



West Bengal Highway Development Corporation Ltd.
(A Wholly Owned Company of Govt. of West Bengal)

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Memo No. 926/WBHDCL

Date August 3, 2017

Minutes of Pre-Proposal Conference held on 31st July 2017 at WBHDCL office, HRBC Bhawan, Munshi Premchand Sarani, Kolkata-21, at 15.30 Hours

Name of Project: **Financial consultancy services for Strengthening and Widening of Barrackpore-Kalyani Expressway from Moragacha Crossing (Ch 0.00 Km) to Kampa Crossing (Ch 30.00 Km) to Four lane Phase-1 on Hybrid Annuity Model.** NIT No. : WBHDCL/e-NIT-16/2017 dated 25.07.2017

Participants:

WBHDCL

Sri P Saha	Chief General Manager
Sri Pradip Chatterjee	General Manager-II,
Sri K Barua	Project Director-III
Sri Sourish Kumar Paul	Company Secretary
Sri Shankar Sengupta	DGM (F& A)
Sri Ashish Kumar	Assistant Project Manager, WBHDCL

Bidder

Sl No	Bidder attending the Conference	Name of the Bidder's representative
1	Crisil Infra Advisory	Mr. Sudipta Kumar Saha
2	LSI Financial Services Pvt Ltd.	Mrs. Ronu Palit
3	PWC	Mr Anirban Pal

The Pre-Bid Conference was held on 31st July 2017 at 15.30 hours at WBHDCL office. The queries received from the bidder in the Pre-Bid Conference and replies to the queries are appended with this MOM.

The Meeting ended with thanks to all.

August 3, 2017

**Sd/
Chief General Manager**

Sl. No.	Reference Clause	Queries from Bidders	Replies to Queries
1.	Clause 4.5.1 (Page-6)	<p>Based on the scope of work mentioned in the RFP, we understand that the Team Leader cum Senior Financial Expert should have a well-rounded knowledge of roads and highways sector with experience in financial analysis, project structuring and bid process management. In this regard and based on our experience of successfully undertaking similar engagements, a Master's Degrees in relevant specialization would be sufficient to execute this engagement.</p> <p>Hence, to enable a wider participation request the Authority to consider the following: <i>“CA, CFA, CS with B.Com/M.Com, M.Tech or MBA. Team Leader cum Senior Financial Analyst shall have a minimum of Ten years of experience in the field of financial analysis of any type of project (project financing, debt funding etc.), out of which five years shall be in financing of infrastructure projects. The Experience of Concession Agreements in other infrastructure sector projects under PPP mode may also be considered. Team Leader cum Senior Financial Analyst must have had direct relevant experience as senior financial analyst with at least one BOT/hybrid annuity projects/Annuity concession contract for which financial closure has been achieved”.</i></p>	Condition stated in Request for Proposal (RFP) Document shall prevail.
2	Clause 4.5.2 (Page-6)	<p>To enable a wider participation, request the Authority to consider the following: <i>“A Financial Analyst who shall hold a CA, CFA, CS WITH B.Com/M.Com or M.Tech or MBA. A minimum of five years professional experience with financial analysis is required. A sound knowledge of revenue, cost and taxation issues related to infrastructure sector is required. The Financial Analyst must have performed financial analysis for at least one toll road projects/BOT/ hybrid annuity Road projects for which financial closure has been achieved”</i></p>	Condition stated in Request for Proposal (RFP) Document shall prevail.
3	Clause 4.5.4	<p>To enable the consulting firm to propose the best team forward, we request the Authority to encourage participation of road sector experts located anywhere in India. The consulting firm will nominate a point</p>	Please refer to corrigendum-I appended with this

