMUM ELIGIBILITY CRITERIA: FINANCIAL CAPABILITY

The minimum eligibility criteria and the requisite information format for the same is enclosed in Schedule A.

### 6.5 DETERMINATION OF TECHNICALLY AND FINANCIALLY QUALIFIED BIDDERS

The Bidders who meet the Technical Eligibility Criteria as mentioned in Section 6.3 and Section 6.4 (Cover 1) would be considered as Technically and Financially Qualified Bidders and their Cover 2 would be opened. The Bidders who do not meet the Technical Eligibility Criteria and Financial Eligibility Criteria would be declared Non Responsive and their Cover 2, and Cover 3 would not be opened.

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## **7 COVER 2 – TECHNO-BUSINESS PROPOSAL EVALUATION**

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The Cover 2 submission i.e. Techno-Business Proposal of the Bidders found to be Technically and Financially Capable shall be assessed at this stage.

### **7.1 MINIMUM COMPLIANCE CRITERIA**

The Techno-Business Proposals should meet the criteria as mentioned in Schedule A.

### **7.2 EVALUATION OF TECHNO BUSINESS PROPOSALS**

The objective of the evaluation shall be to assess the technical competence in undertaking the operations and maintenance of the Project and the responsiveness of the Techno Business Proposal in respect of the following:

- Compliance with the requirements of this Project
- Practicality of implementation/ execution

The objective of the above assessment shall not be to “rank” the bids but to establish the inherent technical competence and planning capability of the Bidders and also to determine whether the bid is fundamentally sound on the above parameters. Towards this end, Municipal Body reserves the right to seek clarifications, permit discussions / modification and seek a final resolution on contentious issues.

Bidders whose Techno Business Proposals are fundamentally sound and satisfy the above requirements shall be considered for qualification for the next stage of the evaluation.

Municipal Body would, however, at all times also retain the right to reject Bid in cases where Municipal Body (in its sole opinion), considers the bid materially inconsistent, deficient, technically unsound or unacceptable in any other respect.

### **7.3 TECHNO - BUSINESS PROPOSAL: INFORMATION FORMATS**

The information requirements and guidelines for submission of the Techno-Business Proposal are detailed in Schedule A.

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## 8 COVER 3 – COMMERCIAL OFFER EVALUATION

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### 8.1 OBJECTIVE OF COMMERCIAL OFFER EVALUATION

The Commercial Offer evaluation seeks to select the entity offering the best commercial terms.

### 8.2 COMMERCIAL OFFER PARAMETERS

The information provided shall be evaluated as per the format detailed in Schedule A.

### 8.3 EVALUATION OF COMMERCIAL OFFERS

The information provided shall be evaluated as per the format detailed in Schedule A

\_\_\_\_\_ (as quoted by the bidder in Schedule A)

The Bid Guarantee of the Successful Bidder shall be extinguished upon furnishing of a Performance Guarantee by the successful bidder as per the terms of the Agreement attached herewith.

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## **9 EXHIBIT – 1: PRINCIPLES OF THE UNDERSTANDING TO BE EXECUTED BETWEEN THE MEMBERS OF THE BIDDING ASSOCIATION**

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*(To be executed on appropriate value of Non-Judicial Stamp Paper as per Stamp Act prevailing in the State of Maharashtra)*

In case of a Bidding Association, the principles based on which the Understanding (MoU) shall be executed between / among the Members, are stated below:

