



**Government of Madhya Pradesh, India**  
**Madhya Pradesh Urban Development Company Limited**  
**Invitation for Bids No.: 68**

**Date: 20<sup>th</sup> December, 2017**

**Loan No. and Title:** IND - 3528 – Madhya Pradesh Urban Services Improvement Project  
**Contract Package No. MPUSIP 6B; Name: Improvements to Water Supply to Sagar Nagar Nigam and Makronia Nagar Parishad in Sagar District of Madhya Pradesh.**  
(MPUSIP- 6B)

**Deadline for submission of Bids: 15:00hours on 15-01-2018**

1. Government of India has applied for financing from the Asian Development Bank (ADB) towards the cost of Madhya Pradesh Urban Services Improvement Project (MPUSIP). Part of this financing will be used for payments under the contract named above. International Competitive Bidding (ICB) will be conducted in accordance with ADB's **single stage - two envelope** bidding procedure and is open to all eligible bidders from eligible source countries of ADB.
2. The Madhya Pradesh Urban Development Company Limited (MPUDC; hereinafter referred to as the "Employer"), a Government of Madhya Pradesh undertaking, represented by its Engineer-in-Chief, invites online bids on [www.mpeproc.gov.in](http://www.mpeproc.gov.in) from eligible bidders for the sub-project of Package Number MPUSIP-6B for Improvements to Water Supply to Sagar Nagar Nigam and Makronia Nagar Parishad in Sagar District of Madhya Pradesh.  
The scope of work includes detailed engineering design, construction, commissioning, testing and operation and maintenance of water supply production, transmission, distribution and service delivery infrastructure to provide continuous pressurised (24x7) water supply to the customers.
3. While the detailed qualification and experience requirements are mentioned in the bid document, some key qualifications and experience requirements which will be evaluated on pass-fail criteria are given below. Bidders are to note that ADB will be involved during bid evaluation, project implementation management and project auditing. The details of type of works including project location and other information are given in the table below given on the next page.

Sl. No.	Package Name, Period of Construction/ Criteria	Financial Situation - Bidders' Net worth for last year, calculated as the difference between total assets and total liabilities. (Submit audited financial statements for the last 3 years.)	Minimum Average Annual Construction Turnover calculated as total certified payments received for contracts in progress or completed within the last 3 years	Financial Resources: Possess financial resources	Contracts of Similar Size and Nature: – Have participated in /executed at-least one contract that has been successfully or substantially completed within last 7 years	Construction Experience in Key activities
1.	Detailed engineering design, construction, commissioning, testing and operation and maintenance of water supply production, transmission, distribution and service delivery infrastructure to provide continuous pressurised (24x7) water supply to the customers. Design-build period shall be eight hundred and fifty [850] days including rainy seasons. Operation Service Period shall be one hundred and twenty[120] months	Net worth should be positive	Has minimum average annual construction turnover of INR 1694 Million (US \$ 25.50 Million)	As required in the bidding document	One work similar to the proposed work, where the value of the bidder's participation exceeds INR 1360 Million (US\$20.50Million)	As required in the Bid document

4. To obtain further information and inspect the Bidding Document, interested bidders should visit [www.mpeproc.gov.in](http://www.mpeproc.gov.in) or contact: The Procurement Officer, MPUDC, First Floor, 8, Arera Hills, Old Jail Road, Bhopal, Madhya Pradesh, India. Tel +91-755-276-3060, 61, 62; Fax: +91- 755 – 276-3868; email: [mpusjbbpl@gmail.com](mailto:mpusjbbpl@gmail.com).on any working day from 10:00 to 16:00 hours.
5. The Bidding Document is available for free download on the website [www.mpeproc.gov.in](http://www.mpeproc.gov.in). Eligible interested bidders can participate in the bidding procedure on payment of Rs.34000 (Rupees Thirty four thousand only) or US\$ 500 (US Dollars five hundred only) towards the cost of bidding document as per the procedure described in the Bid Data sheet. Bidders who download the document from the website are requested to visit the website regularly for clarifications/ further information or addenda to the Bidding Document.
6. Bids must be delivered electronically through the website [www.mpeproc.gov.in](http://www.mpeproc.gov.in) on or before **15:00 hours on or before 15<sup>th</sup> January, 2018** in accordance to the procedure for online submission detailed in the Bid Data Sheet. Technical bids must be accompanied by the Bid Security as indicated in Section 2: Bid Data Sheet. Late bids shall be rejected. Technical bids will be opened on the same day in the presence of the bidders' representatives who choose to attend at the **conference hall of MPUDC** office at Bhopal at **15:30** hours.
7. The Employer will not be responsible for any costs or expenses incurred by bidders in connection with the preparation or delivery of bids.
8. Bidders who are interested to participate in the bid process are encouraged to attend the pre-bid meeting on **29<sup>th</sup> December, 2017**, 11:00 a.m., at the MPUDC Conference Hall; and to visit the project site anytime between **27<sup>th</sup> December, 2017** and **28<sup>th</sup> December, 2017**, with prior advice to the Employer.

Engineer-in-Chief

Madhya Pradesh Urban Development Company Limited  
(Under Urban Development and Environment Department  
Government of Madhya Pradesh), Bhopal,  
Madhya Pradesh, India

**Government of Madhya Pradesh  
Madhya Pradesh Urban Development Company Limited.**

**Madhya Pradesh Urban Services Improvement Program**

**BID DOCUMENT**

**FOR**

**Improvements of Water Supply to Sagar Nagar Nigam and Makronia Nagar Parishad in Sagar  
District of Madhya Pradesh (India).  
(A Design Build and Operate Contract)**

**Single-Stage-Two-Envelope Bidding Procedure  
International Competitive Bidding (ICB)**

**Invitation for Bids No.: 68.**

**ICB Package No.: MPUSIP-6B**

**Employer: Madhya Pradesh Urban Development Company Limited**

**Country: India**

**DECEMBER 2017**

**Project Office: Madhya Pradesh Urban Development Company  
Project Management Unit – Madhya Pradesh Urban Services Improvement Project,  
8, Jail Road, Arera Hills, Bhopal - 462 011**

## Preface

This Bidding Document for the Procurement of Works has been prepared by Madhya Pradesh Urban Development Company Limited and is based on the following:

- i. Part I – Standard Bidding Document for the Procurement of Works (SBD Works) issued by the Asian Development Bank dated [December 2015].
- ii. Part II – Employer’s Requirements customised for each sub-project
- iii. Part III – Conditions of Contract and Contract Forms is based on Conditions of Contract for Design, Build and Operate Projects (First Edition 2008), prepared by the Fédération Internationale des Ingénieurs-Conseils or FIDIC (FIDIC Gold Book) available at <http://fidic.org/bookshop>. The GCC is deemed to include the General Conditions of Dispute Adjudication Agreement and the Procedural Rules for Dispute Adjudication Board Members of the FIDIC Gold Book

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This Section specifies the procedures Bidders should follow when preparing and submitting their Bids. Information is also provided on the submission, opening, evaluation of bids, and on the award of contract.

**Section 2 - Bid Data Sheet (BDS)-----2-1**

This Section consists of provisions that are specific to each procurement and supplement the information or requirements included in Section 1 - Instructions to Bidders.

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This Section contains the criteria to determine the lowest evaluated bid and the qualifications of the Bidder to perform the contract.

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### PART II REQUIREMENTS

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This Section contains the Specifications, Drawings, and Supplementary Information that describe the Works to be procured, Personnel Requirements, and Equipment Requirements.

**PART III**

**CONDITIONS OF CONTRACT AND CONTRACT FORMS**

**Section 7 - General Conditions of Contract (GCC) ----- 7-1**

This Section contains the general clauses that govern the Contract. These General Conditions shall be the Conditions of Contract for Design, Build Operate prepared by the Fédération Internationale des Ingénieurs-Conseil (FIDIC Gold Book first edition 2008). These Conditions are subject to the variations and additions set out in Section 8 (Particular Conditions of Contract).

**Section 8 - Particular Conditions of Contract (PCC) ----- 8-1**

This Section contains provisions that are specific to each contract and that modifies or supplements the GCC. Whenever there is a conflict, the provisions herein shall prevail over those in the GCC.

**Section 9 - Contract Forms (COF) ----- 9-1**

This Section contains forms, which, once completed, will form part of the Contract. The forms for Performance Security and Advance Payment Security, when required, shall only be completed by the successful Bidder after contract award.

## Section 1 - Instructions to Bidders

This Section specifies the procedures to be followed by Bidders in the preparation and submission of their Bids. Information is also provided on the submission, opening, evaluation of bids, and on the award of contract.

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## Section 1 - Instructions to Bidders

### A. General

- 1. Scope of Bid**
  - 1.1 In connection with the Invitation for Bids (IFB) indicated in the Bid Data Sheet (BDS), the Employer, as indicated in the BDS, issues this Bidding Document for the procurement of Works as specified in Section 6 (Employer's Requirements). The name, identification, and number of contracts of the International Competitive Bidding (ICB) are provided in the BDS.
  - 1.2 Throughout this Bidding Document,
    - (a) the term "in writing" means communicated in written form and delivered against receipt;
    - (b) except where the context requires otherwise, words indicating the singular also include the plural and words indicating the plural also include the singular; and
    - (c) "day" means calendar day.
- 2. Source of Funds**
  - 2.1 The Borrower or Recipient (hereinafter called "Borrower") indicated in the BDS has applied for or received financing (hereinafter called "funds") from the Asian Development Bank (hereinafter called "ADB") toward the cost of the project named in the BDS. The Borrower intends to apply a portion of the funds to eligible payments under the contract(s) for which this Bidding Document is issued.
  - 2.2 Payments by the ADB will be made only at the request of the Borrower and upon approval by ADB in accordance with the terms and conditions of the Financing Agreement between the Borrower and ADB (hereinafter called "Financing Agreement"), and will be subject in all respects to the terms and conditions of that Financing Agreement. No party other than the Borrower shall derive any rights from the Financing Agreement or have any claim to the funds.
- 3. Fraud and Corruption**
  - 3.1 ADB's Anticorruption Policy requires Borrowers (including beneficiaries of ADB-financed activity), as well as Bidders, Suppliers, and Contractors under ADB-financed contracts, to observe the highest standard of ethics during the procurement and execution of such contracts. In pursuance of this policy, ADB
    - (a) defines, for the purposes of this provision, the terms set forth below as follows:
      - (i) "corrupt practice" means the offering, giving, receiving, or soliciting, directly or indirectly, anything of value to influence improperly the actions of another party;
      - (ii) "fraudulent practice" means any act or omission, including a

- misrepresentation, that knowingly or recklessly misleads, or attempts to mislead, a party to obtain a financial or other benefit or to avoid an obligation;
- (iii) “coercive practice” means impairing or harming, or threatening to impair or harm, directly or indirectly, any party or the property of the party to influence improperly the actions of a party;
  - (iv) “collusive practice” means an arrangement between two or more parties designed to achieve an improper purpose, including influencing improperly the actions of another party;
  - (v) “obstructive practice” means (a) deliberately destroying, falsifying, altering, or concealing of evidence material to an ADB investigation; (b) making false statements to investigators in order to materially impede an ADB investigation; (c) failing to comply with requests to provide information, documents or records in connection with an Office of Anticorruption and Integrity (OAI) investigation; (d) threatening, harassing, or intimidating any party to prevent it from disclosing its knowledge of matters relevant to the investigation or from pursuing the investigation; or (e) materially impeding ADBs contractual rights of audit or access to information; and
  - (vi) “integrity violation” is any act which violates ADB’s Anticorruption Policy, including (i) to (v) above and the following: abuse, conflict of interest, violations of ADB sanctions, retaliation against whistle-blowers or witnesses, and other violations of ADB’s Anticorruption Policy, including failure to adhere to the highest ethical standard.
- (b) will reject a proposal for award if it determines that the Bidder recommended for award has, directly or through an agent, engaged in corrupt, fraudulent, collusive, coercive, or obstructive practices or other integrity violations in competing for the Contract;
  - (c) will cancel the portion of the financing allocated to a contract if it determines at any time that representatives of the Borrower or of a beneficiary of ADB-financing engaged in corrupt, fraudulent, collusive, coercive, or obstructive practices or other integrity violations during the procurement or the execution of that contract, without the Borrower having taken timely and appropriate action satisfactory to ADB to remedy the situation;

- (d) will impose remedial actions on a firm or an individual, at any time, in accordance with ADB's Anticorruption Policy and Integrity Principles and Guidelines (both as amended from time to time), including declaring ineligible, either indefinitely or for a stated period of time, to participate<sup>1</sup> in ADB-financed, administered, or supported activities or to benefit from an ADB-financed, administered, or supported contract, financially or otherwise, if it at any time determines that the firm or individual has, directly or through an agent, engaged in corrupt, fraudulent, collusive, coercive, or obstructive practices or other integrity violations; and
- (e) will have the right to require that a provision be included in bidding documents and in contracts financed by ADB, requiring Bidders, suppliers and contractors to permit ADB or its representative to inspect their accounts and records and other documents relating to the bid submission and contract performance and to have them audited by auditors appointed by ADB.

3.2 Furthermore, Bidders shall be aware of the provision stated in Sub-clause 1.15 and 15.6 of the Conditions of Contract.

#### **4. Eligible Bidders**

- 4.1 A Bidder may be a natural person, private entity, or government-owned enterprise subject to ITB 4.5—or any combination of them with a formal intent to enter into an agreement or under an existing agreement in the form of a Joint Venture. In the case of a Joint Venture,
- (a) all partners shall be jointly and severally liable; and
  - (b) the Joint Venture shall nominate a Representative who shall have the authority to conduct all business for and on behalf of all the parties of the Joint Venture during the bidding process and, in the event the Joint Venture is awarded the Contract, during contract execution.
- 4.2 A Bidder, and all parties constituting the Bidder, shall have the nationality of an eligible country, in accordance with Section 5 (Eligible Countries). A Bidder shall be deemed to have the nationality of a country if the Bidder is a citizen or is constituted, or incorporated, and operates in conformity with the provisions of the laws of that country. This criterion shall also apply to the determination of the nationality of proposed subcontractors or suppliers for any part of the Contract including related services.

<sup>1</sup> Whether as a Contractor, Nominated Subcontractor, Consultant, Manufacturer or Supplier, or Service Provider; or in any other capacity (different names are used depending on the particular Bidding Document). A Nominated Subcontractor is one that either has been: (i) included by the Bidder in its prequalification application or bid because it brings specific and critical experience and know-how that are accounted for in the evaluation of the bidder's prequalification application or the bid; or (ii) appointed by the Employer.

- 4.3 A Bidder shall not have a conflict of interest. All Bidders found to have a conflict of interest shall be disqualified. A Bidder may be considered to be in a conflict of interest with one or more parties in the bidding process if any of, including but not limited to, the following apply:
- (a) they have controlling shareholders in common; or
  - (b) they receive or have received any direct or indirect subsidy from any of them; or
  - (c) they have the same legal representative for purposes of this bid; or
  - (d) they have a relationship with each other, directly or through common third parties, that puts them in a position to have access to material information about or improperly influence the bid of another Bidder, or influence the decisions of the Employer regarding this bidding process; or
  - (e) a Bidder participates in more than one bid in this bidding process, either individually or as a partner in a joint venture, except for alternative offers permitted under ITB 13 of the Bidding Document. This will result in the disqualification of all Bids in which it is involved. However, subject to any finding of a conflict of interest in terms of 4.3(a)-(d) above, this does not limit the participation of a Bidder as a Subcontractor in another Bid or of a firm as a Subcontractor in more than one Bid; or
  - (f) a Bidder or any affiliated entity, participated as a Consultant in the preparation of the design or technical specifications of the works that are the subject of the Bid; or
  - (g) a Bidder was affiliated with a firm or entity that has been hired (or is proposed to be hired) by the Employer or Borrower as Engineer for the contract.
- 4.4 A firm shall not be eligible to participate in any procurement activities under an ADB-financed, administered, or supported project while under temporary suspension or debarment by ADB pursuant to its Anticorruption Policy (see ITB 3), whether such debarment was directly imposed by ADB, or enforced by ADB pursuant to the Agreement for Mutual Enforcement of Debarment Decisions. A bid from a temporary suspended or debarred firm will be rejected.
- 4.5 Government-owned enterprises in the Employer's country shall be eligible only if they can establish that they (i) are legally and financially autonomous, (ii) operate under commercial law, and (iii) are not a dependent agency of the Employer.
- 4.6 Bidders shall provide such evidence of their continued eligibility

satisfactory to the Employer, as the Employer shall reasonably request.

4.7 Firms shall be excluded if by an act of compliance with a decision of the United Nations Security Council taken under Chapter VII of the Charter of the United Nations, the Borrower's country prohibits any import of goods or contracting of works or services from that country or any payments to persons or entities in that country.

4.8 In case a prequalification process has been conducted prior to the bidding process, this bidding is open only to prequalified Bidders.

**5. Eligible  
Materials,  
Equipment and  
Services**

5.1 The materials, equipment, and services to be supplied under the Contract shall have their origin in eligible source countries as defined in ITB 4.2 above and all expenditures under the Contract will be limited to such materials, equipment, and services. At the Employer's request, Bidders may be required to provide evidence of the origin of materials, equipment, and services.

5.2 For purposes of ITB 5.1 above, "origin" means the place where the materials and equipment are mined, grown, produced, or manufactured, and from which the services are provided. Materials and equipment are produced when, through manufacturing, processing, or substantial or major assembling of components, a commercially recognized product results that differs substantially in its basic characteristics or in purpose or utility from its components.

**B. Contents of Bidding Document**

**6. Sections of  
Bidding  
Document**

6.1 The Bidding Document consist of Parts I, II, and III, which include all the sections indicated below, and should be read in conjunction with any addenda issued in accordance with ITB 8.

**PART I Bidding Procedures**

Section 1 - Instructions to Bidders (ITB)

Section 2 - Bid Data Sheet (BDS)

Section 3 - Evaluation and Qualification Criteria (EQC)

Section 4 - Bidding Forms (BDF)

Section 5 - Eligible Countries (ELC)

**PART II Requirements**

Section 6 - Employer's Requirements (ERQ)

**PART III Conditions of Contract and Contract Forms**

Section 7 - General Conditions of Contract (GCC)

Section 8 - Particular Conditions of Contract (PCC)

Section 9 - Contract Forms (COF)

6.2 The Invitation for Bids (IFB) issued by the Employer is not part of the Bidding Document.

- 6.3 The Employer is not responsible for the completeness of the Bidding Document and their addenda, if they were not obtained directly from the source stated by the Employer in the IFB.
- 6.4 The Bidder is expected to examine all instructions, forms, terms, and specifications in the Bidding Document. Failure to furnish all information or documentation required by the Bidding Document may result in the rejection of the bid.
- 7. Clarification of Bidding Document, Site Visit, Pre-Bid Meeting**
- 7.1 A prospective Bidder requiring any clarification on the Bidding Document shall contact the Employer in writing at the Employer's address indicated in the BDS or raise its inquiries during the pre-bid meeting if provided for in accordance with ITB 7.4. The Employer will respond in writing to any request for clarification, provided that such request is received no later than 21 days prior to the deadline for submission of bids. The Employer shall forward copies of its response to all Bidders who have acquired the Bidding Document in accordance with ITB 6.3, including a description of the inquiry but without identifying its source. Should the Employer deem it necessary to amend the Bidding Document as a result of a request for clarification, it shall do so following the procedure under ITB 8 and ITB 22.2.
- 7.2 The Bidder is advised to visit and examine the Site of Works and its surroundings and obtain for itself on its own responsibility all information that may be necessary for preparing the Bid and entering into a contract for construction of the Works. The costs of visiting the Site shall be at the Bidder's own expense.
- 7.3 The Bidder and any of its personnel or agents will be granted permission by the Employer to enter its premises and lands for the purpose of such visit, but only upon the express condition that the Bidder, its personnel, and agents will release and indemnify the Employer and its personnel and agents from and against all liability in respect thereof, and will be responsible for death or personal injury, loss of or damage to property, and any other loss, damage, costs, and expenses incurred as a result of the inspection.
- 7.4 The Bidder's designated representative is invited to attend a pre-bid meeting, if provided for in the BDS. The purpose of the meeting will be to clarify issues and to answer questions on any matter that may be raised at that stage.
- 7.5 The Bidder is requested to submit any questions in writing, to reach the Employer not later than 1 week before the meeting.
- 7.6 Minutes of the pre-bid meeting, including the text of the questions raised,

without identifying the source, and the responses given, together with any responses prepared after the meeting, will be transmitted promptly to all Bidders who have acquired the Bidding Document in accordance with ITB 6.3. Any modification to the Bidding Document that may become necessary as a result of the pre-bid meeting shall be made by the Employer exclusively through the issue of an addendum pursuant to ITB 8 and not through the minutes of the pre-bid meeting.