Sl. No.	Reference Clause	Queries from Bidders	Replies to Queries
	(Page-7)	of contact (permanent employee of the firm) who will be based out of Kolkata and will be available for any discussion with WBHDCL whenever required. However, the Team Leader/Financial Analyst would be available for periodic meetings and in circumstances where their presence is solicited.	MOM
4	Clause 5 (Page 7)	Request the Authority to confirm whether the DPR for the project has already been completed and the status of land acquisition in the location concerned for the widening of road.	DPR for the project is substantially completed and no land acquisition for this project is necessary.
5	Clause 5 (Page 7)	Request the Authority to confirm whether there is any Model RFP and Model Concession Agreement for HAM for State Highways in West Bengal. In the absence of the same, it is understood that the Model RFP and Model Concession Agreement for HAM for National Highways would be suitably adapted for this assignment.	Draft Model Concession Agreement for HAM is available with WBHDCL. Model RFP of NHAI may be considered as a base documents.
6	Clause 7 (Page 10)	This Clause seems restrictive considering the quantum of work envisaged and importance of the project. Since the evaluation is on a QCBS basis, request the Authority to remove the upper cap and allow market discovery of financing quote.	Condition stated in Request for Proposal (RFP) Document shall prevail.
7	Clause 10.2 (Page 12)	Request the Authority to add a turnover clause to enable reputed consulting firms with well-rounded experience in infrastructure sector to participate in this project. The proposed clause is as follows: <i>“Average fees received by the firm from management consultancy services in the last 3 years, excluding IT, HR, audit services</i> <i>More than Rs. 40 crores-20 marks</i> <i>Between Rs.20 – 40 crores – 10 marks</i> <i>Less than Rs. 20 crores - 0</i>	Condition stated in Request for Proposal (RFP) Document shall prevail.
8	Clause 10.2.4	The duration of employment of an expert in a firm may not add any value to his engagement. For better	Condition stated in

Sl. No.	Reference Clause	Queries from Bidders	Replies to Queries
	(Page 13)	<p>accountability of the firm, ensuring that the expert is a permanent employee of the firm would be sufficient. Moreover, to enable a wider pool of experts, the Authority is requested to remove any constraint related to location of the expert.</p> <p>The proposed evaluation criteria is as follows:</p> <p><i>Mandatory educational qualification criteria – 25%</i></p> <p><i>Total professional experience – 25%</i></p> <p><i>Relevant experience from the project – 50%</i></p>	Request for Proposal (RFP) Document shall prevail.
9	Clause 3.4 (Page 43)	<p>Request the Authority to delete the clause and include the following:</p> <p>“The total aggregate liability however caused and whether arising under contract or otherwise shall not exceed the total amount of the Fees paid by the Client to the Transaction Advisor for the services rendered under this Agreement”.</p>	Condition stated in Request for Proposal (RFP) Document shall prevail.
10	Clause 10.2.2 (Page 12)	Request the Authority to consider completed transaction advisory projects in the infrastructure sector not limited to roads and highways for civil works having construction cost not less than Rupees 200 crores only	Condition stated in Request for Proposal (RFP) Document shall prevail.
11	Clause 3.4.3 (Page 43)	Request the authority to delete the clause as our liability cannot be unlimited for all 3 rd party claims. Liability under all circumstances would need to be limited to the fees.	Condition stated in Request for Proposal (RFP) Document shall prevail.
12	Clause 3.12 (Page 45)	Request the authority to delete this clause as our services are based on information received from the authority or information which firms part of public domain.	Condition stated in Request for Proposal (RFP) Document shall prevail.
13	Clause 6.3.a.1 (Page 47)	<p>Request the authority to consider the following:</p> <p>No payment shall be due for the next stage of the Services till the Consultant completes <i>in accordance with the agreements</i> he work pertaining to the preceding stage of the services.</p>	Condition stated in Request for Proposal (RFP) Document shall prevail.