1. The document should clearly specify the roles and responsibilities of each of the Members, along with their proposed equity contribution. It is expected that the individual members have role definitions not conflicting with those of the other Members.
2. The document should clearly designate one of the Member as the Lead Member. The Lead Member shall be responsible for the performance of the terms of the Agreement to be signed between Municipal Body and the Successful Bidder/ Bidding Association.
3. The Member assessed for Technical Capability shall enter into a formal agreement with the Lead Member upon award of the Project to the Bidding Association. The agreement shall capture the understanding as agreed upon in this document.
4. The Lead Member shall be responsible for:
  - Tying up the finances for the Project
    - i. ensuring the equity contribution by each of the Member, and in the event of a default, make good such contribution.
    - ii. undertaking primary responsibility for liasoning with the lending institutions and mobilising debt resources for the Project.
  - ensuring the individual and collective commitment of each of the Members in honouring the obligations under this RFP document. The Lead Member would be overall responsible for the execution of the Project. All Members shall be jointly and severally liable for the same.
5. The document should be duly signed by each of the Consortium Members.
6. The document should be executed on an appropriate stamp paper.
7. The document should be specific to this Project.
8. The document should be valid for a minimum of twelve months from the last date for submission of duly filled in Request for Proposal. The validity period of the document should be extendible on the original terms, if required by Municipal Body.

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## 10 EXHIBIT – 2: FORMAT OF THE COVERING LETTER

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*(The covering letter is to be submitted by the Bidding Company or the Lead Member of a Bidding Association, along with the Cover 1 of the Bid)*

Date:

Place:

To

Dear Sir,

**Sub : Selection of a private developer for Design, Finance, Construction, Operations and Maintenance of Project Facility**

Please find enclosed one (1) original + two (2) copies of our Bid in respect of the **Selection of a private developer for Development of Project Facility in [site name]** in response to the Request for Proposal (“RFP”) Document issued by the Municipal Body dated ----, 2005.

We hereby confirm the following:

1. The Bid is being submitted by \_\_\_\_\_ (*name of the Bidding Company*) who is the Bidding Company / the Lead Member of the Bidding Association comprising \_\_\_\_\_ (*mention the names of the entities who are the consortium members*), in accordance with the conditions stipulated in the RFP. (*In case of a Bidding Association*) Our Bid includes the Letter(s) of Acceptance in the format specified in the RFP, and the MoU (as per the principles stated in the RFP) between, \_\_\_\_\_ (*mention names of the entities that are the members*), who are the members (s) as per the conditions stipulated in the RFP.
2. We have examined in detail and have understood the terms and conditions stipulated in the RFP Document issued by Municipal Body and in any subsequent communication sent by Municipal Body. We agree and undertake to abide by all these terms and conditions. Our Bid is consistent with all the requirements of submission as stated in the RFP or in any of the subsequent communications from Municipal Body.
3. The information submitted in our Bid is complete, is strictly as per the requirements as stipulated in the RFP, and is correct to the best of our knowledge and understanding. We would be solely responsible for any errors or omissions in our Bid.
4. We confirm that our Commercial Bid does not contain Conditions.
5. The Bidding Company / Bidding Association of which we are the Lead Member (*Please strike out whichever is not applicable*), satisfies the legal requirements and meets all the eligibility criteria laid down in the RFP.
6. A Power of Attorney from the Bidding Company/Lead Member authorising the undersigned as the Authorised Representative, Signatory and Contact Person who is authorised to perform all tasks including, but not limited to providing information, responding to enquiries, entering into contractual commitments on behalf of the Bidder, etc., in respect of the Project is included as a part of the Proposal.

For and on behalf of :

Signature :

(Authorised Representative and Signatory)

Name of the Person :

Designation :

Enclosures: Power of Attorney

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## 11 EXHIBIT – 3: FORMAT OF THE LETTER OF COMMITMENT

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*(The Letter of Commitment is to be submitted by the Key Person(s) of the Bidding Company/ Lead Member of the Bidding Association whose strengths are desired to be considered for purpose of the evaluation)*

Date:

Place:

To

Dear Sir,

***Selection of a private developer for Design, Finance, Construction, Operations and Maintenance of a Project Facility***

This has reference to the Bid being submitted by \_\_\_\_\_ (*mention the Lead Member of the Bidding Association*), as Lead Member of the Bidding Association comprising \_\_\_\_\_ (*mention name(s) of the Members*) in respect of ***Selection of a private developer for Design, Finance, Construction, Operations and Maintenance of Project Facility*** in response to the Request for Proposal (“RFP”) issued by the Municipal Body dated ---, 2005.