7.7 Nonattendance at the pre-bid meeting will not be a cause for disqualification of a Bidder.

**8. Amendment of Bidding Document**

8.1 At any time prior to the deadline for submission of Bids, the Employer may amend the Bidding Document by issuing addenda.

8.2 Any addendum issued shall be part of the Bidding Document and shall be communicated in writing to all who have obtained the Bidding Document from the Employer in accordance with ITB 6.3.

8.3 To give prospective Bidders reasonable time in which to take an addendum into account in preparing their Bids, the Employer may, at its discretion, extend the deadline for the submission of Bids, pursuant to ITB 22.2

**C. Preparation of Bids**

**9. Cost of Bidding**

9.1 The Bidder shall bear all costs associated with the preparation and submission of its Bid, and the Employer shall in no case be responsible or liable for those costs, regardless of the conduct or outcome of the bidding process.

**10. Language of Bid**

10.1 The Bid, as well as all correspondence and documents relating to the bid exchanged by the Bidder and the Employer, shall be written in the language specified in the BDS. Supporting documents and printed literature that are part of the Bid may be in another language provided they are accompanied by an accurate translation of the relevant passages in the language specified in the BDS, in which case, for purposes of interpretation of the Bid, such translation shall govern.

**11. Documents Comprising the Bid**

11.1 The Bid shall comprise two envelopes submitted simultaneously, one called the Technical Bid containing the documents listed in ITB 11.2 and the other the Price Bid containing the documents listed in ITB 11.3, both envelopes enclosed together in an outer single envelope.

11.2 The Technical Bid shall comprise the following:

- (a) Letter of Technical Bid;
- (b) Bid Security or Bid-Securing Declaration, in accordance with ITB 19;



- (c) alternative Bids, if permissible, in accordance with ITB 13;
- (d) written confirmation authorizing the signatory of the Bid to commit the Bidder, in accordance with ITB 20.2;
- (e) documentary evidence in accordance with ITB 17, establishing the Bidder's qualifications to perform the contract;
- (f) Technical Proposal in accordance with ITB 16;
- (g) Any other document required in the BDS.

11.3 The Price Bid shall comprise the following:

- (a) Letter of Price Bid;
- (b) completed Price Schedules, in accordance with ITB 12 and ITB 14;
- (c) alternative price Bids, at Bidder's option and if permissible, in accordance with ITB 13;
- (d) Any other document required in the BDS.

11.4 In addition to the requirements under ITB 11.2, Bids submitted by a Joint Venture shall include a copy of the Joint Venture Agreement entered into by all partners. Alternatively, a Letter of Intent to execute a Joint Venture Agreement in the event of a successful Bid shall be signed by all partners and submitted with the Bid, together with a copy of the proposed agreement.

## **12. Letters of Bid and Schedules**

12.1 The Letters of Technical Bid and Price Bid, and the Schedules, including the Bill of Quantities, shall be prepared using the relevant forms furnished in Section 4 (Bidding Forms). The forms must be completed without any alterations to the text, and no substitutes shall be accepted. All blank spaces shall be filled in with the information requested and as required in the BDS.

## **13. Alternative Bids**

13.1 Unless otherwise indicated in the BDS, alternative Bids shall not be considered.

13.2 When alternative times for completion are explicitly invited, a statement to that effect will be included in the BDS, as will the method of evaluating different times for completion.

13.3 Except as provided under ITB 13.4 below, Bidders wishing to offer technical alternatives to the requirements of the Bidding Document must first price the Employer's design as described in the Bidding Document and shall further provide all information necessary for a complete evaluation of the alternative by the Employer, including drawings, design calculations, technical specifications, breakdown of prices, and proposed construction methodology and other relevant details. Only the technical alternatives, if any, of the lowest evaluated Bidder conforming to the basic technical requirements shall be considered by the Employer.

**14. Bid Prices and Discounts**

- 13.4 When specified in the BDS, Bidders are permitted to submit alternative technical solutions for specified parts of the Works. Such parts will be identified in the BDS and described in Section 6 (Employer's Requirements). The method for their evaluation will be stipulated in Section 3 (Evaluation and Qualification Criteria).
- 14.1 The prices and discounts quoted by the Bidder in the Letter of Price Bid and in the Bill of Quantities shall conform to the requirements specified below.
- 14.2 The Bidder shall fill in rates and prices for all items of the Works described in the Bill of Quantities. Items against which no rate or price is entered by the Bidder will not be paid for by the Employer when executed and shall be deemed covered by the rates for other items and prices in the Bill of Quantities.
- 14.3 The price to be quoted in the Letter of Price Bid, in accordance with ITB 12.1, shall be the total price of the Bid, excluding any discounts offered. Absence of the total bid price in the Letter of Price Bid may result in the rejection of the Bid.
- 14.4 The Bidder shall quote any discounts and the methodology for their application in the Letter of Price Bid, in accordance with ITB 12.1.
- 14.5 Unless otherwise provided in the BDS and the Contract, the rates and prices quoted by the Bidder are subject to adjustment during the performance of the Contract in accordance with the provisions of the Conditions of Contract. In such a case, the Bidder shall furnish the indexes and weightings for the price adjustment formulas in the Tables of Adjustment Data included in Section 4 (Bidding Forms) and the Employer may require the Bidder to justify its proposed indexes and weightings.
- 14.6 If so indicated in ITB 1.1, bids are being invited for individual contracts or for any combination of contracts (packages). Bidders wishing to offer any price reduction for the award of more than one Contract shall specify in their bid the price reductions applicable to each package, or alternatively, to individual Contracts within the package. Price reductions or discounts shall be submitted in accordance with ITB 14.4, provided the Bids for all contracts are submitted and opened at the same time.
- 14.7 All duties, taxes, and other levies payable by the Contractor under the Contract, or for any other cause, as of the date 28 days prior to the deadline for submission of bids, shall be included in the rates and prices and the total Bid Price submitted by the Bidder.

**15. Currencies of Bid and Payment**

- 15.1 The unit rates and the prices shall be quoted by the Bidder entirely in the currency specified in the BDS.
- 15.2 Bidders shall indicate the portion of the bid price that corresponds to expenditures incurred in the currency of the Employer's country in the Schedule of Payment Currencies included in Section 4 (Bidding Forms).
- 15.3 Bidders expecting to incur expenditures in other currencies for inputs to the Works supplied from outside the Employer's country and wishing to be paid accordingly may indicate up to three foreign currencies in the Schedule of Payment Currencies included in Section 4 (Bidding Forms).
- 15.4 The rates of exchange to be used by the Bidder for currency conversion during bid preparation shall be the selling rates for similar transactions prevailing on the date 28 days prior to the deadline for submission of bids published by the source specified in the BDS. If exchange rates are not so published for certain currencies, the Bidder shall state the rates used and the source. Bidders should note that for the purpose of payments, the exchange rates confirmed by the source specified in the BDS as the selling rates prevailing 28 days prior to the deadline for submission of Bids shall apply for the duration of the Contract so that no currency exchange risk is borne by the Bidder.
- 15.5 Foreign currency requirements indicated by the Bidders in the Schedule of Payment Currencies shall include but not limited to the specific requirements for
- (a) expatriate staff and labour employed directly on the Works;
  - (b) social, insurance, medical and other charges relating to such expatriate staff and labour, and foreign travel expenses;
  - (c) imported materials, both temporary and permanent, including fuels, oil and lubricants required for the Works;
  - (d) depreciation and usage of imported Plant and Contractor's Equipment, including spare parts, required for the Works;
  - (e) foreign insurance and freight charges for imported materials, Plant and Contractor's Equipment, including spare parts; and
  - (f) overhead expenses, fees, profit, and financial charges arising outside the Employer's country in connection with the Works.
- 15.6 Bidders may be required by the Employer to clarify their foreign currency requirements, and to substantiate that the amounts included in the unit rates and prices and shown in the Schedule of Payment Currencies are reasonable and responsive to ITB 15.3 above, in which case a detailed breakdown of its foreign currency requirements shall be provided by the

Bidder.

15.7 Bidders should note that during the progress of the Works, the foreign currency requirements of the outstanding balance of the Contract Price may be adjusted by agreement between the Employer and the Contractor in order to reflect any changes in foreign currency requirements for the Contract, in accordance with Subclause 14.15 of the Conditions of Contract. Any such adjustment shall be effected by comparing the percentages quoted in the bid with the amounts already used in the Works and the Contractor's future needs for imported items.

**16. Documents  
Comprising the  
Technical  
Proposal**

16.1 The Bidder shall furnish a Technical Proposal including a statement of work methods, equipment, personnel, schedule, and any other information as stipulated in Section 4 (Bidding Forms), in sufficient detail to demonstrate the adequacy of the Bidders' proposal to meet the work requirements and the completion time.

**17. Documents  
Establishing the  
Qualifications of  
the Bidder**

17.1 To establish its qualifications to perform the Contract in accordance with Section 3 (Evaluation and Qualification Criteria) the Bidder shall provide the information requested in the corresponding information sheets included in Section 4 (Bidding Forms).

17.2 Domestic Bidders, individually or in joint ventures, applying for eligibility for domestic preference shall supply all information required to satisfy the criteria for eligibility as described in ITB 35.

**18. Period of  
Validity of Bids**

18.1 Bids shall remain valid for the period specified in the BDS after the bid submission deadline date prescribed by the Employer. A bid valid for a shorter period shall be rejected by the Employer as nonresponsive.

18.2 In exceptional circumstances, prior to the expiration of the bid validity period, the Employer may request Bidders to extend the period of validity of their Bids. The request and the responses shall be made in writing. If a bid security is requested in accordance with ITB 19, it shall also be extended 28 days beyond the deadline of the extended validity period. A Bidder may refuse the request without forfeiting its bid security. A Bidder granting the request shall not be required or permitted to modify its Bid.

**19. Bid  
Security/Bid-  
Securing  
Declaration**

19.1 Unless otherwise specified in the BDS, the Bidder shall furnish as part of its Bid, in original form, either a Bid-Securing Declaration or a bid security as specified in the BDS. In the case of a bid security, the amount and currency shall be as specified in the BDS.

19.2 If a Bid-Securing Declaration is required pursuant to ITB 19.1, it shall use the form included in Section 4 (Bidding Forms). The Employer will declare a Bidder ineligible to be awarded a Contract for a specified period of time, as indicated in the BDS, if the Bid-Securing Declaration is

executed.

19.3 If a bid security is specified pursuant to ITB 19.1, the bid security shall be, at the Bidder's option, in any of the following forms:

- (a) an unconditional bank guarantee,
- (b) an irrevocable letter of credit, or
- (c) a cashier's or certified check,

All from a reputable source from an eligible country as described in Section 5 (Eligible Countries). In the case of a bank guarantee, the bid security shall be submitted either using the Bid Security Form included in Section 4 (Bidding Forms) or another form acceptable to the Employer. The form must include the complete name of the Bidder. The bid security shall be valid for 28 days beyond the original validity period of the bid, or beyond any period of extension if requested under ITB 18.2.

19.4 Unless otherwise specified in the BDS, any Bid not accompanied by a substantially compliant bid security or Bid-Securing Declaration, if one is required in accordance with ITB 19.1, shall be rejected by the Employer as nonresponsive.

19.5 If a bid security is specified pursuant to ITB 19.1, the bid security of unsuccessful Bidders shall be returned as promptly as possible upon the successful Bidder's furnishing of the performance security pursuant to ITB 42.

19.6 If a bid security is specified pursuant to ITB 19.1, the bid security of the successful Bidder shall be returned as promptly as possible once the successful Bidder has signed the Contract and furnished the required performance security.

19.7 The bid security may be forfeited or the Bid Securing Declaration executed,

- (a) if a Bidder withdraws its bid during the period of bid validity specified by the Bidder on the Letters of Technical Bid and Price Bid, except as provided in ITB 18.2; or
- (b) if the successful Bidder fails to
  - (i) sign the Contract in accordance with ITB 41;
  - (ii) furnish a performance security in accordance with ITB 42;
  - (iii) accept the arithmetical correction of its Bid in accordance with ITB 33; or
  - (iv) furnish a domestic preference security, if so required.

19.8 The Bid Security or Bid Securing Declaration of a Joint Venture shall be in the name of the Joint Venture that submits the Bid. If the Joint Venture

has not been legally constituted at the time of bidding, the bid security or Bid-Securing Declaration shall be in the names of all future partners as named in the letter of intent mentioned in ITB 4.1.

## **20. Format and Signing of Bid**

- 20.1 The Bidder shall prepare one original set of the Technical Bid and one original set of the Price Bid comprising the Bid as described in ITB 11 and clearly mark it "ORIGINAL - TECHNICAL BID" and "ORIGINAL - PRICE BID." Alternative Bids, if permitted in accordance with ITB 13, shall be clearly marked "ALTERNATIVE." In addition, the Bidder shall submit copies of the Technical and Price Bids, in the number specified in the BDS, and clearly mark each of them "COPY." In the event of any discrepancy between the original and the copies, the original shall prevail.
- 20.2 The original and all copies of the Bid shall be typed or written in indelible ink and shall be signed by a person duly authorized to sign on behalf of the Bidder. This authorization shall consist of a written confirmation as specified in the BDS and shall be attached to the bid. The name and position held by each person signing the authorization must be typed or printed below the signature. All pages of the Bid, except for un-amended printed literature, shall be signed or initialed by the person signing the Bid. If a Bidder submits a deficient authorization, the Bid shall not be rejected in the first instance. The Employer shall request the Bidder to submit an acceptable authorization within the number of days as specified in the BDS. Failure to provide an acceptable authorization within the prescribed period of receiving such a request shall cause the rejection of the Bid.
- 20.3 Any amendments such as interlineations, erasures, or overwriting shall be valid only if they are signed or initialed by the person signing the Bid.

### **D. Submission and Opening of Bids**

## **21. Sealing and Marking of Bids**

- 21.1 Bidders may always submit their Bids by mail or by hand. When so specified in the BDS, Bidders shall have the option of submitting their Bids electronically. Procedures for submission, sealing, and marking are as follows:
- (a) Bidders submitting Bids by mail or by hand shall enclose the original of the Technical Bid, the original of the Price Bid, and each copy of the Technical Bid and each copy of the Price Bid, in separate sealed envelopes, duly marking the envelopes as "ORIGINAL - TECHNICAL BID," "ORIGINAL - PRICE BID," and "COPY NO... - TECHNICAL BID" and "COPY NO.... - PRICE BID." These envelopes, the first containing the originals and the others containing copies, shall then

be enclosed in one single envelope per set. If permitted in accordance with ITB 13, alternative Bids shall be similarly sealed, marked and included in the sets. The rest of the procedure shall be in accordance with ITB 21.2 and ITB 21.5.

- (b) Bidders submitting Bids electronically shall follow the electronic bid submission procedures specified in the BDS.

21.2 The inner and outer envelopes shall

- (a) bear the name and address of the Bidder;  
 (b) be addressed to the Employer in accordance with BDS 22.1; and  
 (c) bear the specific identification of this bidding process indicated in the BDS 1.1.

21.3 The outer envelopes and the inner envelopes containing the Technical Bid shall bear a warning not to open before the time and date for the opening of Technical Bid, in accordance with ITB 25.1.

21.4 The inner envelopes containing the Price Bid shall bear a warning not to open until advised by the Employer in accordance with ITB 25.7.

21.5 If all envelopes are not sealed and marked as required, the Employer will assume no responsibility for the misplacement or premature opening of the Bid.

**22. Deadline for Submission of Bids**

22.1 Bids must be received by the Employer at the address and no later than the date and time indicated in the BDS.

22.2 The Employer may, at its discretion, extend the deadline for the submission of Bids by amending the Bidding Document in accordance with ITB 8, in which case all rights and obligations of the Employer and Bidders previously subject to the deadline shall thereafter be subject to the deadline as extended.

**23. Late Bids**

23.1 The Employer shall not consider any Bid that arrives after the deadline for submission of bids, in accordance with ITB 22. Any bid received by the Employer after the deadline for submission of Bids shall be declared late, rejected, and returned unopened to the Bidder.

**24. Withdrawal, Substitution, and Modification of Bids**

24.1 A Bidder may withdraw, substitute, or modify its Bid – Technical or Price – after it has been submitted by sending a written notice, duly signed by an authorized representative, and shall include a copy of the authorization in accordance with ITB 20.2, (except that withdrawal notices do not require copies). The corresponding substitution or modification of the Bid must accompany the respective written notice. All notices must be:

- (a) prepared and submitted in accordance with ITB 20 and ITB 21

(except that withdrawal notices do not require copies), and in addition, the respective envelopes shall be clearly marked "WITHDRAWAL," "SUBSTITUTION," "MODIFICATION"; and

(b) received by the Employer no later than the deadline prescribed for submission of Bids, in accordance with ITB 22.

24.2 Bids requested to be withdrawn in accordance with ITB 24.1 shall be returned unopened to the Bidders.

24.3 No Bid may be withdrawn, substituted, or modified in the interval between the deadline for submission of Bids and the expiration of the period of bid validity specified by the Bidder on the Letters of Technical Bid and Price Bid or any extension thereof.

## **25. Bid Opening**

25.1 The Employer shall open the Technical Bids in public at the address, on the date and time specified in the BDS in the presence of Bidders' designated representatives and anyone who chooses to attend. Any specific electronic bid opening procedures required if electronic bidding is permitted in accordance with ITB 21.1 shall be as specified in the BDS. The Price Bids will remain unopened and will be held in custody of the Employer until the specified time of their opening. If the Technical Bid and the Price Bid are submitted together in one envelope, the Employer may reject the entire Bid. Alternatively, the Price Bid may be immediately resealed for later evaluation.

25.2 First, envelopes marked "WITHDRAWAL" shall be opened and read out and the envelope with the corresponding Bid shall not be opened, but returned to the Bidder. No bid withdrawal shall be permitted unless the corresponding withdrawal notice contains a valid authorization to request the withdrawal and is read out at bid opening.

25.3 Second, outer envelopes marked "SUBSTITUTION" shall be opened. The inner envelopes containing the Substitution Technical Bid and/or Substitution Price Bid shall be exchanged for the corresponding envelopes being substituted, which are to be returned to the Bidder unopened. Only the Substitution Technical Bid, if any, shall be opened, read out, and recorded. Substitution Price Bid will remain unopened in accordance with ITB 25.1. No envelope shall be substituted unless the corresponding substitution notice contains a valid authorization to request the substitution and is read out and recorded at bid opening.

25.4 Next, outer envelopes marked "MODIFICATION" shall be opened. No Technical Bid and/or Price Bid shall be modified unless the corresponding modification notice contains a valid authorization to request the modification and is read out and recorded at the opening of



Technical Bids. Only the Technical Bids, both Original as well as Modification, are to be opened, read out, and recorded at the opening. Price Bids, both Original as well as Modification, will remain unopened in accordance with ITB 25.1.

25.5 All other envelopes holding the Technical Bids shall be opened one at a time, and the following read out and recorded:

- (a) the name of the Bidder;
- (b) whether there is a modification or substitution;
- (c) the presence of a bid security or Bid-Securing Declaration, if required; and
- (d) any other details as the Employer may consider appropriate.

Only Technical Bids and alternative Technical Bids read out and recorded at bid opening shall be considered for evaluation. Unless otherwise specified in the BDS, all pages of the Letter of Technical Bid are to be initialed by at least three representatives of the Employer attending bid opening. No Bid shall be rejected at the opening of Technical Bids except for late bids, in accordance with ITB 23.1.

25.6 The Employer shall prepare a record of the opening of Technical Bids that shall include, as a minimum, the name of the Bidder and whether there is a withdrawal, substitution, or modification; alternative proposals; and the presence or absence of a bid security or Bid-Securing Declaration, if one was required. The Bidders' representatives who are present shall be requested to sign the record. The omission of a Bidder's signature on the record shall not invalidate the contents and effect of the record. A copy of the record shall be distributed to all Bidders who submitted Bids on time, and posted online when electronic bidding is permitted.

25.7 At the end of the evaluation of the Technical Bids, the Employer will invite bidders who have submitted substantially responsive Technical Bids and who have been determined as being qualified for award to attend the opening of the Price Bids. The date, time, and location of the opening of Price Bids will be advised in writing by the Employer. Bidders shall be given reasonable notice of the opening of Price Bids.

25.8 The Employer will notify Bidders in writing who have been rejected on the grounds of their Technical Bids being substantially nonresponsive to the requirements of the Bidding Document and return their Price Bids unopened.

25.9 The Employer shall conduct the opening of Price Bids of all Bidders who submitted substantially responsive Technical Bids, in the presence of

Bidders' representatives who choose to attend at the address, on the date, and time specified by the Employer. The Bidder's representatives who are present shall be requested to sign a register evidencing their attendance.

