



Infrastructure Corporation of Andhra Pradesh Limited (INCAP)

Response to Queries

Notice No. INCAP/P/ Retainer Consultant /92/2015, Dt. 19.03.2016

(RfP Notice No. INCAP/P/ Retainer Consultant /92/2015, Dt. 10.03.2016)

SELECTION OF RETAINER CONSULTANTS FOR PROVIDING SERVICES FOR DEVELOPMENT OF VARIOUS IDENTIFIED INFRASTRUCTURE PROJECTS IN PPP MODEL IN THE STATE OF ANDHRA PRADESH

S.No.	RFP Clause	Queries/Clarifications	Responses
1.	<p>Clause 2.2.8 Financial Capacity</p> <p>Financial Capacity: The Applicant should have an annual Gross Turnover of not less than Rs. 100 crore (Rupees One Hundred Crore only) from professional fees in each of the last three financial years. The Applicant will be required to submit an authenticated copy of the audited annual accounts of each of the three years giving details of Turnover and other financial parameters along with the Proposal. Proposals without audited annual accounts are liable to be rejected.</p>	<p>A. Since this being primarily a retainer consulting assignment (not a detailed design and engineering consulting assignment), 100 Cr per annum as a professional fee would be a criteria which will restrict the competition.</p> <p>As per the standard norms defined for transparent public procurement process , please consider the enumerated points below:</p> <ul style="list-style-type: none">• Office memorandum No. 12-02-1-CTE-6 dated 17th December 2002 of CVC clearly states that discriminatory/high prequalification criteria should be avoided and prequalification criteria should be in sync with value of work to be executed , here in sync with the estimated fees for the consultancy services.	<p>The existing clauses/provisions in the RFP will prevail.</p>

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		<ul style="list-style-type: none"> • Standard Bidding Documents of Planning Commission also states for every 200 cr of project cost minimum professional fee for appointment of consultants needs to be Rs. 1 cr. • CVC guidelines also recommends that the average professional fees requirement per year should be arrived from the cost put to tender divided by total tenor (years) of the consultancy period. <p>Based on above three points we are of the opinion that annual professional fees requirement for the past three financial years should not be more than 25 Cr considering the tentative fees for the assignment.</p> <p>B. We would like to suggest the following change in the financial capacity and request you to accept the same.</p> <p>The Applicant should have an average Turnover of not less than Rs. 100 crore (Rupees One Hundred Crore only) from professional fees during the three financial years.</p>	
2.	<p>Clause 1.5.2</p> <p>This RFP document will be used to select 2 (two) consultants to provide retainer consultancy (as per the scope defined in Clause 2.1). The selection will be according to the combined score based on the Evaluation Criteria (detailed in Clause 3.1).</p>	<p>Kindly clarify how the division of projects be done between the two consultants as 25% of the monthly retainer fee is based on success of the project , process of division of projects is very crucial and important.</p>	<p>The Authority will divide the projects to be done between the selected two consultants covering the sectors as per clause 1.1.1 of RfP document.</p>

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3.	<p>Clause 1.1.1</p> <p>Government of Andhra Pradesh is engaged in the development of various infrastructure projects across sectors including but not limited to:</p> <p>a) Core Infrastructure Projects include Ports, Airports, Industrial Corridors, Power, Roads / Bridges, Logistics & Allied sector</p> <p>b) Social & Urban Infrastructure Projects include Convention Centres, Sports Complex, educational institutions (viz. Universities, International Schools), hotels & hospitality sector</p>	<p>We suggest you to include the food, agro parks, industrial clusters and Special Economic Zones under the core infrastructure category.</p>	<p>The existing clauses/provisions in the RFP will prevail.</p>
4.	<p>S.No-4 of Table under clause 2.1.2, Key personnel</p> <p>MBA / PGDM / Post Graduate degree from reputed institutions like IIM or a CA with experience in Management Consultancy</p> <p>Should have been involved in at least 1 PPP project transaction in the infrastructure sector (as defined in Clause 1.1.1) with the Government Agency (State/Central).</p> <p><u>Preferred qualification</u></p> <p>Preferably named as resource in at least 1 Retainer Assignment with the Government Agency (State/Central) in the infrastructure sector as described in Clause 1.1.1.</p>	<p>We request you to consider the qualification of M.Tech in civil/ Urban/Infrastructure Planning for the Junior Resource, with additional experience in PPP and transaction advisory services in the infrastructure sector.</p>	<p>The existing clauses/provisions in the RFP will prevail.</p>