We hereby confirm the following:

1. We \_\_\_\_\_ (*name of the Key Person*), have examined in detail and have understood and satisfied ourselves regarding the contents mainly in respect of the following:
  - The Request for Proposal Document issued by Municipal Body;
  - All subsequent communications between Municipal Body and the Bidder, represented by \_\_\_\_\_ (*name of the Bidding Company or of the Lead Member in case of a Bidding Association*);
  - (*applicable only for a Bidding Association*) The MoU signed between/among \_\_\_\_\_ (*name(s) of Members*); and
  - The RFP being submitted by \_\_\_\_\_ (*name of the Bidding Company or of the Lead Member in case of a Bidding Association*).
2. We have satisfied ourselves regarding our role as \_\_\_\_\_ (*here give a brief description of the role*) in the Project as specified in the RFP. If \_\_\_\_\_ (*name of the Bidding Company / Bidding Association*) is awarded the Project we shall perform our role as outlined in the RFP the best of our abilities.
3. The nature of our legal relationship with the Bidding Company / Lead Member of the Bidding Association, is specified in the RFP, as per the requirements stated in the RFP Document.
4. We undertake to support \_\_\_\_\_ (*name of the Bidding Company / Lead Member, for which the Letter of Commitment is being furnished*) in respect of the roles \_\_\_\_\_ (*briefly define the roles of the Bidding Company / Lead Member*) as detailed in the RFP being submitted by \_\_\_\_\_ (*name of the Bidding company or of the Lead Member in case of a Bidding Association*).
5. We therefore request Municipal Body to consider our strengths, our experience, and our track record as specified in the RFP pursuant to the conditions specified in the RFP, for the purposes of evaluation of the

Minimum Eligibility Criteria.

**For and on behalf of** :

**Signature** :  
**(Authorised Representative and Signatory)**

**Name of the Person** :

**Designation** :

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## 12 EXHIBIT – 4: FORMAT OF LETTER OF ACCEPTANCE

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*(The Letter of Acceptance is to be submitted by EACH Member of the Bidding Association)*

Date :

Place :

To

Dear Sir,

**Sub: Selection of a private developer for Design, Finance, Construction, Operations and Maintenance of Project Facility in [site name]**

This has reference to the Bid being submitted by \_\_\_\_\_ (*mention the Lead Consortium Member of the Bidding Association*), as Lead Member of the Bidding Association comprising \_\_\_\_\_ (*mention name(s) of the Members*) in respect of **Selection of a private developer for Design, Finance, Construction, Operations and Maintenance/ of Project Facility in [site name]** in response to the Request for Proposal (“RFP”) issued by the Municipal Body dated ---, 2005.

We hereby confirm the following:

1. We \_\_\_\_\_ (*name of the Member furnishing the Letter of Acceptance*), have examined in detail and have understood and satisfied ourselves regarding the contents including in respect of the following:
  - The RFP Document issued by Municipal Body
  - All subsequent communications between Municipal Body and the Bidder, represented by \_\_\_\_\_ (*Mention name of the Lead Member*);
  - The MoU signed between / among \_\_\_\_\_ (*names of the Members*), as members of the Bidding Association; and
  - The Bid being submitted by \_\_\_\_\_ (*name of the Lead Member*).
2. We have satisfied ourselves regarding our role as \_\_\_\_\_ (*here give a brief description of the role*) in the Project as specified in the Bid. If the Bidding Association is awarded the Project we shall perform our role as outlined in the Bid to the best of our abilities. We have examined the Bid in detail and the commitments made in the same. We agree and undertake to abide by the Bid and the commitments made therein.
3. We authorise \_\_\_\_\_ (*name of the Lead Member*), as the Lead Member and authorise the same to perform all tasks including, but not limited to providing information, responding to enquiries, entering into contractual commitments etc. on behalf of the consortium, in respect of this Project.
4. We understand that, no change in the membership in the Bidding Association, in the role and form of responsibility of any Member shall be permitted after submission of the Bid. If any change in the membership of the Association is desired, it would need to be communicated to Municipal Body in writing for its approval. Municipal Body would reserve the right to reject such requests for a change of association structure, if in its opinion; it would adversely affect the same.