25.10 All envelopes containing Price Bids shall be opened one at a time and the following read out and recorded:

- (a) the name of the Bidder;
- (b) whether there is a modification or substitution;
- (c) the Bid Prices, including any discounts and alternative offers; and
- (d) any other details as the Employer may consider appropriate.

Only Price Bids discounts, and alternative offers read out and recorded during the opening of Price Bids shall be considered for evaluation. Unless otherwise specified in the BDS, all pages of the Letter of Price Bid and Bill of Quantities are to be initialled by at least three representatives of the Employer attending bid opening. No Bid shall be rejected at the opening of Price Bids.

25.11 The Employer shall prepare a record of the opening of Price Bids that shall include, as a minimum, the name of the Bidder, the Bid Price (per lot if applicable), any discounts, and alternative offers. The Bidders' representatives who are present shall be requested to sign the record. The omission of a Bidder's signature on the record shall not invalidate the contents and effect of the record. A copy of the record shall be distributed to all Bidders who submitted Bids on time, and posted online when electronic bidding is permitted.

#### **E. Evaluation and Comparison of Bids**

### **26. Confidentiality**

26.1 Information relating to the examination, evaluation, comparison, and post-qualification of Bids and recommendation of contract award, shall not be disclosed to Bidders or any other persons not officially concerned with such process until information on the Contract award is communicated to all Bidders.

26.2 Any attempt by a Bidder to influence the Employer in the evaluation of the Bids or Contract award decisions may result in the rejection of its Bid.

26.3 Notwithstanding ITB 26.2, from the time of bid opening to the time of Contract award, if any Bidder wishes to contact the Employer on any matter related to the bidding process, it may do so in writing.

### **27. Clarification of Bids**

27.1 To assist in the examination, evaluation, and comparison of the Technical and Price Bids, the Employer may, at its discretion, ask any Bidder for a clarification of its Bid. Any clarification submitted by a Bidder that is not in response to a request by the Employer shall not be

considered. The Employer's request for clarification and the response shall be in writing. No change in the substance of the Technical Bid or prices in the Price Bid shall be sought, offered, or permitted, except to confirm the correction of arithmetic errors discovered by the Employer in the evaluation of the Price Bids, in accordance with ITB 33.

27.2 If a Bidder does not provide clarifications of its Bid by the date and time set in the Employer's request for clarification, its Bid may be rejected.

**28. Deviations,  
Reservations,  
and Omissions**

28.1 During the evaluation of Bids, the following definitions apply:

- (a) "Deviation" is a departure from the requirements specified in the Bidding Document;
- (b) "Reservation" is the setting of limiting conditions or withholding from complete acceptance of the requirements specified in the Bidding Document; and
- (c) "Omission" is the failure to submit part or all of the information or documentation required in the Bidding Document.

**29. Examination  
of Technical  
Bids**

29.1 The Employer shall examine the Technical Bid to confirm that all documents and technical documentation requested in ITB 11.2 have been provided, and to determine the completeness of each document submitted.

29.2 The Employer shall confirm that the following documents and information have been provided in the Technical Bid. If any of these documents or information is missing, the offer shall be rejected.

- (a) Letter of Technical Bid;
- (b) written confirmation of authorization to commit the Bidder;
- (c) Bid Security or Bid-Securing Declaration, if applicable; and
- (d) Technical Proposal in accordance with ITB 16.

**30. Responsiveness  
of Technical Bid**

30.1 The Employer's determination of a Bid's responsiveness is to be based on the contents of the bid itself, as defined in ITB11.

30.2 A substantially responsive Technical Bid is one that meets the requirements of the Bidding Document without material deviation, reservation, or omission. A material deviation, reservation, or omission is one that,

- (a) if accepted, would:
  - (i) affect in any substantial way the scope, quality, or performance of the Works specified in the Contract; or
  - (ii) limit in any substantial way, inconsistent with the Bidding Document, the Employer's rights or the Bidder's obligations under the proposed Contract; or
- (b) if rectified, would unfairly affect the competitive position of other

Bidders presenting substantially responsive Bids.

30.3 The Employer shall examine the technical aspects of the Bid submitted in accordance with ITB 16, Technical Proposal, in particular, to confirm that all requirements of Section 6 (Employer's Requirements) have been met without any material deviation, reservation, or reservation.

30.4 If a Bid is not substantially responsive to the requirements of the Bidding Document, it shall be rejected by the Employer and may not subsequently be made responsive by correction of the material deviation, reservation, or omission.

**31. Nonmaterial  
Nonconformities**

31.1 Provided that a Bid is substantially responsive, the Employer may waive any nonconformity in the Bid that does not constitute a material deviation, reservation, or omission.

31.2 Provided that a Technical Bids substantially responsive, the Employer may request that the Bidder submit the necessary information or documentation, within a reasonable period of time, to rectify nonmaterial nonconformities in the Technical Bidrelated to documentation requirements. Requesting information or documentation on such nonconformities shall not be related to any aspect of the Price Bid. Failure of the Bidder to comply with the request may result in the rejection of its Bid.

31.3 Provided that a Technical Bids substantially responsive, the Employer shall rectify quantifiable nonmaterial nonconformities related to the Bid Price. To this effect, the Bid Price shall be adjusted, for comparison purposes only, to reflect the price of a missing or non-conforming item or component. The adjustment shall be made using the method indicated in Section 3 (Evaluation and Qualification Criteria).

**32. Qualification of  
the Bidder**

32.1 The Employer shall determine to its satisfaction during the evaluation of Technical Bids whether Bidders meet the qualifying criteria specified in Section 3 (Evaluation and Qualification Criteria).

32.2 The determination shall be based upon an examination of the documentary evidence of the Bidder's qualifications submitted by the Bidder, pursuant to ITB 17.1.

32.3 An affirmative determination shall be a prerequisite for the opening and evaluation of a Bidder's Price Bid. A negative determination shall result into the disqualification of the Bid, in which event the Employer shall return the unopened Price Bid to the Bidder.

**33. Correction of  
Arithmetical  
Errors**

33.1 During the evaluation of Price Bids, the Employer shall correct arithmetical errors on the following basis:  
(a) If there is a discrepancy between the unit price and the total price

that is obtained by multiplying the unit price and quantity, the unit price shall prevail and the total price shall be corrected, unless in the opinion of the Employer there is an obvious misplacement of the decimal point in the unit price, in which case the total price as quoted shall govern and the unit price shall be corrected.

- (b) If there is an error in a total corresponding to the addition or subtraction of subtotals, the subtotals shall prevail and the total shall be corrected.
- (c) If there is a discrepancy between the bid price in the Summary of Bill of Quantities and the bid amount in item (c) of the Letter of Price Bid, the bid price in the Summary of Bill of Quantities will prevail and the bid amount in item (c) of the Letter of Price Bid will be corrected.
- (d) If there is a discrepancy between words and figures, the amount in words shall prevail, unless the amount expressed in words is related to an arithmetic error, in which case the amount in figures shall prevail subject to (a), (b) and (c) above.

33.2 If the Bidder that submitted the lowest evaluated bid does not accept the correction of errors, its Bid shall be disqualified and its bid security may be forfeited or its Bid-Securing Declaration executed.

**34. Conversion to Single Currency**

34.1 For evaluation and comparison purposes, the currency(ies) of the Bid shall be converted into a single currency as specified in the BDS.

**35. Margin of Preference**

35.1 Unless otherwise specified in the BDS, a margin of preference shall not apply.

**36. Evaluation of Price Bids**

36.1 The Employer shall use the criteria and methodologies listed in this Clause. No other evaluation criteria or methodologies shall be permitted.

36.2 To evaluate the Price Bid, the Employer shall consider the following:

- (a) the bid price, excluding Provisional Sums and the provision, if any, for contingencies in the Summary Bill of Quantities, but including Day-work items, where priced competitively;
- (b) price adjustment for correction of arithmetic errors in accordance with ITB 33.1;
- (c) price adjustment due to discounts offered in accordance with ITB 14.4;
- (d) converting the amount resulting from applying (a) to (c) above, if relevant, to a single currency in accordance with ITB 34;
- (e) adjustment for nonconformities in accordance with ITB 31.3; and
- (f) application of all the evaluation factors indicated in Section 3 (Evaluation and Qualification Criteria).

36.3 The estimated effect of the price adjustment provisions of the Conditions

of Contract, applied over the period of execution of the Contract, shall not be taken into account in bid evaluation.

36.4 If this Bidding Document allows Bidders to quote separate prices for different contracts, and the award to a single Bidder of multiple contracts, the methodology to determine the lowest evaluated price of the contract combinations, including any discounts offered in the Letter of Price Bid, is specified in Section 3 (Evaluation and Qualification Criteria).

36.5 If the Bid, which results in the lowest Evaluated Bid Price, is seriously unbalanced or front loaded in the opinion of the Employer, the Employer may require the Bidder to produce detailed price analyses for any or all items of the Bill of Quantities, to demonstrate the internal consistency of those prices with the construction methods and schedule proposed. After evaluation of the price analyses, taking into consideration the schedule of estimated Contract payments, the Employer may require that the amount of the performance security be increased at the expense of the Bidder to a level sufficient to protect the Employer against financial loss in the event of default of the successful Bidder under the Contract.

**37. Comparison of Bids**

37.1 The Employer shall compare all substantially responsive Bids to determine the lowest evaluated Bid, in accordance with ITB 36.2.

**38. Employer's Right to Accept Any Bid, and to Reject Any or All Bids**

38.1 The Employer reserves the right to accept or reject any Bid, and to annul the bidding process and reject all Bids at any time prior to contract award, without thereby incurring any liability to Bidders. In case of annulment, all Bids submitted and specifically, bid securities, shall be promptly returned to the Bidders.

**F. Award of Contract**

**39. Award Criteria**

39.1 The Employer shall award the Contract to the Bidder whose offer has been determined to be the lowest evaluated Bid and is substantially responsive to the Bidding Document, provided further that the Bidder is determined to be qualified to perform the Contract satisfactorily.

**40. Notification of Award**

40.1 Prior to the expiration of the period of bid validity, the Employer shall notify the successful Bidder, in writing, that its Bid has been accepted.

40.2 At the same time, the Employer shall also notify all other Bidders of the results of the bidding. The Employer will publish in an English language newspaper or well-known freely accessible website the results identifying the bid and lot numbers and the following information: (i) name of each Bidder who submitted a Bid; (ii) bid prices as read out at bid opening; (iii) name and evaluated prices of each Bid that was evaluated; (iv) name of bidders whose bids were rejected and the reasons for their rejection; and (v) name of the winning Bidder, and the price it offered, as well as the

duration and summary scope of the contract awarded. After publication of the award, unsuccessful Bidders may request in writing to the Employer for a debriefing seeking explanations on the grounds on which their Bids were not selected. The Employer shall promptly respond in writing to any unsuccessful Bidder who, after publication of contract award, requests a debriefing.

40.3 Until a formal contract is prepared and executed, the notification of award shall constitute a binding Contract.

**41. Signing of Contract**

41.1 Promptly after notification, the Employer shall send the successful Bidder the Contract Agreement.

41.2 Within 28 days of receipt of the Contract Agreement, the successful Bidder shall sign, date, and return it to the Employer.

**42. Performance Security**

42.1 Within 28 days of the receipt of notification of award from the Employer, the successful Bidder shall furnish the performance security in accordance with the conditions of contract, subject to ITB 36.5, using for that purpose the Performance Security Form included in Section 9 (Contract Forms), or another form acceptable to the Employer.

42.2 Failure of the successful Bidder to submit the above-mentioned Performance Security or to sign the Contract Agreement shall constitute sufficient grounds for the annulment of the award and forfeiture of the bid security or execution of the Bid-Securing Declaration. In that event the Employer may award the Contract to the next lowest evaluated Bidder whose offer is substantially responsive and is determined by the Employer to be qualified to perform the Contract satisfactorily.

42.3 The above provision shall also apply to the furnishing of a domestic preference security if so required.

### Section 2 - Bid Data Sheet

This Section consists of provisions that are specific to each procurement and supplement the information or requirements included in Section 1 - Instructions to Bidders.

#### A. General

<b>ITB 1.1</b>	The number of the Invitation for Bids is: 68
<b>ITB 1.1</b>	The Employer is: Madhya Pradesh Urban Development Company Limited
<b>ITB 1.1</b>	The name of the International Competitive Bidding (ICB) is: <b>Improvements to Water Supply to Sagar Nagar Nigam and Makronia Nagar Parishad in Sagar District of Madhya Pradesh.</b>  The identification number of the ICB is: Package Number - MPUSIP – <b>6B</b> The number and identification of lots comprising this ICB is: <b>One</b>
<b>ITB 2.1</b>	The Borrower is: <b>Government of India</b>
<b>ITB 2.1</b>	The name of the Project is: <b>Madhya Pradesh Urban Services Improvement Project (MPUSIP)</b>

#### B. Contents of Bidding Documents

<b>ITB 7.4</b>	A Pre-Bid meeting will take place: Date: 29 <sup>th</sup> December, 2017 Time: 11:00 Hrs Place: 8, Jail Road, Arera Hills, Bhopal, MPUDC Office at Conference Hall The bidders interested to visit the project site can do so during 27 <sup>th</sup> December, 2017 to 28 <sup>th</sup> December, 2017 with intimation to the Employer. For field visit, please contact Mr. B. K. Shrivastava, Project Manager, PIU, Sagar (mobile no +91 9424772016). Representative(s) of the department/ or Design Consultant(s) would facilitate the field visit.
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#### C. Preparation of Bids

<b>ITB 10.1</b>	The language of the Bid is: <b>English</b>
<b>ITB 10.2</b>	Append the clause as follows:  In case, any of the submitted documents, like Power of Attorney, Letter of Acceptance, Work Order, Work Completion Certificate and /or Experience Certificate etc; are in a language other than English, then notarized English



	translation of the documents shall also be submitted along with the original documents. The English translation shall include an affidavit of the translator regarding the literal conformity of the transcript with the original text. Such document shall be authenticated by the Embassy / Consulate of that country in India.
<b>ITB 10.3</b>	Append the clause as follows: For consideration of the bid the translation of submitted documents as mentioned in the preceding sub paragraph shall govern.
<b>ITB 11.2</b>	<i>Add the following:</i> <i>“(g): The Bidder shall submit with its Technical Bid the following additional documents: An affidavit duly notarized as per format given in Section 4.”</i>
<b>ITB 13.1</b>	Alternative Bids <b>are not</b> permitted.
<b>ITB 13.2</b>	Alternative times for completion <b>are not</b> permitted.
<b>ITB 13.4</b>	Alternative technical solutions shall be permitted for the following parts of the Works: <b>None</b>
<b>ITB 14.5</b>	The prices quoted by the Bidder shall be <b>adjustable</b> . The formula for adjusting the prices and explanatory details are specified in the GCC Clause 13.8, and can be found under Schedule 2: Schedule of Payments. Bidder shall fill out the Tables of Adjustment Data in Section 4 (Bidding Forms).”
<b>ITB 14.7</b>	The bidder shall have to quote rates and prices and the Total Bid Price inclusive of all duties, royalties, levies and taxes as of the date 28 days prior to the deadline for submission of bids except Goods and Services Tax (GST). The amount of applicable GST will be paid separately to the Contractor with each bill at the time of payment. The employer shall not be liable for any duties, taxes (except GST) royalties and levies.
<b>ITB 15.1</b>	The currency of the bid shall be <b>Indian Rupees and/or US \$ only</b>
<b>ITB 15.4</b>	The rates of exchange shall be the selling rates 28 days prior to the deadline for submission of bids published by the <b>Reserve Bank of India</b>
<b>ITB 18.1</b>	The bid validity period shall be <b>120 [one hundred and twenty]</b> days.
<b>ITB 19.1</b>	The Bidder shall furnish a bid security for the amount of <b>INR 40 Million or US \$ 0.60 Million</b> .
<b>ITB 19.2</b>	The ineligibility period: <b>not applicable</b>
<b>ITB 19.4</b>	Any bid not accompanied by an irrevocable and callable bid security shall be rejected by the Employer as non-responsive. If a Bidder submits a bid security that:  (i) deviates in form, amount and /or period of validity, or (ii) does not provide sufficient identification of the bidder (including, without

	<p>limitation, failure to indicate the name of the Joint venture or, where the Joint Venture has not yet been constituted, the names of all future Joint Venture Partners) the Employer shall request the bidder to submit a compliant bid security within the seven(7) days of receiving such request. Failure to provide a compliant bid security within the prescribed period of receiving such a request shall cause the rejection of the bid.</p>
<p><b>ITB 20.1</b></p>	<p>In addition to the original Bid, the number of copies: <b>not applicable</b></p>
<p><b>ITB 20.2</b></p>	<p>The written confirmation of authorization to sign on behalf of the Bidder shall consist of an organizational document, board resolution or its equivalent, or power of attorney specifying the representative's authority to sign the Bid on behalf of, and to legally bind, the Bidder. If the Bidder is an intended or an existing Joint Venture, the power of attorney should be signed by all partners and specify the authority of the named representative of the Joint Venture to sign on behalf of, and legally bind, the intended or existing Joint Venture. If the Joint Venture has not yet been formed, also include evidence from all proposed Joint Venture partners of their intent to enter into a Joint Venture in the event of a contract award in accordance with ITB 11.2.</p> <p>The Bidder shall submit an acceptable authorization within [Seven] 7 days</p>

**D. Submission and Opening of Bids**

<p><b>ITB 21.1</b></p>	<p>"Bidders shall submit their Bids <u>both</u> in hardcopy and electronic format as per the following procedures:</p> <p><b><u>Hardcopy submission</u></b></p> <p>Bidder must submit the following original documents in hardcopy format as per the procedure describes in ITB 21 and its sub-paragraphs -except for ITB 21.1 (b)-, and ITB 22:</p> <p><b>Technical Bid:</b></p> <ul style="list-style-type: none"> <li>i. Letter of Technical Bid (refer to ITB 11.2 (a));</li> <li>ii. Bid Security, in accordance with ITB 19 (refer to ITB 11.2 (b));</li> <li>iii. written confirmation authorizing the signatory of the Bid to commit the Bidder, in accordance with ITB 20.2 (refer to ITB 11.2 (d));</li> <li>iv. an affidavit duly notarized as per format given in Section 4 (refer to ITB 11.2 (g)).</li> </ul> <p><b>The Price Bid:</b></p> <p><u>No hardcopy submission</u>, all documents in the Price Bids shall be submitted in electronic format as per ITB 21.1 (b).</p> <p>Failure to submit the above hardcopy submission on or before the deadline for Submission of Bids shall deem the bid, both in hardcopy and electronic format, as</p>
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	<p>late Bids as per ITB 23.</p> <p><b><u>Electronic submission</u></b></p> <p>Bidder must submit the following documents in electronic format as per the procedure for “e-tendering” describes in ITB 21.1 (b) below.</p> <p>Technical Bid:</p> <ul style="list-style-type: none"> <li>(i) Scanned copy of the original Letter of Technical Bid (refer to ITB 11.2 (a));</li> <li>(ii) scanned copy of the original Bid Security, in accordance with ITB 19 (refer to ITB 11.2 (b));</li> <li>(iii) scanned copy of the original written confirmation authorizing the signatory of the Bid to commit the Bidder, in accordance with ITB 20.2 (refer to ITB 11.2 (d));</li> <li>(iv) scanned copy of documentary evidence in accordance with ITB 17 establishing the Bidder's qualifications to perform the contract (refer to ITB 11.2 (e));</li> <li>(v) Technical Proposal in accordance with ITB 16 (refer to ITB 11.2(f), to be completed electronically following the procedures for e-tendering described in ITB 21.1 (b);</li> <li>(vi) scanned copy of the original affidavit duly notarized as per format given in Section 4 (refer to ITB 11.2 (g));</li> <li>(vii) if applicable, scanned copy of the original the Joint Venture Agreement or a Letter of Intent to execute a Joint Venture Agreement as per ITB 11.4, specifying the work responsibility and financial stakes of each of Joint venture partners under the contract, and is legally notarized or attested by an appropriate authority in the bidder's home country.</li> </ul> <p>Price Bid:</p> <ul style="list-style-type: none"> <li>(i) Scanned copy of the original Letter of Price Bid (refer to ITB 11.3 (a);</li> <li>(ii) completed Price Schedules, in accordance with ITB 12 and ITB 14 (refer to ITB 11.3 (b), to be completed electronically in appropriate form of Bill of Quantities following the procedures for e-tendering described in ITB 21.1 (b));</li> </ul> <p>Failure to submit the above electronic submission on or before the deadline for Submission of Bids shall deem the bid, both in hardcopy and electronic format, as late Bids as per ITB 23.</p>
<b>ITB 21.1 (b)</b>	<p>Bidders shall submit their Bids electronically through MP Government e-Procurement website: <a href="http://www.mpeproc.gov.in">www.mpeproc.gov.in</a>.</p>

The electronic bidding submission as per e-tendering procedures shall follow the procedures given below:

E-Tendering” means submission of a digitally signed bid (by a valid digital certificate which has been issued by a licensed Certifying Agency, as approved by Controller of Certifying Agency) which is stored in Time Stamped electronic sealed tender box.