Sl. No.	Reference Clause	Queries from Bidders	Replies to Queries
14	Clause 11 Page 50	Request the authority to delete the clause as the events of termination are already provided.	Condition stated in Request for Proposal (RFP) Document shall prevail.
15	Clause 15 Page 51	Request the authority to delete the clause as it is already covered under in the termination clause. Hence, we should delete to avoid any confusion.	Condition stated in Request for Proposal (RFP) Document shall prevail.
16	Clause 2.2.3, Page 5	We understand that “further studies” in this clause pertains to financial modeling & its related sensitivity analysis under Hybrid Annuity Model only. Please confirm.	Confirmed
17	Clause 2.2.5, Page 5	This clause provides the adoption of WBHDCL model concession agreement. We understand that for the purpose of RFP, model RFP issued by MORTH for Hybrid Annuity projects will be adopted. Please confirm.	Draft Model Concession Agreement for HAM is available with WBHDCL Model RFP of NHAH may be considered as a base documents.
18	Clause 5.2.1, Page 7	A. With respect to “Review of project cost estimate”, we understand that scope of work of the Financial Consultant will be restricted to estimation of IDCP, contingencies, escalation cost, and does not include the review of Civil Construction cost of the project. B. With respect to “Review of project implementation schedule”, we understand that scope of work of the Financial Consultant will be restricted to the adherence of construction planning as per Model Concession Agreement. Please confirm. C. Since the project envisaged under this RFP is a	A – Confirmed B -confirmed And C- DPR is substantially completed

Sl. No.	Reference Clause	Queries from Bidders	Replies to Queries
		single stretch of approx. 30 kms., please clarify the scope of work with respect to “Examine the overall viability of the current way of packaging” as physical packaging of the project involves preparation of DPR which we believe is already completed.	
19	Clause 5.2.2, Page 7	From the reading of the title of the Assignment and various clause of this RFP, it is understood that the proposed project is envisaged to be developed on Hybrid Annuity Mode. It would not be inappropriate to state that Hybrid Annuity mode of Concession does not provide toll collection rights to the Concessionaire. Whereas, as per this Clause 5.2.2, Financial Consultant is required to devise the BOT (Toll) model. Please clarify this ambiguity.	The toll will be the part of WBHDCL only and this project is completely related to Hybrid Annuity Model only.
20	Clause 5.2.4.1, Page 8	We understand that Technical Schedules of the Concession Agreement will be prepared & submitted by the Technical Consultant and such Technical Schedules will not be part of Scope of Work of Financial Consultant. Please confirm.	Confirmed
21	Clause 5.2.4.2, Page 9	Toll collection strategy involves queue management procedures and is a technology oriented activity. We, therefore, request to please clarify the scope of work of Financial Consultant in this respect as the team required from the Financial Consultant may not be of technical background.	Please refer to corrigendum-I appended with this MOM
22	Clause 7, Page 10	<ol style="list-style-type: none"> 1. Scope of work of the Financial Consultant for the envisaged project mentioned in this RFP is very exhaustive and requires 12 months of continuous services. 2. Also, lot of close interaction would be required to accomplish the project objectives. 3. The envisaged project is a standalone project <p>We, therefore, request the Authority to please reconsider the inclusion of maximum Consultancy Fees. Further, the Authority may also be very aware</p>	Condition stated in Request for Proposal (RFP) Document shall prevail

Sl. No.	Reference Clause	Queries from Bidders	Replies to Queries
		that the quality of Consultancy Service is correlated to the deployment of high quality of team. We, therefore, request you to please consider deletion of the phrase “ <i>The prospective consultant free to quote any amount below Rs. 14,25,001/=</i> ”.	
23	Note b) to Clause 7, Page 10	Since the completion of project requires close interaction & frequent travelling, we request the Authority to please consider reimbursement of the “Out of Pocket Expenses” & “Travelling expenses”. The Authority may put restriction on reimbursement amount (say Rs. 10 Lakh).	No such expenses will be provided and Condition stated in Request for Proposal (RFP) Document shall prevail
24	Appendix 4, Format of Contract, Clause 3.5, Page 43	We understand the Insurance mentioned in this clause pertains to Keyman Insurance only. Please confirm.	Confirmed
25	Appendix 4, Format of Contract, Clause 3.6, Page 44	Such clause is generally included in Concession Agreements or Agreements pertaining to revenue sharing mechanism. Further, the assignment under this RFP is a standalone assignment. Hence, we request this clause to be deleted from the Format of Contract.	Condition stated in Request for Proposal (RFP) Document shall prevail
26	Appendix 4, Format of Contract, Clause 3.12, Page 45	1. This clause pertains to procurement of drawings, designs which is not in the scope of work of Financial Consultant 2. Almost all the information required by the Financial Consultant would be provided by WBHDCL & their technical Consultant as mentioned in clause 25.5 of the RFP at Page no. 17. We, therefore, request the Authority to consider deletion of this clause.	Data related to Financial consultancy will be part of this clause.
27	General (Financial	Financial Analysis for Hybrid Annuity Mode requires various considerations like threshold IRR, Interest rate for calculation of IDCP, escalation rate	Confirmed