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5.	<p>Appendix II</p> <table border="1" data-bbox="181 197 969 804"> <thead> <tr> <th data-bbox="181 197 477 384">Personnel</th> <th data-bbox="477 197 645 384">Total Man-days per month</th> <th data-bbox="645 197 813 384">Rate per man-day in Rs.</th> <th data-bbox="813 197 969 384">Total cost per man-month in Rs.</th> </tr> <tr> <th data-bbox="181 384 477 461">(A)</th> <th data-bbox="477 384 645 461">(B)</th> <th data-bbox="645 384 813 461">(C)</th> <th data-bbox="813 384 969 461">(D) = (B) * (C)</th> </tr> </thead> <tbody> <tr> <td data-bbox="181 461 477 576">Engagement Partner / Engagement Director(s)</td> <td data-bbox="477 461 645 576">2</td> <td data-bbox="645 461 813 576"></td> <td data-bbox="813 461 969 576"></td> </tr> <tr> <td data-bbox="181 576 477 652">Engagement Manager</td> <td data-bbox="477 576 645 652">20</td> <td data-bbox="645 576 813 652"></td> <td data-bbox="813 576 969 652"></td> </tr> <tr> <td data-bbox="181 652 477 729">Junior Resources (Core Team)–2No.</td> <td data-bbox="477 652 645 729">40 (2*20)</td> <td data-bbox="645 652 813 729"></td> <td data-bbox="813 652 969 729"></td> </tr> <tr> <td colspan="3" data-bbox="181 729 813 804">Total cost per month (including all taxes except services tax*)</td> <td data-bbox="813 729 969 804"></td> </tr> </tbody> </table>	Personnel	Total Man-days per month	Rate per man-day in Rs.	Total cost per man-month in Rs.	(A)	(B)	(C)	(D) = (B) * (C)	Engagement Partner / Engagement Director(s)	2			Engagement Manager	20			Junior Resources (Core Team)–2No.	40 (2*20)			Total cost per month (including all taxes except services tax*)				<p>We request you to limit the availability of the team up to Engagement Manager and Junior Resource.</p>	<p>The existing clauses/provisions in the RFP will prevail.</p>
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6.	<p>Appendix II</p> <p>Note:</p> <p>1.The Engagement Manager and Junior Resources shall work in INCAP office during all INCAP office working days in a month which is mandatory irrespective of above man-days charged.</p> <p>2.The aforesaid fee payable to the Consultant will cover the costs of all travel, transport, telephone/fax, etc. No additional charges in respect thereof will be due or payable.</p> <p>3.All other charges are considered to have been included in the above fee.</p>	<p>Kindly confirm whether the operation of INCAP will carry out from Hyderabad or Vijayawada from the starting of this engagement.</p> <p>We suggest the travel expenditure for the outstation travels needs to be taken care by the Authority.</p> <p>We suggest the following changes.</p> <ul style="list-style-type: none"> • 25% of the total fee would be at higher side. Therefore, we suggest you to reduce it to 10% so that the consultant will not load the cost upfront and submit the financial bid. 	<p>As of now INCAP will carry out its functions in Hyderabad.</p> <p>The existing clauses/provisions in the RFP will prevail.</p> <p>The existing clauses/provisions in the RFP will prevail.</p>																								

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	<p>4.25% of the total monthly remuneration will be retained by INCAP towards projects success fee and the same will be released to the retainer consultant after award of work/s to the selected developer/s. All efforts are to be made by the retainer consultant to make the projects viable under PPP mode. The projects evaluated as not viable under PPP mode shall be reasoned with supporting data by the retainer consultant which will be examined by INCAP/Government for a decision on such projects. The amount retained by INCAP towards success fee will be released to the retainer consultant in proportion to the number of projects awarded to the total number of projects handled by the retainer consultant.</p> <p>5.The payments will be made to the consultant after completion of every month on submission of invoice (in duplicate) by the consultant.</p>	<ul style="list-style-type: none"> • In addition to the retainer ship fee, we suggest you to include project success fee as 2% of the approved cost of the project 	
7.	<p>Clause 2.7.3.1 Bid submission due date – 29th March 2016</p>	<p>We request you to extend the submission date to 10 days from the issue of pre bid replies so as to consider the changes and prepare and submit the bid.</p>	<p>The existing clauses/provisions in the RFP will prevail.</p>

Sd/-
Vice Chairman & Managing Director