Bidders, who wish to participate in the bidding process, shall have to procure digital certificate as per Information Technology Act 2000 using which they can sign their electronic bids. Bidders can procure the same from any approved controller of certifying agency. Online bids will have to be digitally signed and submitted in a Time stamped electronic sealed tender box on [www.mpeproc.gov.in](http://www.mpeproc.gov.in).

On the e-Procurement portal, a bidder is given an option to specify his areas of interest under maximum 10 different categories of activities (product category) and these are stored. When a IFB is published, the mails are automatically sent to the bidders who have selected the category for which the works in IFB belong to, by the system at the end of day. Thus, the bidder gets information on opportunities, IFBs, for the product category selected by the bidder. In case, a bidder selects and keeps any tender as his favourite tender, all clarifications, corrigendum, Addendums etc. are informed by mail and /or SMS to the bidder automatically.

The e-procurement system will scan the uploaded documents for virus and if a document uploaded by the bidder is found to have virus, the system shall reject the uploaded file. Bidders shall take due care to ensure that the documents uploaded by them in e-procurements system are virus free. Employer shall not be liable for such rejections.

#### **Procedure for participation in e-Tendering**

##### **1. Registration of Bidders on e-Tendering System**

All bidders intend to submit their bid should be registered on the e-procurement portal <https://www.mpeproc.gov.in>. For more details, interested bidders may contact M/s Tata consultancy Services, Corporate Block, 5<sup>th</sup> floor, DB city Bhopal-462011, email id: [eproc\\_helpdesk@mpsdc.gov.in](mailto:eproc_helpdesk@mpsdc.gov.in). Helpdesk phone numbers are available on website.

##### **2. Digital Certificate:**

The bids submitted online should be signed electronically with a class III Digital Certificate to establish the identity of the bidder submitting the bid online. The bidders may obtain class III Certificate issued by an approved

certifying Authority authorized by the controller of certifying Authorities, government of India. A class III digital Certificate is issued upon receipt of the required proofs along with an application. Only upon the receipt of the required documents, a digital certificate can be issued. For details please visit [cca.gov.in](http://cca.gov.in).

Note:

- (i) It may take up to 7 working days for issuance of class III digital certificate; hence the bidders are advised to obtain the certificate at the earliest. Those bidders who already have valid class III digital certificate need not obtain another Digital Certificate for the same.
- (ii) The bidders may obtain more information and the Application form required to be submitted for the issuance of Digital Certificate from [cca.gov.in](http://cca.gov.in).
- (iii) Bids can be submitted till bid submission end date. Bidder will require digital signature while bid submission. The digital certificate issued to the authorized user of a partnership firm/Private limited company/Public Limited Company and user for online bidding will be considered as equivalent to a no-objection certificate/power of attorney to that user.
- (iv) In case of Partnership firm, majority of the partners have to authorize a specific individual through authority letter signed by majority of partners of the firm.
- (v) In case of Private Limited company, Public Limited company, the Managing Director has to authorize a specific individual through Authority Letter. Unless the certificate is revoked, it will be assumed to represent adequate authority of the specific individual to bid on behalf of the organization for online bids as per Information Technology Act 2000. This authorized user will be required to obtain a digital certificate. The digital signature executed through the use of the responsibility of management/partners of the concerned firm to inform the certifying authority, if the authorized user changes, and apply for a fresh digital certificate for the new authorized user.

**3. Set Up of Bidder's Computer System:**

In order for a bidder to operate on the e-tendering System, the Computer system of the bidder is required to be set up for Operating System, Internet Connectivity, Utilities, Fonts, etc. The details are available at <https://www.mpeproc.gov.in>.

**4. Key Dates:**

	<p>The bidders are strictly advised to follow the time schedule (Key dates) of the bid on their side for tasks and responsibilities to participate in the bid, as all the stages of each bid are locked before the start time and date and after the end time and date for the relevant stage if the bid as set by the Department.</p> <p><b>5. Preparation and Submission of Bids</b></p> <p>The bidders must prepare their online, encrypt their bid data in the Bid forms and submit Bid of all the envelopes and documents related to the Bid required to be uploaded as per the time schedule mentioned in the key dates of the notice inviting e- Tenders after signing of the same by the Digital Signature of their authorized representatives.</p> <p><b>6. Purchase of Bid Document</b></p> <p>For purchasing of the bid document bidders must pay the charges as mentioned in the detailed IFB. The Bid Document shall be available for purchase to concerned eligible bidders immediately after online release of the bids and upto the scheduled time and date as set in the key dates. The payment for the cost of bid document shall be made online through Debit/Credit card, Net banking or NEFT receipt through the payment gateway provided on the portal.</p> <p><b>7. Withdrawal, Substitution and Modification of Bids</b></p> <p>Bidder can withdraw and modify the bid before the submission end date.</p>
<b>ITB 22.1</b>	<p>Bids shall be submitted electronically on e-Procurement site <a href="http://www.mpeproc.gov.in">http://www.mpeproc.gov.in</a> not later than 15:00 hours on 15<sup>th</sup> January, 2018.</p> <p>For hard copy <b>submission purposes</b> only, the Employer's address is:</p> <p>The Procurement Officer, MPUDC, First Floor, 8, Arera Hills, Old Jail Road, Bhopal 462 011, Madhya Pradesh, India.</p> <p><b>The deadline for bid submission is:</b></p> <p>Date: 15<sup>th</sup> January, 2018 Time: 15:00 Hrs</p> <p>Bid submission and bid opening timelines will be defined as per the e-Procurement server clock only.</p>
<b>ITB 23.1</b>	<p>Add the following paragraph at the end of this clause:</p> <p>The e-procurement system would not allow any late submission of Bids after due date and time as per server system. After electronic online proposal submission, the system will generate a unique Identification number which is time stamped. This shall be treated as acknowledgement of the Bid submission.</p>
<b>ITB 25.1</b>	<p>"The opening of the Technical Bid, both hardcopy and electronic format, shall take</p>

	<p>place at:</p> <p>Place: MPUDC Office at Conference Hall Madhya Pradesh Urban Development Company Limited, First Floor, 8, Arera Hills, Old Jail Road, City: Bhopal- 462011 , Madhya Pradesh Country: India Date: 15<sup>th</sup> January, 2018 Time: 15:30 Hrs.</p> <p>“The Employer shall open the technical bids first in hardcopy format, following the procedures described in paragraphs ITB 25.1 through ITB 25.5, then in electronic format, following the procedures given below:</p> <ol style="list-style-type: none"> <li>1. The Employer shall open the technical bids online in public in the presence of Bidders or designated representative of the Bidders, who chose to attend on the date, time and place as provided in ITB 22.1 Bid Data Sheet.</li> <li>2. Bids shall be opened electronically as per provision of ITB 11.2.</li> <li>3. The Bidders’ name and any other details will be announced by the Bid opening authority in presence of the Bidders who may choose to attend the opening of technical Bids.</li> <li>4. The Technical Bids recorded and opened at the time of opening shall be considered for evaluation.</li> <li>5. The Price Bid will remain unopened in its encrypted form until the specified time of its opening.</li> <li>6. The hard copies of the documents submitted by the Bidder as per ITB 11.2 shall be initialled by representatives of the Employer.</li> </ol>
<b>ITB 25.5</b>	<p>Add the following paragraph at the end of this clause:</p> <p><i>The price Bid of only those Bidders whose technical bids are evaluated as substantially responsive will be opened electronically, hence it will not be initialed manually.”</i></p>
<b>ITB 25.10</b>	<p>The contents of ITB 25.10 shall be replaced as under:</p> <p>The price Bid of only those Bidders whose technical bids are evaluated as substantially responsive will be opened electronically. The Price Bid opening shall take place on the date and time as informed to the technically responsive bidders. The price Bid recorded and opened at the time of opening shall be considered for evaluation.</p>

#### **E. Evaluation and Comparison of Bids**

<b>ITB 27.1</b>	<p>Add the following at the end of ITB 27.10</p> <p>Communication during bid evaluation for the purpose of clarification will be done electronically with the normal restrictions against modification of the substance</p>
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	<p>and price of the bid. There is a separate heading of Clarifications on the portal and mode will be only through the e-procurement site. The Provision is available in the software and can be enabled, if required. If enabled, the clarifications can be obtained online and all logs of such online communications through the application are stored in the system.</p>
<b>ITB 34.1</b>	<p>The currency that shall be used for bid evaluation and comparison purposes to convert all Bid Prices expressed in various currencies into a single currency is: <b>Indian Rupees.</b></p> <p>The source of selling exchange rate shall be: <b>Reserve Bank of India.</b></p> <p>The date for the selling exchange rate shall be: <b>28 days prior to the deadline for submission of bids.</b></p>
<b>ITB 35.1</b>	<p>A margin of preference shall not apply.</p>



**Annexure to Bid Data Sheet - Key Dates**

S.No	Works Department Stage	Bidder's Stage	Start		Expiry		Envelopes
			Date	Time	Date	Time	
1		Purchase of Tender-Online	20-12-2017	10.00 Hrs	15-01-2018	15:00 Hrs	
2		Bid Submission- Online	20-12-2017	10.00 Hrs	15-01-2018	15:00 Hrs	
3	Opening of Technical Bid Envelope -A		15-01-2018	15:30 Hrs			Envelope A
4	Opening of Technical Bid Envelope-B		15-01-2018	15:30 Hrs			Envelope B
5	Opening of Price Bid Envelope C		Will be notified				Envelope C

**Section 3 - Evaluation and Qualification Criteria**  
**- Without Prequalification -**

This Section contains all the criteria that the Employer shall use to evaluate bids and qualify the Bidders. In accordance with ITB 32 and ITB 36, no other methods, criteria and factors shall be used. The Bidder shall provide all the information requested in the forms included in Section 4 - Bidding Forms.

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(May be complied with by Specialist Subcontractors. Employer shall require evidence of subcontracting agreement from the Bidder. Specialist Subcontractor is a specialist enterprise engaged for highly specialized processes which cannot be provided by the main Contractor.).... 3 - 47

## Evaluation and Qualification Criteria

### 1. Evaluation

In addition to the criteria listed in ITB 36.2 (a) – (e), other relevant factors are as follows:

None

#### 1.1 Adequacy of Technical Proposal

Evaluation of the Bidder's Technical Proposal will include an assessment of the Bidder's technical capacity to mobilize key equipment and personnel for the contract consistent with its proposal regarding work methods, scheduling, and material sourcing in sufficient detail and fully in accordance with the requirements stipulated in Section 6 (Employer's Requirements); and to undertake the ongoing operations and maintenance over the Operate service period.

Non-compliance with equipment and personnel requirements described in Section 6 (Employer's Requirements) shall not normally be a ground for bid rejection and such non-compliance will be subject to clarification during bid evaluation and rectification prior to contract award.

#### 1.2 Completion Time

An alternative Completion Time, if permitted under ITB 13.2, will be evaluated as follows: **Not applicable**

#### 1.3 Technical Alternatives

Technical alternatives, if permitted under ITB 13.4, will be evaluated as follows: **Not applicable**

#### 1.4 Quantifiable Nonconformities and Omissions

Subject to ITB 14.2 and ITB 36.2, the evaluated cost of quantifiable nonconformities including omissions, is determined as follows:

“Pursuant to ITB 31.3, the cost of all quantifiable nonmaterial nonconformities shall be evaluated, including omissions in Daywork where competitively priced but excluding omission of prices in the Bill of Quantities. The Employer will make its own assessment of the cost of any nonmaterial nonconformities and omissions for the purpose of ensuring fair comparison of Bids.”

If any item is not quoted by the bidder, to this effect, the Bid Price will be adjusted, for comparison purposes only, to reflect the price of a missing or non-conforming item or component. For this purpose, the highest price quoted amongst the substantially responsive bidders of a missing or non-conforming item would be added to the Bid Price to arrive at the Evaluated Bid Price of the respective bidder. (In case all the bidders have not quoted the particular item, then the Engineer's Estimate for the particular item would be taken for this purpose). However, it should be noted that this adjustment would be for comparison only and the 'Award Price' to the successful bidder would be based on the Lowest Evaluated Bid Price

without the price adjusted for the purpose on non-conformities / errors / omissions. No separate payment would be made to the missing or non-confirming item and it is deemed that contractor would execute the missing / non-confirming item at the 'Award Price' (calculated without adjustments of missing or non-confirming item or component) as mentioned above).

**1.5 Domestic Preference**

If a margin of preference is provided for under ITB 35.1, the following procedure shall apply:**Not Applicable**

**1.6 Multiple Contracts – Not Applicable**

**2. Qualification**

It is the legal entity or entities comprising the Bidder, and not the Bidder's parent companies, subsidiaries, or affiliates, that must satisfy the qualification criteria described below.

**2.1 Eligibility**

Criteria	Compliance Requirements			Documents	
Requirement	Single Entity	Joint Venture			Submission Requirements
		All Partners Combined	Each Partner	One Partner	

**2.1.1 Nationality**

Nationality in accordance with ITB Sub-clause 4.2.	must meet requirement	must meet requirement	must meet requirement	not applicable	Forms ELI - 1; ELI - 2 with attachments
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**2.1.2 Conflict of Interest**

No conflicts of interest in accordance with ITB Sub-clause 4.3.	must meet requirement	must meet requirement	must meet requirement	not applicable	Statement in Letter of Technical Bid
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**2.1.3 ADB Eligibility**

Not having been declared ineligible by ADB, as described in ITB Sub-clause 4.4.	must meet requirement	must meet requirement	must meet requirement	not applicable	Statement in Letter of Technical Bid
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**2.1.4 Government-Owned Entity**

Bidder required to meet conditions of ITB Sub-clause 4.5.	must meet requirement	must meet requirement	must meet requirement	not applicable	Forms ELI - 1; ELI - 2 with attachments
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**2.1.5 United Nations Eligibility**

Not having been excluded by an act of compliance with a UN Security Council resolution in accordance with ITB Sub-clause 4.7.	must meet requirement	must meet requirement	must meet requirement	not applicable	Statement in Letter of Technical Bid
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**2.2 Pending Litigation**

Pending litigation and arbitration criterion shall apply.

**2.2.1 Pending Litigation and Arbitration**

Criteria	Compliance Requirements			Documents	
	Single Entity	Joint Venture		Submission Requirements	
		All Partners Combined	Each Partner		One Partner
All pending litigation and arbitration, if any, shall be treated as resolved against the Bidder and so shall in total not represent more than <b>fifty [50%]</b> percent of the Bidder's Net Worth calculated as the difference between total assets and total liabilities.	must meet requirement by itself or as partner to past or existing Joint Venture	not applicable	must meet requirement by itself or as partner to past or existing Joint Venture	not applicable	Form LIT - 1

## 2.3 Financial Situation

### 2.3.1 Historical Financial Performance

Criteria	Compliance Requirements			Documents	
Requirement	Single Entity	Joint Venture			Submission Requirements
		All Partners Combined	Each Partner	One Partner	
<p>Submission of audited financial statements or, if not required by the law of the Bidder's country, other financial statements acceptable to the Employer, for the last <b>three [3]</b> years FY 2014-2015 to 2016-2017 to demonstrate the current soundness of the Bidder's financial position. As a minimum, the Bidder's Net Worth for the last year calculated as the difference between total assets and total liabilities must be positive.</p>	must meet requirement	not applicable	must meet requirement	not applicable	Form FIN – 1 with attachments

**2.3.2 Average Annual Construction Turnover**

Criteria	Compliance Requirements				Documents
Requirement	Single Entity	Joint Venture			Submission Requirements
		All Partners Combined	Each Partner	One Partner	
Minimum average annual construction turnover of INR [1694 Million] One Thousand Six Hundred Ninety Four Million or its Equivalent calculated as total certified payments received for contracts in progress or completed, within the last <b>three [3]</b> years.	must meet requirement	must meet requirement	must meet twenty-five percent [25%] of the requirement	must meet forty percent[40%] of the requirement	Form FIN – 2

**2.3.3 Financial Resources**

Criteria	Compliance Requirements				Documents
Requirement	Single Entity	Joint Venture			Submission Requirements
		All Partners Combined	Each Partner	One Partner	
The Bidder must demonstrate that it has the financial resources to meet:					
(a) its current contract commitments, as defined in FIN-4 (Total Financial Requirements for Current Contract Commitments), plus	must meet requirement	not applicable	must meet requirement for its own contractual commitments	not applicable	Form FIN - 4
(b) the requirements for the Subject Contract of INR [283 Million] Two Hundred and Eighty Three Million or its Equivalent	must meet requirement	must meet requirement	must meet twenty- five percent [25%] (A)	must meet forty percent [40%] (B)	Form FIN – 3 and Form FIN - 4



## 2.4 Construction Experience

### 2.4.1 Contracts of Similar Size and Nature

Criteria	Compliance Requirements			Documents	
Requirement	Single Entity	Joint Venture			Submission Requirements
		All Partners Combined	Each Partner	One Partner	
<p>Participation in at least one contract that has been successfully or substantially completed within the last <u>Seven [7]</u> years and that is similar to the proposed works, where the value of the Bidder's participation exceeds INR [1360 Million] One Thousand Three Hundred and Sixty Million. The similarity of the Bidder's participation shall be based on the physical size, nature of works, complexity, methods, technology or other characteristics as described in Section 6- Employer's Requirements.</p> <p>The experience of the contractor with respect to the following items shall be treated as similarity of the bidder's participation:</p> <p>a) Construction of Water Treatment Plant not smaller than 2.85 MLD and,</p> <p>b) Either construction of Overhead Tank or Ground</p>	must meet requirement	not applicable	not applicable	must meet requirement	Form EXP – 1

Level Service Reservoir of not less than 830 KL capacity and, c) providing, laying and jointing of water pipelines of any material and type such as rising mains, feeder mains or distribution pipelines.					
--	--	--	--	--	--

When evaluating the adequacy of the Bidder's previous contract experience, the Employer will adjust the Indian Rupee contract amounts in forms EXP-1 and EXP-2 to account for inflation prior to 2015 by applying the inflation adjustment factors provided in the table below.

Factors for assessing the 2017 equivalent value:

	0	1	2	3	4	5	6	7
Year of Contract Award	2010	2011	2012	2013	2014	2015	2016	2017
Factor	1.42	1.35	1.28	1.22	1.15	1.10	1.04	1

Note:

The Bidder shall attach the copies of work order and completion certificates of satisfactory or substantial completion of the contract for which he is claiming the relevant experience. The validated by the competent authorities on their letter head will only be acceptable.

**2.4.2 Design, Construction and Operation Experience in Key Activities**

(May be complied with by Specialist Subcontractors. Employer shall require evidence of subcontracting agreement from the Bidder. Specialist Subcontractor is a specialist enterprise engaged for highly specialized processes which cannot be provided by the main Contractor.)

Criteria	Compliance Requirements			Documents	
Requirement	Single Entity	Joint Venture		Submission Requirements	
		All Partners Combined	Each Partner		One Partner
For the above or other contracts executed during the period stipulated in 2.4.1 above, a minimum construction experience in the following key activities:					Form EXP - 2
Design of at least one water supply system in the last seven years, comprising of rising, feeder and distribution lines, designed to provide continuous, pressurized water supply for at least [41,400] Forty One Thousand Four Hundred house service connections or for a population of [2,27,700] over the last 7 years	must meet requirement	must meet requirement	not applicable	not applicable	
Construction of a water treatment plant with a minimum capacity of [2.85] Two point eight five million litres per day over the last seven years	must meet requirement	must meet requirement	not applicable	not applicable	
Providing, laying, jointing, testing and commissioning of water pipelines of length [110] One hundred ten kilometres, DI/HDPE or equivalent, over the last seven years.	must meet requirement	must meet the requirement	not applicable	not applicable	

Operating, maintaining and managing a water supply distribution scheme with at least [20,700] Twenty Thousand Seven Hundred house service connections or for a population of [1,20,000] for a minimum period of one year over the last seven years.	must meet requirement	must meet requirement	not applicable	not applicable	
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**Section 4 - Bidding Forms  
- Without Prequalification -**

This Section contains the forms to be completed by the Bidder and submitted as part of its Bid.