Sl. No.	Reference Clause	Queries from Bidders	Replies to Queries
	Modeling)	in civil cost, moratorium period etc. We understand the WBHDCL will provide such information for conducting the Financial Analysis.	
28	Key Dates (Page 3 of 52)	Bid Proposal submission end date (online) is 17:00 hrs on August 31, 2017 Owing to the complexity of the bid and preparation of the proposal, it is requested that the last date of submission of the proposal be extended by 2 weeks i.e till August 31, 2017	Condition stated in Request for Proposal (RFP) Document shall prevail
29	Clause 4.3 Eligibility Criteria and Minimum Qualification of Consultants, Page 6 of 52	Requested to revise as Either of the 2 conditions needs to be satisfied. The Prospective consultants should have experience as financial consultants for financial close of one highway project of 2-laning/4-laning of a state highway hybrid annuity project in the last 3 years. The Consultant should furnish proofs in form of LoI/Contract/ Concession Agreement/ Completion Certificate OR The Consultant should be an Empaneled Financial Consultant in NHAI in the last 10 years.	Please refer to corrigendum-I appended with this MOM
30	Clause 5.2.4.1 Finalization of bidding documents, Page 8 of 52	The Consultant would only provide broad level comments on the technical schedules/ BOQ as prepared by the engineering consultants. Onus of addressing the comments and preparation of the revised documents would remain with the engineering consultants.	Confirmed
31	Clause 5.2.4.2	We welcome the initiative of the State in this direction. However, it may be noted that this is an intensive exercise and requires substantial effort in terms of local consultations, national player consultation, technical inputs, etc. Similar exercises in other engagements executed indicates a cost of INR 60-70 lacs. The return of investments are high as successful implementation leads to increased topline. Given that the outer boundary set for the entire engagement is Rs 14.25 lacs, we would request to kindly consider relook at the budget.	Please refer to corrigendum-I appended with this MOM

Sl. No.	Reference Clause	Queries from Bidders	Replies to Queries
32	Clause 7: Payment Terms and Time Schedule	<p>Financial Consultancy Fees are restricted to Rs 1.2 crore (Rupees One Crore Twenty Lacs) + GST.</p> <p>In addition to toll collection aspect, please note that transaction advisory aspect is quite intensive as well. MoRT&H documents can't be used directly and substantial inputs are required for identifying and incorporating necessary modifications into the document. Upto financial closure as well, SPV documents, Financing Package, CP monitoring and negotiations require substantial inputs. In absence of a customized strategy for the project, success has a lower probability. We again emphasize on the fact that typical templated approach for the assignment may not fetch the value. In light of the above scope of work and the estimated effort, it has been requested that the ceiling of the fees are extended to Rs 1.2 crore for successful execution of the assignment.</p>	Condition stated in Request for Proposal (RFP) Document shall prevail
33	Clause-9 Submission of the Proposal	Documentary proof either in way of Copy of Letter of Intent/Contract Copy/ Completion Certificate for ongoing/completed projects of state government annuity projects in the last 3 years.	Please refer to corrigendum-I appended with this MOM
34	Clause 4.3 Eligibility Criteria and Minimum Qualification of Consultants, Page 6 of 52	Requested to consider substantial completion of one highway project of Four/Six laning in hybrid annuity model in NHAI where the substantial completion is more than 200 crores. Also requested to consider the completion certificate from private client in case of PPP project in NHAI.	Please refer to corrigendum-I appended with this MOM