For and on behalf of :

Signature :

(Authorised Signatory of respective Member)

Name of the Person :

Designation :

**13 EXHIBIT – 5: PROFORMA OF COVERING LETTER  
ACCOMPANYING MODIFICATIONS, IF ANY, TO COMMERCIAL  
OFFER FOR ACCEPTED CONDITIONS**

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*(To be provided later in case modifications are circulated by Municipal Body. To be provided on the letterhead of the Bidder)*

Date:

Place:

**To**

Dear Sir,

*Sub : Selection of a private developer for Design, Finance, Construction, Operations and Maintenance/ of a Project Facility in [site name]*

We, the undersigned Bidder, would like to submit modifications to our Commercial Offer in response to the Common Accepted Conditions issued by Municipal Body. Please find enclosed the same.

1. We confirm that our “Final” Commercial Offer (“Initial” Commercial Offer read in conjunction with the modifications submitted herewith) conforms to all the terms and conditions stipulated in the Request for Proposal Document.
2. We confirm that our Final Commercial Offer is FINAL in all respects and contains NO further conditions (other than the Common Accepted Conditions declared by Municipal Body).
3. We confirm that, the information submitted in our FINAL Commercial Offer is complete and is correct to the best of our knowledge and understanding. We would be solely responsible for any errors or omissions in our Bid.
4. We confirm that we have studied the provisions of relevant Indian laws and regulations required to enable us to prepare this FINAL Commercial Offer in the event that we are finally selected.

Thanking you,

Yours sincerely,

For and on behalf of : *(here enter the name of the Bidder and the Company Seal)*

Signature : *(Authorised Representative and Signatory)*

Name of the Person :

Designation :

**14 EXHIBIT - 6: DESCRIPTION OF THE BIDDING COMPANY / BIDDING ASSOCIATION**

Name of the Bidding Company / Bidding Association	
Name of the Lead Member (In case of a Bidding Association)	

**In case of a Bidding Association:**

S. No	Name of each Member	Proposed % equity contribution into the Project	Role as per the understanding signed between all the Members

- **Entity to be considered for Financial Capability Evaluation**

Sr. No.	Name of the Company to be considered for evaluation of Financial Capability	
1	Bidding Company / Lead Member OR Key Person (s) of Bidding Company / Lead Member <i>Please indicate whether Bidding Company / Lead Member OR Key Person of Bidding Company / Lead Member is to be evaluated.</i>	
2	In case Key Person (s) of the Bidding Company / Lead Member is to be evaluated:  <i>Name of Key Person (s)</i>	
a.	<i>% Equity stake, directly or indirectly, in the Bidding Company / Lead Member.</i>	

In the absence of any information regarding the Key Person (s), the financial strength of the Bidding Company / Lead Member Only would be evaluated.

- **Entity to be considered for Technical Capability Evaluation**

Sr. No.	Name of the entity to be considered for technical eligibility	
1	In case of Bidding Company,  <i>Name of the Bidding Company/Key Person (s)</i>  <i>OR</i>	

Selection of a Private Developer for Development of Project Facility on BOOT basis

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	In case of Bidding Association, indicate names of following:	
a.	<i>LM/Technical Member</i>	

In the absence of any information regarding the Technical Member, the capability of the Bidding Company / Lead Member Only would be evaluated.