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### Letter of Technical Bid

*The bidder must accomplish the Letter of Technical Bid on his letterhead clearly showing the bidder's complete legal name and address.*

Date: .....

ICB No.: .....

Invitation for Bid No.: .....

To,  
The Engineer-in-Chief, MPUDC,  
First Floor, 8, Arera Hills,  
Old Jail Road,  
Bhopal – 462011(India).

We, the undersigned, declare that:

- (a) We have examined and have no reservations to the Bidding Documents, including Addenda (*insert nos.*) issued in accordance with Instructions to Bidders (ITB) - 8.
- (b) We offer to execute in conformity with the Bidding Documents the following Works:  
**Improvements to Water Supply to Sagar Nagar Nigam and Makronia Nagar Parishad in Sagar District of Madhya Pradesh**
- (c) Our Bid consisting of the Technical Bid and the Price Bid shall be valid for a period of [120] one hundred and twenty days from the date fixed for the bid submission deadline in accordance with the Bidding Documents, and it shall remain binding upon us and may be accepted at any time before the expiration of that period;
- (d) Our firm, including any Subcontractors or Suppliers for any part of the Contract, have nationalities from eligible countries in accordance with ITB 4.2.
- (e) We, including any Subcontractors or Suppliers for any part of the contract, do not have any conflict of interest in accordance with ITB 4.3.
- (f) We are not participating, as a Bidder in more than one Bid in this bidding process in accordance with ITB 4.3(e), other than alternative offers submitted in accordance with ITB 13.

- (g) Our firm, its affiliates or subsidiaries, including any Subcontractors or Suppliers for any part of the contract, has not been declared ineligible by ADB, under the Employer’s country laws or official regulations or by an act of compliance with a decision of the United Nations Security Council.
- (h) [We are not a government-owned enterprise] / [We are a government-owned enterprise but meet the requirements of ITB 4.5].<sup>1</sup>
- (i) We agree to permit ADB or its representative to inspect our accounts and records and other documents relating to the bid submission and to have them audited by auditors appointed by ADB.
- (j) If our Bid is accepted, we commit to mobilizing key equipment and personnel in accordance with the requirements set forth in Section 6 (Employer’s Requirements) and our technical proposal, or as otherwise agreed with the Employer.
- (k) We have read and reviewed the General Conditions of Contract (GCC) referred to in Section 7 of the Bid Document, namely the Conditions of Contract for Design, Build and Operate Projects (First Edition 2008), prepared by the FédérationInternationale des Ingénieurs-Conseils or FIDIC; and
- (l) Our bid is submitted on the basis of the aforementioned GCC, as supplemented by Section 8 – Particular Conditions of Contract (Part A-contract Data and Part B –Specific Provisions) of the Bidding Document

Name .....

In the capacity of .....

Signed .....

Duly authorized to sign the Bid for and on behalf of .....

Date .....

---

<sup>1</sup> Use one of the two options as appropriate and strike out other



**Letter of Price Bid****[To be submitted separately as part of Price Bid only]****Name of Bidder**

Date:

ICB No.:

Invitation for Bid No.:

To:

The Engineer-in-Chief  
 MPUDC, First Floor, 8, Arera Hills,  
 Old Jail Road, Bhopal

We, the undersigned, declare that:

- (a) We have examined and have no reservations to the Bidding Documents, including Addenda issued in accordance with Instructions to Bidders (ITB) 8.
- (b) We offer to execute in conformity with the Bidding Documents and the Technical Bid submitted for the following Works.

**Improvements to Water Supply to Sagar Nagar Nigam and Makronia Nagar Parishad in Sagar District of Madhya Pradesh**

- (c) The total price of our Bid, excluding any discounts offered in item (d) below is:

Indian Rupees	Indian Rupees
[fill in numbers]	[fill in words]
Plus	
Foreign Currency (US \$)	Foreign Currency (US \$)
(fill in numbers)	(fill in words)

- (d) The discounts offered and the methodology for their application is: *(Bidder to Indicate if any)*
- (e) Our Bid shall be valid for a period of 120 days from the date fixed for the bid submission deadline in accordance with the Bidding Documents, and it shall remain binding upon us and may be accepted at any time before the expiration of that period.
- (f) If our Bid is accepted, we commit to obtain a Performance Security in accordance with the Bidding Documents.
- (g) We have paid, or will pay the following commissioning, gratuities, or fees with respect to the bidding process or execution of the Contract<sup>1</sup>

Name of Recipient	Address	Reason	Amount

<sup>1</sup>If none has been paid or is to be paid, indicate "None"

- (h) We understand that this bid, together with your written acceptance thereof included in your notification of award, shall constitute a binding contract between us, until a formal contract is prepared and executed.
- (i) We understand that you are not bound to accept the lowest evaluated bid or any other bid that you may receive.
  - (j) We agree to permit ADB or its representative to inspect our accounts and records and other documents relating to the bid submission and to have them audited by auditors appointed by ADB.

Name:

In the capacity of:

Signed

Duly authorized to sign the Bid for and on behalf of

**Bid Security****Bank Guarantee**

.....*Bank's name, and address of issuing branch or office*.....

**Beneficiary: Madhya Pradesh Urban Development Company Limited, PalikaBhawan, Shivaji Nagar, Bhopal (M. P.)**

**Date:** .....

**Bid Security No.:** .....

We have been informed that . . . . . *name of the bidder* . . . . . (hereinafter called "the Bidder") has submitted to you its bid dated . . . . . (hereinafter called "the Bid") for the execution of . . . . . *name of contract* . . . . . under Invitation for Bids No. . . . . ("the IFB").

Furthermore, we understand that, according to your conditions, bids must be supported by a bid guarantee.

At the request of the Bidder, we . . . . . *name of bank* . . . . . hereby irrevocably undertake to pay you any sum or sums not exceeding in total an amount of . . . . . *amount in figures* . . . . . (. . . . . *amount in words* . . . . . ) upon receipt by us of your first demand in writing accompanied by a written statement stating that the Bidder is in breach of its obligation(s) under the bid conditions, because the Bidder:

- (a) has withdrawn its Bid during the period of bid validity specified by the Bidder in the Letter of Bid; or
- (b) does not accept the correction of errors in accordance with the Instructions to Bidders (hereinafter "the ITB"); or
- (c) having been notified of the acceptance of its Bid by the Employer during the period of bid validity, (i) fails or refuses to execute the Contract Agreement, or (ii) fails or refuses to furnish the performance security, in accordance with the ITB, or (iii) fails or refuses to furnish a domestic preference security, if required.

This guarantee will expire (a) if the Bidder is the successful Bidder, upon our receipt of copies of the Contract Agreement signed by the Bidder and the Performance Security issued to you upon the instruction of the Bidder; or (b) if the Bidder is not the successful Bidder, upon the earlier of (i) our receipt of a copy of your notification to the Bidder of the name of the successful Bidder, or (ii) 28 days after the expiration of the Bidder's bid.

Consequently, any demand for payment under this guarantee must be received by us at the office on or before that date.

This guarantee is subject to the Uniform Rules for Demand Guarantees, ICC Publication No. 458.

.....*Bank's seal and authorized signature(s)*.....

**-- Note --**

*In case of a joint venture, the bid security must be in the name of all partners to the joint venture that submits the bid.*

**| AFFIDAVIT |****(To be contained in Envelope A)***(On Non Judicial Stamp of Rs. 1000)*

I/we \_\_\_\_\_ who is/ are \_\_\_\_\_ (status in the firm/ company) and competent for submission of the affidavit on behalf of M/S \_\_\_\_\_ (contractor) do solemnly affirm an oath and state that:

I/we are fully satisfied for the correctness of the certificates/records submitted in support of the following information in bid documents which are being submitted in response to notice inviting e-tender No. \_\_\_\_\_ for \_\_\_\_\_ (name of work) dated \_\_\_\_\_ issued by the \_\_\_\_\_ (name of the ULB).

I/we are fully responsible for the correctness of following self-certified information/ documents and certificates:

1. That the self-certified information given in the bid document is fully true and authentic.
2. That:
  - a. Term deposit receipt deposited as earnest money, demand draft for cost of bid document and other relevant documents provided by the Bank are authentic.
  - b. Information regarding financial qualification and annual turn-over is correct.
  - c. Information regarding various physical qualifications is correct.
3. No close relative of the undersigned and our firm/company is working in the department.

OR

Following close relatives are working in the department:

Name \_\_\_\_\_ Post \_\_\_\_\_ Present Posting \_\_\_\_\_

**Signature with Seal of the Deponent (bidder)**

I/ We, \_\_\_\_\_ above deponent do hereby certify that the facts mentioned in above paras 1 to 3 are correct to the best of my knowledge and belief.

Verified today \_\_\_\_\_ (dated) at \_\_\_\_\_ (place).

**Signature with Seal of the Deponent (bidder)**

**|| UNDERTAKING ||**  
**(To be contained in Envelope B)**  
*(On Letter Head of Bidder)*

**This is to undertake that:**

- I) We have read and reviewed the General Conditions of Contract (GCC) referred in Section 7 of the Bid Document, namely the Conditions of Contract for Design, Build and Operate Projects {First Edition 2008}, prepared by Fédération Internationale des Ingénieurs-Conseils or FIDIC; and
  
- II) In respect of the conditions of contract, the Bid is submitted on the basis of the aforementioned GCC, as supplemented by Section 8 of the Bidding Document.

**Signature with Seal of the Deponent (bidder)**

## **Technical Proposal**

**Personnel**

**Equipment**

**Site Organization**

**Method Statement**

**Mobilization Schedule**

**Construction Schedule**

## Personnel

### Form PER – 1: Proposed Personnel

Bidder should provide the details of the proposed personnel and their experience record in the relevant Information Form below is for each candidate:

1.	Title of position*
	Name
2.	Title of position*
	Name
3.	Title of position*
	Name
4.	Title of position*
	Name
5.	Title of position*
	Name
6.	Title of position*
	Name
etc.	Title of position*
	Name

**-- Note --**

\* As listed in Section 6 (Employer's Requirements).

**Form PER – 2: Resumé of Proposed Personnel**

The Bidder shall provide all the information requested below. Use one form for each position.

<b>Position</b>		
<b>Personnel information</b>	<b>Name</b>	<b>Date of birth</b>
	<b>Professional qualifications</b>	
<b>Present employment</b>	<b>Name of employer</b>	
	<b>Address of employer</b>	
	<b>Telephone</b>	<b>Contact (manager / personnel officer)</b>
	<b>Fax</b>	<b>E-mail</b>
	<b>Job title</b>	<b>Years with present employer</b>

Summarize professional experience in reverse chronological order. Indicate particular technical and managerial experience relevant to the project.

<b>From</b>	<b>To</b>	<b>Company/Project/Position/Relevant Technical and Management Experience</b>



**Equipment**

**Form EQU: Equipment**

The Bidder shall provide adequate information and details to demonstrate clearly that it has the capability to meet the equipment requirements indicated in Section 6 (Employer's Requirements), using the Forms below. A separate Form shall be prepared for each item of equipment listed, or for alternative equipment proposed by the Bidder.

<b>Item of Equipment</b>		
<b>Equipment Information</b>	<b>Name of manufacturer</b>	<b>Model and power rating</b>
	<b>Capacity</b>	<b>Year of manufacture</b>
<b>Current Status</b>	<b>Current location</b>	
	<b>Details of current commitments</b>	
<b>Source</b>	<b>Indicate source of the equipment</b> <input type="checkbox"/> Owned <input type="checkbox"/> Rented <input type="checkbox"/> Leased <input type="checkbox"/> Specially manufactured	

Omit the following information for equipment owned by the Bidder.

<b>Owner</b>	<b>Name of owner</b>	
	<b>Address of owner</b>	
	<b>Telephone</b>	<b>Contact name and title</b>
	<b>Fax</b>	<b>Telex</b>
<b>Agreements</b>	<b>Details of rental / lease / manufacture agreements specific to the project</b>	

**Site Organization**

The Bidder will submit along with his bid a site organization chart depicting roles and structure of the site organization. The proposed site organization will also describe the roles, relationships and division of responsibilities between the site management and the representative head/branch office that will be responsible for the Project. The Bidder will provide details of the technical and financial responsibility and authority of the Project Manager who will be responsible for the day-to-day operations at the Site. The details will be furnished separately for the Design and Build Phase and for the O & M phase of the contract.

**Method Statement**

The Bidder will submit along with the bid a comprehensive statement of the methods that he proposes to adopt for completing the works under the contract package. It will include descriptions regarding operations on site proposed work systems and safety and protection method to be applied throughout the execution of works. The Method statement should also detail out which control measures have been introduced to ensure the safety of the persons who are affected by any particular task or the process.

**Mobilization Schedule**

The Bidder will submit along with the bid the proposed mobilization schedule for Machinery, equipment and human power etc; in the form of a bar chart. The bar chart will clearly depict the proposed date of mobilization, duration of services, and date of demobilization.

*(Note: Bidders should provide the above schedule on a separate sheet showing all months from start Month to end Month inclusive for the Design Build Period, and a similar, but suitably modified, format for the Operations and Maintenance Period.)*

**Construction Schedule**

The Bidder will submit proposed Construction Schedule in detail so as to demonstrate: the order in which he proposes to carry out the Works. It will include all stages such as design, procurement, manufacture, pre-delivery inspection and testing, delivery to Site, construction, erection, testing and commissioning.

The Bidder to ensure that the proposed schedule covers all major events and activities for the design reviews any other submissions, approvals and consents and also the sequence of all tests specified in the Employer's Requirements.

Similarly, the Bidder should give attention to the requirements set out in Section 4, Employer's Requirements, and the Bidder is required to demonstrate that how he proposes to meet the Milestone Targets those have been established to ensure that pro-rata progress is maintained on all sub-components of the Works throughout the execution period.

The details will be furnished separately for the Design and Build phase and for the O & M phase of the contract.

### **Bidders Qualification**

To establish its qualifications to perform the contract in accordance with Section 3 (Evaluation and Qualification Criteria) the Bidder shall provide the information requested in the corresponding Information Sheets included hereunder.

**Form ELI - 1: Bidder's Information Sheet**

<b>Bidder's Information</b>	
<b>Bidder's legal name</b>	
<b>In case of Joint Venture, legal name of each partner</b>	
<b>Bidder's country of constitution</b>	
<b>Bidder's year of constitution</b>	
<b>Bidder's legal address in country of constitution</b>	
<b>Bidder's authorized representative</b> (name, address, telephone numbers, fax numbers, e-mail address)	
<p><b>Attached are copies of the following documents.</b></p> <p><input type="checkbox"/> 1. In case of single entity, articles of incorporation or constitution of the legal entity named above, in accordance with ITB 4.1 and ITB 4.2.</p> <p><input type="checkbox"/> 2. Authorization to represent the firm or Joint Venture named above, in accordance with ITB 20.2.</p> <p><input type="checkbox"/> 3. In case of Joint Venture, letter of intent to form Joint Venture or Joint Venture agreement, in accordance with ITB 4.1.</p> <p><input type="checkbox"/> 4. In case of a government-owned enterprise, any additional documents not covered under 1 above required to comply with ITB 4.5.</p>	

**Form ELI - 2: Joint Venture Information Sheet**

Each member of the Joint Venture and Specialist Subcontractor must fill out this form separately.

<b>Joint Venture / Specialist Subcontractor Information</b>	
<b>Bidder's legal name</b>	
<b>Joint Venture Partner's or Specialist Subcontractor's legal name</b>	
<b>Joint Venture Partner's or Specialist Subcontractor's country of constitution</b>	
<b>Joint Venture Partner's or Specialist Subcontractor's year of constitution</b>	
<b>Joint Venture Partner's or Specialist Subcontractor's legal address in country of constitution</b>	

<b>Joint Venture</b> <b>Partner's or</b> <b>Specialist</b> <b>Subcontractor's</b> <b>authorized</b> <b>representative</b> <b>information</b> (name, address, telephone numbers, fax numbers, e-mail address)	
<b>Attached are copies of the following documents.</b> <ul style="list-style-type: none"> <li><input type="checkbox"/> 1. Articles of incorporation or constitution of the legal entity named above, in accordance with ITB 4.1 and ITB 4.2.</li> <li><input type="checkbox"/> 2. Authorization to represent the firm named above, in accordance with ITB 20.2.</li> <li><input type="checkbox"/> 3. In the case of government-owned enterprise, documents establishing legal and financial autonomy and compliance with commercial law, in accordance with ITB 4.5.</li> </ul>	

Specialist Subcontractor is a specialist enterprise engaged for highly specialized processes that cannot be provided by the main Contractor.

**Form LIT - 1: Pending Litigation and Arbitration**

Each Bidder must fill out this form if so required under Criterion 2.2(b) of Section 3 (Evaluation and Qualification Criteria) to describe any pending litigation or arbitration formally commenced against it.

In case of joint ventures, each Joint Venture Partner must fill out this form separately, and provide the Joint Venture Partner name below:

Joint Venture Partner: \_\_\_\_\_

Pending Litigation and Arbitration			
<p><b>Choose one of the following:</b></p> <p><input type="checkbox"/> No pending litigation and Arbitration.</p> <p><input type="checkbox"/> Below is a description of all pending litigation and Arbitration involving the Bidder (or each Joint Venture member if Bidder is a Joint Venture).</p>			
Year	Matter in Dispute	Value of Pending Claim in INR Equivalent	Value of Pending Claim as a Percentage of Net Worth

**- Note -**

*This form shall only be included if Criterion 2.2(b) of Section 3 (Evaluation and Qualification Criteria) is applicable.*

**Form FIN - 1: Historical Financial Performance<sup>(\*)</sup>**

Each Bidder must fill out this form.

In case of joint ventures, each Joint Venture Partner must fill out this form separately, and provide the Joint Venture Partner name below:

Joint Venture Partner: \_\_\_\_\_

<b>Financial Data for Previous <u>Three</u>Years [INR Equivalent]</b>		
<b>Year 1:2014-2015</b>	<b>Year 2: 2015-2016</b>	<b>Year 3: 2016-2017</b>

**Information from Balance Sheet**

<b>Total Assets (TA)</b>			
<b>Total Liabilities (TL)</b>			
<b>Net Worth = TA – TL</b>			
<b>Current Assets (CA)</b>			
<b>Current Liabilities (CL)</b>			
<b>Working Capital = CA – CL</b>			

<b>Most Recent Working Capital</b>		To be obtained for most recent year and carried forward to FIN-3 Line 1; in case of Joint Ventures, to the corresponding Joint Venture Partner’s FIN-3
------------------------------------	--	--

**Information from Income Statement**

<b>Total Revenues</b>			
<b>Profits Before Taxes</b>			
<b>Profits After Taxes</b>			

**(\*) The Financial Performance data/Statements as above must be certified by Registered Chartered Accountant**



- Attached are copies of financial statements (balance sheets including all related notes and income statements) for the last \_\_\_\_\_ years, as indicated above, complying with the following conditions:
- Unless otherwise required by Section 3 of the Bidding Document, all such documents reflect the financial situation of the legal entity or entities comprising the Bidder and not the Bidder's parent companies, subsidiaries, or affiliates.
  - Historical financial statements must be audited by a certified accountant.
  - Historical financial statements must be complete, including all notes to the financial statements.
  - Historical financial statements must correspond to accounting periods already completed and audited (no statements for partial periods shall be requested or accepted).

**Form FIN - 2: Average Annual Construction Turnover<sup>(\*)</sup>**

***Each Bidder must fill out this form.***

***The information supplied should be the Annual Turnover of the Bidder or each member of a Joint Venture in terms of the amounts billed to clients for each year for work in progress or completed, converted to INR at the specified exchange rate.***

In case of joint ventures, each Joint Venture Partner must fill out this form separately, and provide the Joint Venture Partner's name below:

Joint Venture Partner: \_\_\_\_\_

<b>Annual Turnover Data for the Last Three Years (Construction only)</b>			
<b>Year</b>	<b>Amount Currency</b>	<b>Exchange Rate</b>	<b>INR Equivalent</b>
<b>2014-2015</b>			
<b>2015-2016</b>			
<b>2016-2017</b>			
<b>Average Annual Construction Turnover</b>			

**(\*) The Annual Construction Turnover data/Statements as above must be certified by Registered Chartered Accountant.**

**Form FIN – 3: Availability of Financial Resources**

Bidders must demonstrate sufficient financial resources, usually comprising of Working Capital supplemented by credit line statements or overdraft facilities and others to meet the Bidder's financial requirements for

- (a) its current contract commitments, and
- (b) the subject contract.