**Sd/-
Chief General Manager**

**CORRIGENDUM / ADDENDUM No. : I of NIT No. : WBHDCL/e-NIT-16/2017 Date:
25.07.2017**

Name of Project : Financial consultancy services for Strengthening and Widening of Barrackpore-Kalyani Expressway from Moragacha Crossing (Ch 0.00 Km) to Kampa Crossing (Ch 30.00 Km) to Four lane Phase-1 on Hybrid Annuity Model.". NIT No. : WBHDCL/e-NIT-16/2017 dated 25.07.2017

The following modifications shall be incorporated in the request for proposal ("RFP") document:

Following modification may be incorporated in the NIT based on the queries received by the various bidders			
Sl No.	Clause Reference	Original Sentence in NIT	To be replaced by
1	Clause 4.3 Eligibility Criteria and Minimum Qualification of Consultants, Page 6	The prospective Consultants should have experience as financial consultants for financial closer of one highway project of Four/Six laning in hybrid annuity model in NHAI or should be an Empaneled financial consultant in NHAI..	The prospective Consultants should have experience as (i) financial consultants for financial closer of at least one highway project of Four/Six laning in hybrid annuity model under NHAI/ PSU/State Government or (ii) should be an Empaneled financial consultant in NHAI / PSU/State Government.
2	Clause 4.5.4 (Page-7)	The personnel proposed for Team Leader cum Sr. Fin. Analyst & Fin, Analyst should be the employees of the firm as on the date of application. Since, the assignment requires close interaction with WBHDCL, so the team may be consists those personnel who are either located in West Bengal or can be located in West Bengal. However, for legal expert (Third member of the team), WBHDCL may consider the induction either inside the firm or from an outside legal firm but legal specialist cannot be associated with more than one financial consultants firm.	The personnel proposed for Team Leader cum Sr. Fin. Analyst & Fin, Analyst should be the employees of the firm as on the date of application. Since, the assignment requires close interaction with WBHDCL, it is encouraged to have the personnel's located in West Bengal. However, for legal expert (Third member of the team), WBHDCL may consider the induction either inside the firm or from an outside legal firm but legal specialist cannot be associated with more than one financial consultants firm.
3	Clause 5.2.4.2	Toll collection strategy:	Deleted

		WBHDCL intends to toll the road to ensure revenue generation which will then be used to reduce upfront grant and annuity burden on State Government. However, it is expected that the traffic growth will be high on the stretch and therefore can lead to higher queuing times at toll plazas. In this direction, the consultant shall also provide a short term, medium term and long term strategy for collection of toll. The strategy should also include a roadmap for implementation of electronic toll collection with an objective to minimize queuing times as per statutory norms.	
4	Clause 9.3 ix	Documentary prove of NHA empanelment as financial consultants for BOT (Toll)/BOT(Annuity)/Hybrid Annuity	Documentary proof in respect to eligibility conditions. For the projects the LOA and completion certificate will only be considered for the purpose.
5	Clause 10.2.3.1 Note	Method of Marking: Applicants fulfilling Minimum Qualifying Criteria in terms of eligible project shall be awarded pass percentage of 75%. Applicants who exceed minimum criteria shall be awarded extra percentage marks over 75% to upto a maximum of 100% on prorata basis considering maximum achieved qualifying criteria as 100% among the bidders whose technical bid is opened, responsive and evaluated.	Method of Marking: Applicants fulfilling Minimum Qualifying Criteria in terms of eligible projects (i.e. as per sub criteria I of minimum eligibility criteria) or empanelment shall be awarded pass percentage of 75%. Applicants who exceed minimum criteria shall be awarded extra percentage marks over 75% to upto a maximum of 100% on prorata basis considering maximum achieved qualifying criteria as 100% among the bidders whose technical bid is opened, responsive and evaluated.

All other Terms and Conditions shall remain unchanged.

Sd/-
Chief General Manager