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**15 EXHIBIT - 7: COMMERCIAL OFFER FORMAT**

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Date:

Place:

**To**

<<Name and Address of the ULB>>

Fax: (040) 24732063

Dear Sir,

*Sub : Selection of a private developer for Design, Finance, Construction, Operations and Maintenance of a Project Facility in [site name]*

Please find enclosed our Commercial Offer in respect of the *Selection of a Developer for Operations and Maintenance of a Treatment Facility with private sector participation in [site name]*, in response to the *Request for Proposal* ("RFP") Document issued by the Municipal Body dated \_\_\_\_.

Tariff per month Municipal Body in Rupees	_____
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We hereby confirm the following:

1. We confirm that the above Tariff per month will be applicable for the entire quantity of waste.

Thanking you,

Yours sincerely,

For and on behalf of : *(here enter the name of the Bidder and the Company Seal)*

Signature : *(Authorised Representative and Signatory)*

Name of the Person :

Designation :

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**16 EXHIBIT - 8: INFORMATION FORMAT FOR TECHNICAL  
CAPABILITY ASSESSMENT**

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Name of the projects	Location/ place/ country	Type of project	Installed Capacity of treatment plant and capacity utilisation over the previous three years	Equity participation in the project, if any.	Total investment, if any (in Rs. Lakh)	Documents required
		BOT/ O&M/ Service Contract				Completion Certificates to be attached along with any other supporting documents.

## 17 EXHIBIT: 9 INFORMATION FORMAT FOR FINANCIAL CAPABILITY ASSESSMENT

Parameter	Figures for the three Most recent Financial Year	Definition	Information Details
<b>SOLVENCY: Net Worth (if Bidding company/ Lead Consortium Member is a registered company) OR</b>		Tangible Net Worth = (Equity Capital + Free Reserves and Surplus - Revaluation Reserve) - (Accumulated Losses + Intangible assets)	In the event that the accounting practices adopted in the Annual Accounts do not provide the break-up details as required by the definition, the same are to be furnished.
<b>SOLVENCY: Returns filed with the statutory tax authorities</b>		<i>Tax returns that are required to be filled by an individual/entity engaged in any commercial activity with the concerned statutory authorities as required under Law</i>	
<b>Net Tangible Assets (if Bidding company/ Lead Consortium Member is a registered company) OR</b>		<i>Net Fixed Assets (excluding revaluation reserves, intangible assets such as goodwill etc.) + Investments + Current assets + Loans &amp; Advances.</i>	In the event that the accounting practices adopted in the Annual Accounts do not provide the details as required by the definition, the same are to be furnished.
<b>Assets owned by individual/ entity as certified by a valuation agency</b>		<i>Assets could be any marketable asset excluding investments in capital markets</i>	The details of the valuation agency also have to be furnished

### 18.1 Annual Reports

Audited Annual Report for the last three financial years, the last financial year being the year ending 31/3/2004 (in case of entities with April to March accounting year) or 31/12/2003 (in case of entities with Jan to Dec. accounting year), of the entity eligible to be evaluated under Financial Capability

### 18.2 Definitions

In the event that the accounting practices adopted by the entities (as presented in the Annual Reports) are at variance with the definitions of the sub-parameters detailed in the table below, the Bidders are requested to provide the necessary clarifications in line with these definitions.

*Note:*

- The Financial Capability is to be assessed for Bidding Company/Lead Member or Key Person(s) as proposed by the Bidder.*

*Bidders are requested to provide the above information in the form of a certificate from statutory auditors and also provide the past three years audited financial statements/certificates of the entity for which the financial capability is to be assessed.*

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**18 EXHIBIT: 10 INFORMATION FORMAT FOR TECHNO-BUSINESS  
PROPOSAL**

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The Bidder is required to provide the details of the operations and maintenance plan that would capture the activities to be undertaken along with the assets that would be deployed towards achieving the activities highlighted including manpower.