In case of joint ventures, each Joint Venture Partner must fill out this form separately and provide the Joint Venture Partner name below:

Joint Venture Partner: \_\_\_\_\_

<b>Financial Resources</b>		
<b>No.</b>	<b>Source of financing</b>	<b>Amount (INR equivalent)</b>
1	Working Capital (to be taken from FIN-1)	
2	Credit Line <sup>a</sup>	
3	Other Financial Resources	
Total Available Financial Resources		

<sup>a</sup> To be substantiated by a letter from the bank issuing the line of credit.

**Form FIN- 4: Financial Requirements for Current Contract Commitments**

Bidders (or each Joint Venture partner) should provide information on their current commitments on all contracts that have been awarded, or for which a letter of intent or acceptance has been received, or for contracts approaching completion, but for which an unqualified, full completion certificate has yet to be issued.

In case of joint ventures, each Joint Venture Partner must fill out this form separately and provide the Joint Venture Partner name below:

Joint Venture Partner: \_\_\_\_\_

<b>Current Contract Commitments</b>						
	<b>Name of the Contract</b>	<b>Employer's Contact (Address, Tel, Fax)</b>	<b>Contract Completion Date</b>	<b>Outstanding Contract Value (X)</b>	<b>Remaining Contract Period in months (Y)</b>	<b>Monthly Financial Resources Requirement (X / Y)</b>
1						
2						
3						
4						
5						
6						
7						
8						
<b>Total Monthly Financial Requirement for Current Contract Commitments</b>						<b>INR.</b>

**Form FIN - 5: Compliance Check of Financial Resources (Criterion 2.3.3 of Section 3)**

**Form FIN-5A: For Single Entities**

For Single Entities:	Total Available Financial Resources from FIN-3 (C)	Total Monthly Financial Requirement for Current Contract Commitments (CCC) from FIN-4 (D)	Available Financial Resources net of CCC (C-D)	≥	Requirement
_____ (Name of Bidder)	_____ -	_____ -	_____ -	≥	100% of Requirement from Section 3 - 2.3.3(b) _____ -

**Form FIN-5B: For Joint Ventures**

For Joint Ventures:	Total Available Financial Resources from FIN-3 (C)	Total Monthly Financial Requirement for Current Contract Commitments (CCC) from FIN-4 (D)	Available Financial Resources net of CCC (C-D)	≥	Requirement
One Partner:					
_____ (Name of Partner)	_____ -	_____ -	_____ -	≥	B(%) of Requirement _____
Each (Other) Partner:					
				≥	A(%) of Requirement

For m FIN - 5 is made available for use by the bidder as a self- assessment tool, and	_____ (Name of Partner 1)	_____ -	_____ -	_____ -	_____	
	_____ (Name of Partner 2)	_____ -	_____ -	_____ -	≥	A(%) of Requirement
	_____ (Name of Partner 3)	_____ -	_____ -	_____ -	≥	A(%) of Requirement
	<b>All partners combined</b>			$\sum (C-D)^b =$ _____ -	≥	100% of Requirement from Section 3 - 2.3.3(b)
						_____ -

by the employer as evaluation work sheet, to determine compliance with financial resources.

<sup>a</sup> Requirement for the subject contract is defined in Criterion 2.3.3(b) of Section 3. Value A is the required percentage of the subject contract, which each partner must meet; and value B is the required percentage of the subject contract, which one partner must meet. A and B values are defined in Criterion 2.3.3 of Section 3 (Evaluation and Qualification Criteria).

<sup>b</sup>  $\sum (C - D) =$  sum of available financial resources net of current contract commitments (CCC) for all partners.

**Form EXP – 1: Contracts of Similar Size and Nature**

Fill out one (1) form per contract.

Contract of Similar Size and Nature		
<b>Contract No . . . . .of . . . . .</b> ...	<b>Contract Identification</b>	
<b>Award Date</b>	<b>Completion Date</b>	
<b>Role in Contract</b>	<input type="checkbox"/> <b>Contractor</b>	<input type="checkbox"/> <b>Management Contractor</b> <input type="checkbox"/> <b>Subcontractor</b>
<b>Total Contract Amount</b>	<b>INR</b>	
<b>If partner in a Joint Venture or subcontractor, specify participation of total contract amount</b>	<b>Percent of Total</b>	<b>Amount</b>
<b>Employer's name</b> <b>Address</b> <b>Telephone number</b> <b>Fax number</b> <b>E-mail</b>		
Description of the similarity in accordance with Criterion 2.4.1 of Section 3		

**Form EXP - 2: Construction Experience in Key Activities**

Fill out one (1) form per contract.

Contract with Similar Key Activities		
<b>Contract No. . . . .of. . . . .</b> .....	<b>Contract Identification</b>	
<b>Award Date</b>		<b>Completion Date</b>
<b>Role in Contract</b>	<input type="checkbox"/> <b>Contractor</b>	<input type="checkbox"/> <b>Management Contractor</b> <input type="checkbox"/> <b>Subcontractor</b>
<b>Total Contract Amount</b>	<b>INR</b>	
<b>If partner in a Joint Venture or subcontractor, specify participation of total contract amount</b>	<b>Percent of Total</b>	<b>Amount</b>
<b>Employer's name</b> <b>Address</b> <b>Telephone number</b> <b>Fax number</b> <b>E-mail</b>		
Description of the key activities in accordance with Criterion 2.4.2 of Section 3		



**Form EXP – 3 Affiliated Company Support**

<b>Affiliated Company Support</b>	
Project	<i>State the name of the project being bid</i>
Name of Joint Venture Partner	<i>State the company Name of Joint Venture Partner.</i>
Name of Supporting Company	<p><i>State the name of the company providing the supporting experience and the its country of registration.</i></p> <p><i>Note that only companies which share a form of ownership with the joint venture partner may be used to support the joint venture partner in terms of experience offered.</i></p>
Relationship to Joint Venture Partner	<p><i>State the relationship of the company providing the supporting experience.</i></p> <p><i>This may be in the form of a parent company (include percentage ownership), sister company under common parent company ownership (include percentage ownership), or allied company under a formal partnership (state nature of partnership). The information provided must be in sufficient detail to show the exact relationship between the two companies and must demonstrate the ownership or partnership linkages and the history of these.</i></p>
Supporting Experience Claimed	<i>State the quantum and nature of the supporting experience being provided.</i>
Ongoing Support Offered	<i>Using the supporting experience being claimed state how this experience will be used to support this project over the future project's life.</i>
Supporting Company Attestation	<p><i>The &lt;name of supporting company&gt; attests to:</i></p> <ul style="list-style-type: none"> <li><i>• The claimed experienced is true in every respect;</i></li> <li><i>• The claimed relationship is true in every respect;</i></li> <li><i>• The stated ongoing support will be delivered in every respect;</i></li> <li><i>• Agrees to openly cooperate in an audit of the relationship between the company and the joint venture should such an audit be undertaken by the Employer</i></li> <li><i>• Agrees to openly cooperate in an audit of the support provided to the Project should such an audit be undertaken by the Employer</i></li> </ul>

Authorisation	<i>Name, date and signature of authorized supporting company representative.</i>
Disclaimer	<i>The supporting experience claimed may be rejected where the relationship between the two companies is unclear or tenuous, or whether it is unclear how this supporting experience from the company offering the support will be used to support the project in the future should the Joint Venture succeed in the bid.</i>

**Schedules**

**Schedule of Payment Currencies**

For .....insert name of Section of the Works .....

Separate tables may be required if the various sections of the Works (or of the Bill of Quantities) will have substantially different foreign and local currency requirements. In such a case, the Employer should prepare separate tables for each Section of the Works.

	<b>A</b>	<b>B</b>	<b>C</b>	<b>D</b>
<b>Name of Payment Currency</b>	<b>Amount of Currency</b>	<b>Rate of Exchange to Local Currency</b>	<b>Local Currency Equivalent C = A x B</b>	<b>Percentage of Net Bid Price (NBP) <math>\frac{100 \times C}{NBP}</math></b>
<b>Local Currency</b>		<b>1.00</b>		<b>100%</b>
<b>Foreign Currency #1</b>				
<b>Foreign Currency #2</b>				
<b>Foreign Currency #</b>				
<b>Net Bid Price</b>				<b>100.00</b>
<b>Provisional Sums Expressed in Local Currency</b>		<b>1.00</b>		
<b>BID PRICE</b>				

**- Note -**

*The rates of exchange shall be the selling rates 28 days prior to the deadline for submission of bids published by the source specified in BDS 15.*

**Bill of Quantities****Preamble to Bill of Quantities**

- i. The contractor is wholly responsible for the design in this contract which is for improvement of the Water supply for Sagar Nagar Nigam and Makronia Nagar Parishad. All works which are essential to arrive at the goal are included in the contract. The Bill of Quantities (BOQ) shall be read in conjunction with the Instructions to Bidders, General and Particular Conditions of Contract, Technical Specifications, and Drawings.
- ii. This preamble to the BOQ shall form part of the Contract. If there is inconsistency between the BOQ, Technical Specifications and Drawings and in case of conflict among different sections/heads, precedence shall be given in the following order of descending priority:
  - a. Bills of Quantities and Preamble to the Bills of Quantities;
  - b. Technical Specifications;
  - c. Drawings;
  - d. Relevant Indian or International Standards.
- iii. The quantities given in the BOQ are estimated and provisional, and are given to provide a common basis for bidding. The basis of payment will be the actual quantities of work ordered and carried out, as measured by the Contractor and verified by the Employer's Representative, and valued at the rates and prices bid in the priced BOQ, where applicable, and otherwise at such rates and prices as the Employer's Representative may fix within the terms of the Contract.
- iv. A rate or price shall be entered against each item, whether quantities are stated or not. The cost of items against which the Contractor has failed to enter a rate or price shall be deemed to be covered by other items, rates and prices entered in the BOQ.
- v. The whole cost of complying with the provisions of the Contract shall be included in the Items provided in the priced Bill of Quantities, and where no Items are provided, the cost shall be deemed to be distributed among the Rates and Prices entered for the related Items of Work.
- vi. Provisional Sums included and so designated in the Bill of Quantities shall be expended in whole or in part at the direction and discretion of the Employer's Representative accordance with the Conditions of Contract.
- vii. Arithmetic errors will be corrected by the Employer as follows:
  - a. if there is a discrepancy between the unit price and the total price that is obtained by multiplying the unit price and quantity, the unit price shall prevail and the total price shall be corrected, unless in the opinion of the Employer there is an obvious misplacement of the decimal point in the unit price, in which case the total price as quoted shall govern and the unit price shall be corrected;
  - b. if there is an error in a total corresponding to the addition or subtraction of subtotals, the subtotals shall prevail and the total shall be corrected;

- c. if there is a discrepancy between the bid price in the Summary of Bill of Quantities and the bid amount in item (c) of the Letter of Bid, the bid price in the Summary of Bill of Quantities will prevail and the bid amount in item (c) of the Letter of Bid will be corrected; and
  - d. if there is a discrepancy between words and figures, the amount in words shall prevail, unless the amount expressed in words is related to an arithmetic error, in which case the amount in figures shall prevail subject to (a), (b) and (c) above.
- viii. Description of items in this BOQ is given in short, and for a full description the BOQ should be read together with the Specifications and Drawings to make that work complete in all respects. Rates quoted in the BOQ are deemed to have included all aspects covered in the Preamble and Technical Specifications, and all features and details shown in the Drawings.
- ix. The Bidder shall satisfy himself to the meaning of every item in the BOQ. The rates and prices inserted in the BOQ by the bidder shall be deemed to cover all costs, all duties, royalties, levies and taxes [except Goods and Services Tax (GST)], profits, risks, liabilities, insurance and obligations set forth or implied in the bid, as well as proper operation, maintenance and management of the works including, but not limited to the following:
- a. All labour and Materials including consumables;
  - b. All temporary work of every description required including over ground pumping and other requirements to avoid disruption to the service whilst maintenance or repair work is carried out;
  - c. The provision and use of all equipment, tools and Plant of every kind, whether mechanical or non-mechanical, required for the expeditious carrying out of the Works in their proper sequence;
  - d. Provision for scaffolding, staging, guard rails, temporary stairs, temporary access during execution, approach roads up to the Site for the movement of vehicles, and heavy excavation machinery with supporting transport facility;
  - e. Provision for excavation, back-filling, bringing to the Site extra fill for back-fill, making good and reinstating surfaces, disposing of surplus material, dealing with all ground water and wastewater flows, and for work in close proximity to other utility apparatus including protecting that apparatus;
  - f. Provision for work on pipe line corridors such as traffic control measures, safety barriers, obtaining any approvals and permits from authorities, and signage and reinstatement of surfaces;
  - g. Cooperation and coordination of the work with related authorities, other contractors and utilities, including obtaining their permission before starting the related Works if required; and
  - h. Providing security arrangements to guard the Site and premises at all times and to maintain strict control on the movement of Materials and labour until the completion of the work.
  - i. The O&M Fee quoted by the Bidder in the BOQ shall include the safe disposal of material like sludge, debris, silt and all such waste material generated during operations and provision of services.
  - j. The O&M Fee quoted by the Bidder shall include electricity charges at a base rate of Rs.5 per kWh.

- k. All electricity costs associated with operations shall be paid by the Nagar Parishad directly to the electricity service provider.

Any penalties levied by the electricity service provider attributable to negligence or default of Contractor shall be to the Contractor's account and shall be deducted from Contractor's eligible payments for Operate Services.

For the avoidance of any doubt, the difference between actual electricity tariff and the Contractor's electricity tariff specified above, whether positive or negative, will be to the account of the Nagar Parishad.

- x. Works itemized in the BOQ will be subject to measurement. Such measurement will be in the unit of measurement shown the BOQ and payment shall be made on the measured quantities.
- xi. Any item of work which is specified and required for the proper operation, maintenance and management of Works, and not included or itemized in the BOQ, shall not be measured nor paid for separately but shall be deemed to have been allowed for by the Contractor as part of their Price Bid.
- xii. All rules and regulations of the labor department, contract labor Laws, provident fund and employee state insurance and connected Laws, and all other Laws of the land are to be complied with by the Bidder within the quoted rates.
- xiii. The bidder is expected to inspect the Site to investigate the following items before quoting their rates in the tender:
- a. Nature and type of soil proposed for excavation and safety of excavation;
  - b. Availability of power for execution;
  - c. Availability of water for execution;
  - d. Means of disposal of storm water/bailing out water from the Site;
  - e. Means of disposal of water due to de-watering at the Site;
  - f. Nature and type of protection required for neighboring property to ensure full safety during construction activities in progress; and
  - g. Place for disposal of serviceable / unserviceable material obtained during construction activities in progress.
- xiv. No land will be provided by the Employer to the Contractor for constructing any structure for his labor, workman and supervisory camps, un-authorized hutments, canteen or teashops at the Site or within the premises. The Contractor shall make his/her own arrangements for the same outside the premises/boundary. These, if any, shall be with the knowledge of and prior approval of the Employer's Representative.
- xv. The word "Ditto" mean the repetition of all or part of the preceding items as applicable to complete the sense of the items.
- xvi. The Provisional Sum included and so designated in the BOQ shall be expended in whole or in part at the direction and discretion of the Employer's Representative in accordance with the Conditions of Contract. It will be used by the Employer's Representative for nominated sub-contractors, line agencies, installation of dedicated power feeder by the electricity department, third party inspecting agencies, charges levied by statutory electrical, telephone, or other authorities, or for other

miscellaneous works. The use of the Provisional Sum will also be for relocation of utilities above or under the ground that conflict with the existing or permanent line or level of the Works, independent sampling and laboratory testing, as directed by the Employer's Representative, replacement or compensation for plants and trees removed due to the Works, and permanent reinstatement of asphalt roads, etc., as directed by the Employer's Representative.

xvii. Metric System and Abbreviations

Millilitre	ml
Million Litres per Day	mld
Million Litre	ML
Litre	ltr
Linear meter	m
Gram	gm
Square metre	m <sup>2</sup>
Cubic metre	m <sup>3</sup>
Number	No.
Kilogram	kg
Lump Sum	LS
Indian Rupees	Rs
Millimetre	mm
Square Centimetre	cm <sup>2</sup>
Square Millimetre	mm <sup>2</sup>

xviii. The abbreviations used in the Specification and BOQ shall be read as follows:

IS	Indian Standard
BHP	Brake Horsepower
BS	British Standard
Cm or CM or cm	Centimeter
Cum or CUM	Cubic Meter
MM or mm	Millimeter /s
Rm or RM or RMT	Running Meters
Sqm	Square Meters
SqKm	Square Kilometers
Qty.	Quantity
Drg.	Drawing
No. or Nos.	Number or Numbers
PCC	Plain Cement Concrete
RCC	Reinforced Cement Concrete
Rs.	Indian Rupees

*[The Bill of Quantities is enclosed separately and the bidder shall submit the same separately as part of Price Bid and shall not be included in the Technical Bid]*



### Section 5 - Eligible Countries

This Section contains the list of eligible countries.

1.	Afghanistan	35.	Micronesia, Federal States of
2.	Armenia	36.	Mongolia
3.	Australia	37.	Myanmar
4.	Austria	38.	Nauru
5.	Azerbaijan	39.	Nepal
6.	Bangladesh	40.	The Netherlands
7.	Belgium	41.	New Zealand
8.	Bhutan	42.	Norway
9.	Brunei Darussalam	43.	Pakistan
10.	Cambodia	44.	Palau
11.	Canada	45.	Papua New Guinea
12.	China, People's Republic of	46.	Philippines
13.	Cook Islands	47.	Portugal
14.	Denmark	48.	Samoa
15.	Fiji	49.	Singapore
16.	Finland	50.	Solomon Islands
17.	France	51.	Spain
18.	Georgia	52.	Sri Lanka
19.	Germany	53.	Sweden
20.	Hong Kong, China	54.	Switzerland
21.	India, Republic of	55.	Tajikistan
22.	Indonesia	56.	Taipei, China
23.	Italy	57.	Thailand
24.	Ireland	58.	Timor-Leste
25.	Japan	59.	Tonga
26.	Kazakhstan	60.	Turkey
27.	Kiribati	61.	Turkmenistan
28.	Korea, Republic of	62.	Tuvalu
29.	Kyrgyz Republic	63.	United Kingdom
30.	Lao PDR	64.	United States
31.	Luxembourg	65.	Uzbekistan
32.	Malaysia	66.	Vanuatu
33.	Maldives	67.	Viet Nam
34.	Marshall Islands		

## Section 6 - Employer's Requirements

<b>1.</b>	<b>PREAMBLE AND DEFINITIONS</b>	
1.1.	.....	Preamble
1.2.	.....	Definitions
<b>2.</b>	<b>GENERAL REQUIREMENTS</b>	
2.1.	.....	General Requirements
<b>3.</b>	<b>SERVICE AREA AND SITE MAP</b>	
3.1.	.....	ULB service areas
3.2.	.....	Design-Build Requirements
3.3.	.....	The Service Improvement Plan
3.4.	.....	Outline design
3.5.	.....	Detailed design
3.6.	.....	Construction
3.7.	.....	Commissioning
<b>4.</b>	<b>OPERATION AND MAINTENANCE REQUIREMENTS</b>	
4.1.	.....	General obligations in the Operate Service period:
4.2.	.....	Standards of Operate Service:
4.3.	.....	Annual Operating Plan:
4.4.	.....	Emergency Response Plan
4.5.	.....	Maintenance requirements
4.6.	.....	Water quality surveillance program:
4.7.	.....	Standard Operating Procedures
4.8.	.....	Laboratory
4.9.	.....	Workshop
<b>5.</b>	<b>COMMERCIAL MANAGEMENT REQUIREMENTS</b>	
5.1.	.....	Contractor's role
5.2.	.....	Customer Metering
5.3.	.....	Deleted
5.5.	.....	Customer Relations
5.6.	.....	Defaulting Customers
<b>6.</b>	<b>TRAINING</b>	
6.1.	.....	Training of Nagar Parishad Staff
<b>7.</b>	<b>ASSET REPLACEMENT DURING OPERATE SERVICE PERIOD</b>	
7.1.	.....	Replacement Schedule for Equipment
<b>8.</b>	<b>HEALTH AND SAFETY</b>	
8.1.	.....	Safety and Security
8.2.	.....	Health and Safety Procedures

8.3.....	Security
<b>9.</b>	<b>REPORTING REQUIREMENTS</b>
9.1.....	Periodical Reports
<b>10.</b>	<b>CONTRACTOR'S PERSONNEL AND EQUIPMENT</b>
10.1.....	Contractor's Personnel:
10.2.....	Contractor's Equipment:
10.3.....	Replacement of Contractor's Equipment
<b>11.</b>	<b>SERVICE LEVELS</b>
11.1.....	Minimum service levels
<b>12.</b>	<b>SPECIFICATIONS</b>
<b>13.</b>	<b>COMPLIANCE TO ADB SAFEGUARDS</b>
13.1.....	Compliance to Environmental Safeguards
13.2.....	Compliance to Social Safeguards
<b>14.</b>	<b>HAND-BACK REQUIREMENTS</b>
14.1.....	Hand Back at Termination:
14.2.....	Preparation for Handback on Expiry of Contract
14.3.....	Handover on Early Termination
<b>15.</b>	<b>TERMS OF APPOINTMENT FOR THE AUDIT BODY</b>
<b>15.1.</b>	<b>Introduction</b>
<b>15.2.</b>	<b>Scope of services of the Auditing Body</b>
<b>16.</b>	<b>LIST OF SUPPLEMENTARY INFORMATION</b>

## 1. REAMBLE AND DEFINITIONS

### 1.1. Preamble

The overall objective of the water supply improvement project is to deliver a continuous, pressurized supply of safe water to the entire population and businesses of:

- (i) Sagar Nagar Nigam and Makronia Nagar Parishad
- (ii) Treated water supply through Feeder Mains to Sagar Cantonment.

Treated water to Cantonment population will be supplied through Feeder mains and to Makronia town through Proposed Break Pressure tank. The scope of works and services includes detailed engineering design, setting out on site, construction and augmentation of water treatment plant, pumping arrangements, Break Pressure Tank, transmission and feeder networks, construction of overhead and ground level reservoirs, distribution networks as required including installation of metered household connections, and operation, maintenance and management (O&M) of the water supply system. The project is proposed to be funded under Phase 1 of Madhya Pradesh Urban Services Improvement Project (MPUSIP).

### 1.2. Definitions

The words, terms and expressions beginning with capital letters and defined under this Section 6, Clause 1.2 shall, unless the context otherwise requires, have the meanings ascribed thereto/herein:

"Allowable Exclusions"	means the mean the allowable exclusions specified in Cause 11, Service Levels, that may be available to the Contractor in respect of its obligations to meet the Service Levels;
"Boundary Limits"	means the boundary within which the Contractor has the responsibility of providing Services in accordance to the terms and conditions under this Contract;
"Contractor Personnel"	means those employees hired and deployed by the Contractor in provision of Services but excluding the NP Personnel;
"CPHEEO"	means the Central Public Health and Environmental Engineering Organization under the Ministry of Urban Development, Government of India;
"Customers"	means all entities (including individuals) within the Service Area to which/whom the SNN & MNP (or its agents) provides water services and includes all those authorized customers in existence as at the commencement of Commissioning Period and entities that become customers after the Commissioning Period and until Contract Completion Date;
"Customer Service Centres"	means the special infrastructure planned and implemented by the Contractor to provide commercial and information services to customers under this Contract;
"Critical Measurement Points"	means the locations as agreed by the Employer in the Service Improvement Plan and as added during the term of the Contract for undertaking

	measurement of flow and pressure in the water supply system for facilitating the monitoring of Minimum Service Levels stipulated in Section 6 Employer Requirements;
"Customer Water Connection Points"	means the water connection points from which Customers take delivery of water;
"DPR, Detailed Project Report"	means the detailed project report of water supply improvement sub-project for Sagar and Makronia town and approved by the Employer;
"Design Consultant"	means the agency appointed by the Employer to provide design services for preparation of DPR under a separate Contract;
"Design-Build Period Milestones"	means the milestones to be achieved during and at the end of the Design-Build Period as provided at Table 3.6.5 under sub-clause 3.6.5;
"Electricity Company"	means the local service provider supplying electrical energy for Operate Service of the Facilities;
"Environment Management Plan"	means the updated environmental management plan to be developed by the Contractor as part of Service Improvement Plan and updated each year until the Contract Completion Date in accordance to the provisions under Section 6 – Employer's Requirements;
"Existing Assets"	means those infrastructure components, plant, machinery, equipment and any other units existing at the Site as on the Commencement Date;
"Facilities"	means infrastructure and non-infrastructure assets forming part of the water supply, transmission, treatment, storage, monitoring, measurement and distribution system that provide or support the provision of the water supply services to the Service Areas are upgraded and rehabilitated from time to time;
"Fixed O&M Fee"	means the monthly fixed fee paid to Contractor prescribed by the Employer in Bill No.9, Bill of Quantities;
"Government Agencies"	means all those agencies comprising of local, state and central government authorities directly or indirectly connected to provision of water services to customers in SAGAR NAGAR NIGAM & MAKRONIA NAGAR PARISHAD;
"Hand Back Requirements"	means the requirements for handing back the facilities by the Contractor to the SNN & MNP more so described in Clause 14;
"Indigenous People Protection Plan"	means the plan prepared by MPUDC in compliance to ADB safeguard protection system (SPS) 2009 and disclosed by ADB for safeguarding the indigenous people if any affected by the project construction or operations during the contract period;
"Initial Environment Examination Report"	means the report prepared by MPUDC in compliance to ADB safeguard protection system (SPS) 2009 and disclosed by ADB for ensuring safeguards against potential environmental impacts during the contract period;
"Madhya Pradesh"	means the Employer for the Project;

Urban Development Company” or “MPUDC”	
“Madhya Pradesh Urban Services Improvement Project” or “MPUSIP”	means the water supply improvement project being implemented by MPUDC funded by the Asian Development Bank and Government of Madhya Pradesh
“Maintenance”	<p>means any activity required to maintain the functionality of an asset, maintain the levels of service or preserve an asset’s life including:</p> <ul style="list-style-type: none"> <li>i. Routine maintenance of civil, mechanical, electrical, electronic and instrumentation assets, motorized transport, whether undertaken by the Contractor or contracted out, including provision of spare parts, and including maintenance in accordance with manufacturer’s recommendations</li> <li>ii. Maintain NRW at or below 15% at the beginning of the sixth year of the Operation Service Period</li> <li>iii. Repair or replacement of dosing pumps, drive-in motors less than 3kw capacity</li> <li>iv. Fixing leaks in pipes and fittings including cost of associated works such as road cutting, earthwork excavation, refilling the trenches and restoring surfaces</li> <li>v. Repair, maintenance or replacement of valves and meters to ensure functionality</li> <li>vi. Regular painting, patching and protection of wooden and metallic surfaces and structures</li> <li>vii. Maintaining water tightness, functionality and appearance of buildings, yards, depots, other structures and surrounding grounds</li> <li>viii. Software upgrades, hardware maintenance including spares and consumables</li> </ul>
“New Assets”	means those infrastructure components, plant, machinery, equipment and any other units procured, supplied, installed, erected and commissioned by the Contractor during the Design-Build Period other than those existing in the Site as on the Commencement Date and assets that are replaced during the Operate Service Period which have reached the end of their design life;
“NRW or Non-Revenue Water”	means the volume of water for which no revenue could be realised measured as (the cumulative input supply volume measured at the outlet of treated water pumping stations) less (the volume of billed authorized consumption, as measured by meter readings or estimates and for which a bill is issued),

	divided by (the cumulative input supply volume measured at the outlet of treated water pumping stations) expressed as a percentage;
Operate Service Period	Means the time between the commissioning certificate and the completions certificate
"SNN & MNP"	means either of the urban local bodies, SAGAR NAGAR NIGAM & MAKRONIA NAGAR PARISHAD or as the case may be including all its successors, assignees;
"Potable Water Specification"	means the water quality requirements of potable water to be supplied to the Customers as stipulated in Table 2.2 Recommended Guidelines for Physical and Chemical Parameters and Table 2.3 Bacteriological Quality of Drinking Water, in the Manual on Water Supply and Treatment, CPHEEO, Government of India, Ministry of Urban Development, New Delhi;
"Project Management Consultant"	means the agency appointed by the Employer to provide project management advisory services to the Employer and Employer's Representative
"Raw Water Quality"	means the range of water quality characteristics provided in the report on Raw water characteristics indicated in Clause 16 – List of Supplementary Information;
"Resettlement Plan"	means the plan prepared by MPUDC in compliance to ADB safeguard protection system (SPS) 2009 and disclosed by ADB for ensuring safeguard of affected parties due to involuntary resettlement to enable project construction or Operate Services;
"Services"	means all those activities, interventions, actions and tasks required as part of the implementation of Project including all planning, design, detailed engineering, procurement, construction, rehabilitation, operations, maintenance, and management in providing continuous pressurized water supply to the customers in the sub-project Service Area;
"Service Area"	means the area where SNN & MNP is responsible for provision of water supply services to customers. The Service Area can be within the administrative municipal boundary and as extended from time to time and also include future growth areas where SNN & MNP decides to provide expansion of water services and undertake operation, maintenance and management services;
"Service Improvement Plan"	means the detailed techno-economic and financial investment plan prepared by the Contractor to achieve the Minimum Service Levels stipulated in Section 6, Employer Requirements;
"Service Levels"	means the levels of service to be achieved by the Contractor at the end of Design-Build Period and to be maintained during the Operate Service Period;
"Variable O&M Fee"	means the variable O&M fee to be determined from the product of monthly volume of water supplied at customer taps and the Water Charge per cubic

	meter of volume of water agreed under the Agreement;
"Water Works"	means the water production and treatment facilities and related intake wells and pumping systems to be installed at various locations in the sub-project.

## 2. GENERAL REQUIREMENTS

### 2.1. General Requirements

#### 2.1.1. Scope of Services: The Contractor's scope of services shall include:

- (a) all planning, survey, investigation, design, detailed engineering, procurement, construction, commissioning, operation, maintenance and management activities required to improve the entire supply and distribution chain of existing infrastructure and proposed new infrastructure for water extraction, treatment, pumping, transmission, storage, distribution and commercial services for efficient and effective management. It includes the rehabilitation of the existing water source, treatment, pumping, storage, transmission and distribution infrastructure, existing transmission and feeder networks, including household connections
- (b) all technical, managerial, administrative, commercial, environmental, and social interventions as required in accordance with acceptable, prudent water utility construction and management practices, ensuring safe and sustainable drinking water supply services to the Customers in the Service Areas.

#### 2.1.2. Summary of obligations: The key obligations of the Contractor under the Contract are summarized in the following table.

#### 2.1.3. For the interpretation of the following table Design is required for all New Works and maybe required for some Rehabilitation Works as directed by the Employer



**Table 2.1.2: KEY OBLIGATIONS OF THE CONTRACTOR FOR CONTRACT PACKAGE – 6B**

<b>Component</b>	<b>Study</b>	<b>Design of New Works</b>	<b>Rehab of Existing Works</b>	<b>Build</b>	<b>Operate</b>	<b>Maintain</b>	<b>Replace with Asset Replacement Fund</b>	<b>Replace with Provisional Sum</b>
<b>A. Existing Infrastructure</b>								
Intake	Yes	No	Yes	No	Yes	Yes	No	No
Raw water pumping machinery	Yes	No	No	No	Yes	Yes	No	No
Water Treatment Works	Yes	No	Yes	No	Yes	Yes	No	No
Water Treatment Civil Structures	Yes	No	Yes	No	Yes	Yes	No	No
WTW mechanical, electrical and instrumentation	Yes	No	Yes	No	Yes	Yes	No	No
Treated water pumping machinery	Yes	No	No	No	Yes	Yes	No	No
Transmission mains	Yes	No	Yes	No	Yes	Yes	No	No
Overhead Tanks	Yes	No	Yes	No	Yes	Yes	No	No
Transmission and Distribution System	Yes	Yes	Yes	No	Yes	Yes	No	No
House Service Connections	Yes	No	No	No	Yes	Yes	No	No
<b>B. New Infrastructure</b>								
Raw Water Pumps	Yes	Yes	No	Yes	Yes	Yes	Yes	No
Clear Water Pumps	Yes	Yes	No	Yes	Yes	Yes	Yes	No
Augmentation of Treatment Works	Yes	Yes	No	Yes	Yes	Yes	Yes	No

<b>Component</b>	<b>Study</b>	<b>Design of New Works</b>	<b>Rehab of Existing Works</b>	<b>Build</b>	<b>Operate</b>	<b>Maintain</b>	<b>Replace with Asset Replacement Fund</b>	<b>Replace with Provisional Sum</b>
Break Pressure tank	Yes	Yes	No	Yes	Yes	Yes	Yes	No
Ground Level Service Reservoir	Yes	Yes	No	Yes	Yes	Yes	Yes	No
Overhead Tanks	Yes	Yes	No	Yes	Yes	Yes	Yes	No
Transmission mains	Yes	Yes	No	Yes	Yes	Yes	Yes	No
Distribution System with DMAs	Yes	Yes	No	Yes	Yes	Yes	Yes	No
House Service Connections	Yes	Yes	No	Yes	Yes	Yes	Yes	No
Customer Service Centers	Yes	Yes	No	Yes	Yes	Yes	Yes	No
Meter reading and billing	Yes	Yes	No	Yes	Yes	Yes	Yes	No
Management Improvements	Yes	Yes	No	Yes	Yes	Yes	Yes	No
24x7 water supply services to customers	Yes	Yes	No	Yes	Yes	Yes	Yes	No
Non-Revenue Water Control	Yes	Yes	No	Yes	Yes	Yes	Yes	No
Flow and pressure monitoring	Yes	Yes	No	Yes	Yes	Yes	Yes	No

### 3. SERVICE AREA AND SITE MAP

#### 3.1. ULB service areas

*[Please refer to the Service Area and site map in the drawings in the respective Detailed Project Report for Sagar and Makronia towns. The Detailed Project Report is available at website of MPUSIP [www.mpudc.co.in](http://www.mpudc.co.in).]*

#### 3.2. Design-Build Requirements

3.2.1. At the commencement of Design Build Period, the Contractor shall undertake comprehensive assessment on the condition of the infrastructure components included under the Contract including the existing infrastructure in the Service Area, and undertake detailed engineering design comprising of water treatment process engineering, structural engineering design of all civil and mechanical engineering components, electrical and instrumentation engineering design of all process equipment, pumps, monitoring equipment and detailed engineering of Transmission mains, feeder mains, distribution system for ensuring safe, continuous, pressurised water supply to the customers and prepare Service Improvement Plan hereinafter referred to as the 'SIP' for improving water services to achieve the Service Levels.

#### 3.3. The Service Improvement Plan

3.3.1. The Contractor shall undertake its own detailed investigation of the Facilities to determine the complete scope of services for achieving the Service Levels.

3.3.2. Based on the findings from the comprehensive assessment, the Contractor shall prepare the Service Improvement Plan for the activities to be carried out during the Design-Build Period in accordance with Applicable Laws and good industry practice and the Environment Management Plan provided in Section 6 of Employer's Requirements.

3.3.3. The objectives of the activities presented in the SIP shall be to ensure the following:

- (a) Safe, efficient, Continuous Pressurized Water Supply services to the Customers in the Service Area to meet the growing demand needs of the SNN & MNP;
- (b) Availability of sufficient volume of bulk raw or treated water to meet the growing demands of customers, taking into account the maximum permissible levels of losses in treatment, transmission and distribution;
- (c) Optimization of performance of existing infrastructure from Source to Customer;
- (d) Effective program of non-revenue water control including active leakage control by applying continuous and vigilant monitoring, leak detection and good quality and long lasting leak repair techniques;
- (e) Efficient and effective commercial and customer services in management of the water utility for providing un-interrupted water supply to the customers, duly redressing and resolving complaints and problems from existing Customers and providing network connectivity to new Customers and ensuring timely expansion of networks and system capacities in response to new development needs;

- (f) Establishment of robust, proven utility management systems and processes including standard operating procedures for ensuring sustainable water services capable of forward planning, timely decision making, attending to emergencies and ensuring cost recovery.
- (g) Establishment of performance monitoring systems so as to enable a) monitoring of Service Levels and b) overall collection and disclosure of data related to water supply services in the Service Area.
- (h) Working with the Employer the establishment of key water utility business systems including a maintenance management system, asset database, geographic information system and hydraulic model

3.3.4. The elements constituting the SIP shall include, but not be limited to, those outlined below.

3.3.5. Baseline Report: The Contractor shall undertake a detailed survey of the Service Area through a customer door-to-door survey, evaluation of existing infrastructure and prepare a baseline report on existing water supply services and service levels.

3.3.6. Infrastructure Improvement Plan: The Contractor shall prepare an infrastructure improvement plan detailing the capital works required to deliver the Service Levels. The infrastructure improvement plan shall include at least the following components.

- (a) Raw water intakes, pumping stations and transmission mains: The Contractor will plan to improve the existing raw water intake, pumping machinery and transmission mains with a view to increasing security of supply, optimizing the energy input in service delivery, and utilizing existing assets to the extent possible.
- (b) Rehabilitation and expansion of existing water works if any and Construction of new water works: The Contractor shall plan and design the necessary Capital Works to ensure a sufficient supply of treated water from the Water Works to meet the Service Levels. This will include a mix of rehabilitation and expansion of existing treatment plants and possible construction of new treatment plant. The designed hydraulic capacity will ensure that during the times of sufficient raw water availability the Contractor can produce necessary volumes of treated water to meet the water demand in the Service Area.
- (c) Rehabilitation of existing transmission and feeder networks and construction of new networks: Using the hydraulic model and simulating both present and future conditions, the Contractor shall review the capacity of the networks required from a continuous water service perspective and propose network strengthening measures in a cost-effective manner. The Contractor will identify existing feeders that are in good operational condition and could be utilized to enable the Contractor to meet the Service Levels. Deteriorated feeders will be identified and replaced or rehabilitated in a cost-effective manner. The Contractor will assess options for any new feeder mains to serve existing or new storage reservoirs and propose the optimum solution.

- (d) Service Storage: The Contractor's proposals for ensuring adequate service storage capacity for the Service Area shall use existing reservoirs to the extent possible with abandonment only in the event that a reservoir is structurally unsafe. A key factor to be taken into account is the highly restrictive availability of land for installation of new reservoirs and hence the proposals should focus on expanding the utilizable storage through improved hydraulics and assigned demand patterns.
- (e) Rehabilitation and expansion of distribution networks: The Contractor should propose a plan for new networks to currently un-served areas of the Service Area and for the optimal mix of rehabilitation, repair, and replacement of the existing distribution network in currently served areas. In the latter case the Contractor should optimize capital and operational solutions to develop the most cost effective solutions and using the existing assets to the extent possible.
- (f) Customer House connections: The Contractor shall include in their rehabilitation and expansion plan for replacing existing house connections and Customer meters in total, and installing new house connections with meters to unconnected households and those with illegal connections and where there is more than one connection to a domestic property remove the surplus connection(s) so that only one connection exists per domestic property. By the end of the Design-Build Period all properties will each have a single connections and meter.
- (g) Management Improvements: The Contractor shall establish Customer Service Centres including all necessary management systems for ensuring effective and efficient service delivery to the Customers.
- (h) Implementation Schedule: The Contractor shall prepare a detailed project management program showing the all activities to be undertaken during the Design Build Period including start and end dates and dependencies between the activities. The critical path items will be clearly identified. The implementation schedule shall comprise detailed procurement plan for materials, equipment and works and related quality assurance plan. Where the implementation plan requires action to be taken by the Employer, these activities will be highlighted and separately identified with a clear description of the activity, the projected start date, and the time allowed for the Employer to undertake said activity.
- (i) Safeguards Plan: The Contractor shall explain how the project's safeguards requirements as required by the Environmental Management Plan and Resettlement Plan and Indigenous Peoples Protection Plan will be incorporated into the different stages of the project activities, how they will be monitored, and what information will be reported as part of the monitoring plan.
- (j) Monitoring Plan: The Contractor, based on the implementation schedule, the procurement plan and the quality assurance plan, shall prepare a detailed plan for monitoring and reporting the implementation of the SIP during the Design-Build Period.

- (k) The proposals shall be in two parts with the first part to provide new infrastructure in the areas which are not provided with network access. The second part of the improvements shall be a structured, continuous program of rehabilitation, repair and replacement of existing networks to ensure, by the end of the Design-Build Period, sufficient network capacity and levels of water losses to achieve the Service Levels to the end of the Contract Period.
- (l) The Contractor shall identify any specific deviations to the Technical Specifications, standards on all materials, equipment and goods proposed to be used in SIP. The SIP shall also include a plan for establishing the quality of materials, pipes and fittings to be used, as well as setting workmanship protocols and standards.

3.3.7. Annual Operation and Maintenance Plan (AOMP): The Contractor shall prepare an annual operation and maintenance plan with sufficient detail of all critical and routine operating tasks at each unit of water supply chain with the objective of achieving and maintaining the required Service Levels. The AOMP shall comprise of following.

- (a) The operating and maintenance strategy for improving the operating efficiency, methodology, organization structure, human resource plan, equipment deployment plan, environmental management measures, responsibilities for unit operations, monitoring and emergency response, related processes, systems, protocols, procedures including detailed costs for each activity of operations and maintenance etc.
- (b) The monitoring protocol and program for water quality measurement around the system.
- (c) Updating Draft Initial Environmental Examination (IEE) and Resettlement Plan (RP) and Indigenous People Plan (IPP): Upon completion of all detailed design, the Contractor shall update the draft IEE and EMP duly incorporating all those revisions as necessary to ensure compliance of environmental and social safeguards in accordance to the SPS 2009. The Employer shall submit the updated IEE and EMP for further review by ADB, and the Contractor shall not commence any works, until the final approval of the safeguard requirements from ADB.
- (d) Methodology for Measurement: The Contractor shall develop a robust methodology and framework for measurement and monitoring of Service Levels stipulated under this clause and proposed as part of the SIP. The Employer with the assistance of the Project Management Consultant shall verify the same and upon agreement between the Parties the agreed methodology shall form the basis for monitoring the performance of the Contractor and apply the Non-Performance Adjustments on the eligible payments for Operate Service.

3.3.8. Contents of Service Improvement Plan (SIP): The SIP shall be submitted to the Employer for review and approval. The SIP shall comprise of the following four parts:

- I. Part I – Baseline Report:

- (a) The baseline report on the condition of existing infrastructure if any proposed to be rehabilitated in the Service Area;
  - (b) consumer door to door survey findings.
- II. Part II –Service Improvement Plan:
- (a) A validated and amended water demand model duly considering the findings from the consumer survey;
  - (b) Detailed engineering designs, drawings and cost estimates of Works and management improvements proposed in order to meet the Service Levels;
  - (c) Commissioning and testing plan
  - (d) Investments required for the Works and management improvements proposed;
  - (e) Methodology and timelines for implementation;
  - (f) Contractor personnel deployment plan;
  - (g) Construction plant and equipment deployment plan;
  - (h) Cash-flow plan during each of the contract periods;
  - (i) Implementation schedule with procurement and quality assurance plan
  - (j) Safeguards plan
  - (k) Detailed methodology of measurement protocol for monitoring the progress of Design-Build Period milestones and all standard electronic formats for periodical progress monitoring
- III. Part III – Annual Operation and Maintenance Plan:
- (a) Annual operating and maintenance plan (AOMP) covering all operations, maintenance and management requirements in the Service Area;
  - (b) An emergency response plan (ERP);
  - (c) Standard operating procedures (SOPs) for routine operations and emergency responses;
  - (d) Water quality surveillance program;
  - (e) Energy optimization program;
  - (f) Network expansion policy
  - (g) Safeguards plan
  - (h) Training plan for Employer's personnel.
- IV. Part IV – Customer Management and Public Relations Plan:
- (a) a roll-out plan for undertaking volumetric revenue billing and collection system;
  - (b) a consumer information and awareness programme
  - (c) Detailed methodologies for managing new customer connection applications and for registering new connections.
  - (d) detailed proposals for the establishment of customer services centres
  - (e) meter reading methodologies;

- (f) methodologies for the distribution of bills (which shall include, if appropriate, the use of GPS handheld devices to ensure bills are distributed to the correct households);
- (g) procedures for quality control and audit to demonstrate that meters have been read accurately and bills have been distributed to the correct properties;
- (h) proposals for easy-to-use customer payment options (e.g. payment points, banks, phone payments etc);
- (i) contractor and Employer joint protocols for managing over-due bills, including protocols for enforcing payment and if necessary disconnecting defaulting customers;
- (j) Suggestions, if any, for amendments to existing Employer policies;
- (k) Procedures for identifying and dealing with illegal connections.
- (l) The contractor's proposed customer and commercial services training programme.

3.3.9. The Contractor shall submit the Part I and Part II of the draft SIP within 60 days from the Commencement Date to allow the Employer to undertake a thorough review of the draft SIP and suggest amendments if any. The Employer and the Contractor shall sign off the agreed SIP within 75days from the Commencement Date or by such date permitted by the Employer and under no circumstances should it be more than 120 days from the Commencement Date.

3.3.10. At least 75days before the commissioning of the installed infrastructure, the Part III and IV of the SIP shall be submitted. The Employer and the Contractor shall sign off the agreed SIP Part III and IV within 45 days before the commencement of Operate Service Period.

#### 3.4. Outline design

3.4.1. An outline design is prepared by the Employer and is provided in the Detailed Project Report which forms the basis for bill of quantities provided in Section 4.

3.4.2. Where interventions proposed by the Contractor in the SIP are not part of or in variance to the Detailed Project Report but require substantial modification in Specifications, or not in conformity with the general guidelines in the CPHEEO Manual the Contractor shall provide in the SIP sufficient explanation and justification as to how implementing such interventions would benefit the Employer in terms of, for example, the costs, speed, inconvenience to residents, or sustainability of the Service Levels.

#### 3.5. Detailed design

##### 3.5.1. General:

- (a) The Contractor shall establish contact with all relevant stakeholders, including consultants under the MPUSIP, and become familiar with the existing water supply system, and the applicable standards and guidelines for water supply design, and with past and current on-going works in the Service Area.



- (b) Satisfy themselves as to the nature and scope of work and the prevailing Site conditions.
- (c) Liaise with the respective SNN & MNPs, the local traffic police and other government agencies regarding governing laws and regulations in order to undertake studies and construction activities under the Contract such as:
  - i. Environmental and social impact assessments and prevention, mitigation and monitoring of impacts during construction;
  - ii. Environmental and Social Safeguards in accordance to safeguard policy of Asian Development Bank;
  - iii. Approved Indigenous People's Planning Frame work; for MPUSIP and for the sub-project;
  - iv. Compensation for damages to property;
  - v. Occupational health and safety including worker's compensation;
  - vi. Consultation of beneficiary populations; and
  - vii. Signage for construction works.

3.5.2. Integration with On-going Activities: There are several other extraction, production and network improvement activities that are either on-going or have been recently completed by SNN & MNP and/or Urban Administration and Development Directorate (UADD). The Contractor shall review all the reports and ensure that the SIP does not duplicate any measure already financed and implemented, or proposed to be implemented under the Sub-Project, but rather complements these other investments and highlights proven approaches/techniques/policies that could be utilized for the SIP to enhance project effectiveness and efficiency. The Contractor shall also ensure that investments proposed as part of the SIP are independent of the other interventions so that it can be adequately implemented, constructed, managed, supervised, monitored and finally be evaluated in terms of its impact. However, these investments shall be complimentary to the outcomes of the previous or other ongoing interventions.

3.5.3. Institutional Arrangements and General Compliance: The Contractor shall read, familiarize itself with and understand the relevant institutional arrangements and governing laws to determine in detail which roles SNN & MNP, as the asset holding and operating entity, plays in the following: (i) sanction of water connections, (ii) installation of water connections, (iii) disconnections and reconnections, and (iv) services to urban poor areas as applicable, so that the SIP conforms with them.

3.5.4. Review and validation of Detailed Project Report: The Contractor shall also review and validate the Detailed Project Report for the scheme and ensure that the SIP is (i) in line with the Detailed Project Report (DPR) approved for funding, (ii) in compliance with the Draft Master Plan or City Development Plan, if any (iii) in compliance to the terms and conditions of the Project and Loan Agreements among ADB, Government of India and Government of Madhya Pradesh under MPUSIP and (iv) coordinated with the on-going and programmed activities of other Urban/Infrastructure development programs of Gol

and GoMP as the case may be. (v) Any deviations to the DPR shall be highlighted and approved as part of the SIP. Under no circumstance, should implementation of such interventions result in Variation of more than 25% of the agreed contract value under this Contract.

- 3.5.5. Customer and Property Survey: Within 45 days from the Commencement Date, the Contractor shall undertake and complete a door-to-door survey of all Properties and Customers whether connected to the network or un-connected and obtain the details regarding the name, address, number of resident members, availability of water connection, estimated consumption levels, alternate water supply arrangements, method of disposal of wastewater, etc. The consumer survey shall capture the details of all customers whether connected or un-connected in the categories of general residential households (independent housing, group housing connections and apartments), urban poor households, government housing, non-domestic, commercial, institutional, religious places, industrial and fire services and any other category of properties customers resident in the Service Area.

In addition to above, Contractor shall record the GPS coordinates of each property visited (preferably at a consistent location at each property – front door or the like and to take a photograph of each property visited and supply these with the other information collected.

- 3.5.6. The Contractor's survey agency shall inform to the property owners and customers on future availability of continuous pressurized water services to the properties and customers and the connection policy of Employer in providing free connections to all the domestic customers.

- 3.5.7. Water quality analysis of existing tube-wells: The Contractor shall organize to collect two samples from each of the tube wells currently in operation in the SNN & MNP. The samples collected shall be analyzed for all the physical, chemical and bacteriological characteristics in any reputed lab as approved by the Employer's Representative. The results of the water quality analysis shall be evaluated for undertaking any emergency measures like closure of tube wells with arsenic or any other harmful chemical constituents or ensuring robust disinfection in case of bacteriological contamination as the case may be. Any de-commissioning of the tube wells shall be undertaken by the Contractor upon obtaining necessary approvals from the Employer and SNN & MNP to that effect and the works shall be undertaken with prior notice to local customers with information about the reasons for such decommissioning and the availability of an alternate source of water supply.

- 3.5.8. Water quality analysis of existing treatment works: If the summary obligations provided in Table 2.1.2 requires rehabilitation of existing water treatment works, the Contractor shall organize for collection at least four samples each of raw water and treated water at different times randomly selected within a span of one week. The samples collected shall be analysed for all physical, chemical and bacteriological characteristics in any

reputed lab as approved by the Employer's Representative. The results of water quality analysis shall be evaluated for undertaking any emergency measures by the Employer's operational staff and form basis for planning requirement of rehabilitation of the water treatment works to confirm to the ability in producing treated water conforming to the Potable Water Specification.

- 3.5.9. Assessment of existing water works: The Contractor shall undertake a detailed study of the water treatment works existing at the Commencement Date which shall include a condition and performance assessment of all civil, mechanical, electrical and instrumentation infrastructure, efficiency of treatment process, output capability of the plant and the treated water pumping system for delivering product water conforming to the water quality standards set out in the Service Levels. The results of these studies shall form the basis of a list of works or activities for optimizing the efficiency of the existing production capacity of the Facilities in the SIP. The Contractor may specifically explore proposing additional works such as wash water recovery units for minimizing the losses in the treatment.
- 3.5.10. Assessment of Pumping Systems: The Contractor shall undertake a detailed condition and performance assessment of the existing surface water pumping systems for raw water transmission, treated water transmission and boosters if any and assess the efficiency of the existing pumping regime. It shall undertake an energy audit of each pumping installation and assess the overall pumping regime and storage arrangements. This will allow the Contractor to develop a plan for optimizing the performance of the pumping units and system in the SIP so as to save energy consumption and extend the life of the units.
- 3.5.11. Assessment of Pipe Networks: The Contractor shall undertake a study of the condition of the existing water transmission and distribution network within and outside the Service Area through flow and pressure measurement (FPM) and review of historical repairs data if available and through detailed interactions with the SNN & MNP employees in order to assess the strength and capacity of the networks for provision of continuous pressurized water supply services to the customers in accordance to the Service Levels.
- 3.5.12. Demand Model: The Contractor from the findings of the customer survey shall develop a robust city level demand model both establishing the current water account and the projected annual demand growth duly taking into consideration the differential and dynamic zonal growth patterns, progressive reduction in treatment and network losses and the price elasticity of water consumption pattern. The demand model shall be governed by the following design horizons.
- (a) Raw Water Intakes and Transmission Pipelines - 2048
  - (b) Water Treatment - 2033
  - (c) Pump Stations - 2033
  - (d) Treated Water Transmission and Feeder Pipelines - 2048

- (e) Storage Reservoirs - 2033
- (f) Water Distribution Systems – 2048

3.5.13. Hydraulic Network Model: The Contractor shall develop a hydraulic network model (HNM) which includes all pipelines down to 63mm diameter based on the available information and by undertaking site investigations as required. The HNM shall be in two parts the first part being the strategic mains model (SMM) and the second being the all mains model (AMM). The HNM shall be built on a digital elevation model (DEM) of the city depicting 1m elevation contours. The data pertaining to reservoirs, pipes, valves and demand allocations shall be obtained through field study and captured on the network model. AutoCAD shall be the drawing software and WATERGEMS or equivalent shall be the modelling software for building the network model.

3.5.14. Assessment of service storage: The Contractor will undertake a detailed assessment of the structural condition, capacity and hydraulic performance of the existing service reservoirs. This will allow the Contractor to identify those that could be used in a Continuous Pressurized Water Supply system, what repairs or rehabilitation is needed, what capacity expansions are required, and where new reservoirs will need to be constructed. Efforts shall be made to ensure optimum use of the available storage capacity and land area so as to minimize or avoid requirement of additional land acquisition.

3.5.15. Rehabilitation and expansion of distribution networks: The Contractor shall, based on the results of the HNM, review the present distribution zones and design for setting up hydraulically isolated district metered areas ("DMA"s) within the Service Area. 'There will be 30 DMAs and are to cost these into their bids by providing separate unit rates for the establishment and operation and maintenance of a DMA (which is additional to the establishing and operation and maintenance of the distribution network). The final number of DMAs will be determined as part of the detailed design' Each DMA shall preferably have one inflow point and be isolated by installing boundary isolation valves. The inflow shall be fitted with a pressure reducing valve and an electro-magnetic bulk flow meter of reputable brand synchronized with a sufficient capacity data logger with the facility to record, store, monitor and analyze the consumption and pressure pattern in the respective DMA. The Contractor shall identify and propose at least two Critical Measurement Points ("CMP"s) in each DMA for continuous logging of pressure, and the CMPs shall be such that one point shall be at the inlet of DMA, second at the highest elevation within the DMA boundary and the third shall be the farthest point from the DMA inlet. The Contractor shall propose necessary actions/tasks for periodical calibration of the flow and pressure monitoring equipment and capture the data generated by the respective equipment, analyze and monitor the consumption and level of losses in the DMAs and take remedial actions as necessary to meet the Service Levels.

3.5.16. Handling Asbestos Cement Pipes: It is expressly clarified that the existing networks of Asbestos Cement pipes shall be left un-touched and totally replaced in compliance to the requirements under ADB SPS 2009.2.6.4 The proposed network improvements shall be on the basis of a carefully planned progressive DMA-wise transformation to continuous pressurized supply taking into account possible increased leakage in the short term and the need to minimize supply deterioration in other DMAs serviced with intermittent water supply. The location of all abandoned AC pipes must be logged along with the newly install pipes.

3.5.17. Customer Service Centres: The Contractor shall design, and propose setting up of customer service centres ("CSC") of at least one CSC for every 10,000 connections and part thereof including one central control center to facilitate receiving and resolving customer requests, complaints, and grievances in the areas of new connections, service deficiencies, resolution of billing disputes, inappropriate actions by staff, etc. While doing so the Contractor shall take into consideration the existing Customer Service Centres if any established by the SNN & MNP or "MP Online" and propose an optimal solution. The CSCs shall function between 8am to 8pm during business days including Saturdays and between 8am to 1pm during public holidays including Sundays. The CSC shall have reasonable space and furniture for the customers to wait, interact and represent their requirements. During the other off peak times of 8pm to 8am, the Contractor shall have a facility to receive customer complaints and grievances through telephone, fax, text message, email and any other reasonable electronic means. The CSC shall be equipped with sufficient human resources preferably a lady representative with proficiency in local language, hardware and software to facilitate continuous record of customer requests, monitoring the resolution, and reporting completion of necessary actions and tasks.

3.5.18. Services to poor: In the case of urban poor areas in the Service Area (where there are households), the Contractor, in accordance with the connection policy of the SNN & MNP, shall plan and propose necessary works for provision of house service connections.

### 3.6. Construction

3.6.1. Scope of services: The scope of services during the construction phase Design-Build Period shall essentially comprise of implementing the approved SIP. The implementation of the SIP shall be in accordance to international best practice and industry standards and sufficient care shall be taken by the Contractor in minimizing supply interruptions, traffic disruptions and ensuring good and timely communications with the customers in the Service Area.

3.6.2. All the Works and interventions proposed as part of the SIP shall be in conformity with the Technical Specifications and Particular Specifications as set out in the Employer's Requirements respectively. The SIP components relating to this period essentially comprise of but are not limited to the following.

3.6.3. Construction works: The Contractor shall design and construct or install the Works as detailed hereunder, which is included as per the Bill of Quantities (BOQ) for the purpose of pricing in the Price Bid. The Works as per the BOQ constitute the following:

- (a) Raw water intake repair works
- (b) Water treatment works – Augmentation of existing WTP
- (c) Treated Water Transmission main
- (d) Augmentation of Pumping stations for raw and treated water
- (e) Pumping machinery
- (f) Bulk flow and pressure monitoring instrumentation
- (g) All electrical equipment and installations to ensure dedicated power availability;
- (h) Break Pressure Tank
- (i) Water storage structures such as treated water sumps, overhead service reservoirs, ground level balancing or storage reservoirs
- (j) Transmission, feeder and distribution networks
- (k) Metered house service connections to ensure universal coverage of all potential customers in the Service Area including all urban poor and low income households and other vulnerable communities.
- (l) Road cutting and restoration of all damaged roads
- (m) All protection works like compound walls, fencing, gates, security arrangements; and
- (n) All works related to operations, maintenance and management improvements including setting up management information systems, customer service centres, contractor office, operational equipment, tools and Plant, etc.

3.6.4. The works proposed in the BoQs as summarized above are indicative only and the Employer holds no liability on the guaranteed performance of the proposed works. The Contractor shall investigate survey, assess the existing infrastructure and shall design and propose the actual works to be implemented as part of the SIP. Any deviations and cost implications due to changes in the proposed works when compared to the BoQs should be explicitly included in the SIP for approval with adequate justification.

3.6.5. Design-Build Period Milestones: The following milestones shall govern the Design-Build Period commencing from the date of Letter of Acceptance.

Table 3.6.5 Design-Build Period Milestones

Design-Build Period Milestones	Period in days from the date of Letter of Acceptance					
		120	300	480	660	850
			Cumulative Expenditure Milestones			
Approval of SIP		100%				
Rehabilitation of Existing Infrastructure	Job		100%			
Raw Water Intake arrangements	Job		20%	50%	100%	
Augmentation of existing Water	Job		20%	50%	100%	

Design-Build Period Milestones	Period in days from the date of Letter of Acceptance					
		120	300	480	660	850
			Cumulative Expenditure Milestones			
Treatment Plant						
Pumping Stations	Job		50%	100%		
Pumping Machinery	Job				100%	
Reservoirs	Job		20%	50%	100%	
Transmission and Feeder Networks	Job		20%	50%	100%	
Distribution Networks	Job		20%	50%	100%	
House Service Connections	Job			25%	75%	100%
Testing and Commissioning of bulk infrastructure components and demonstration of performance					100%	
Testing and Commissioning of all infrastructure components from source to customer and demonstration of performance					50%	100%

3.6.6. Minimum Service Levels: The minimum Service Levels to be achieved on completion of Design-Build Period milestones shall be as follows.

- (a) Treated water production n volume at the outlet of water treatment works confirming to the designed capacity
- (b) Treated water quality at the outlet of water treatment works confirming to the Potable Water Specification
- (c) At least 75% of the customers identified at the end of Design-Build Period shall be provided with private metered house connections.
- (d) At least 90% of the house connections shall be provided with continuous pressurized (24x7) water supply services – measured through an appropriate format signed and certified by the Employer on the installation and testing of connection and supply of continuous pressurized water over three consecutive month period.
- (e) 100% of installed customer meters read over three consecutive months and bills generated and delivered to the respective customers.
- (f) The non-revenue water will be set at a maximum 20% at the beginning of the first year of the Operation Service Period (following the Design-Build Period) and the NRW ratio will be then be proportionally reduced to a maximum of 15% at the beginning of the sixth year of the Operation Service Period.

### 3.7. Commissioning

3.7.1. Commissioning Period: The following activities govern the commissioning period.

- (a) Test the functioning of the Facilities in accordance with the Service Level requirements, applicable during Operate Service Period;
  - (b) Correct deficiencies, if any and make the performance compliant in accordance with the Service Level requirements, applicable during the Operate Service Period;
  - (c) Receive the allocated water at the bulk water supply points;
  - (d) Treat the raw water, and supply treated water to the Customers within the Service Area in accordance with the Service Levels;
  - (e) Demonstrate and maintain the quality of treated water, in accordance with the Potable Water Specification;
  - (f) To operate and maintain the water supply network in accordance the terms of Annual O&M Plan requirements
  - (g) Test the computerized billing, collection, consumer grievances management and water supply monitoring system (SCADA system);
  - (h) Read customer meters and raise a dummy water bill mentioning the consumption and the related water charges and deliver to the customers on behalf of the SNN & MNP in accordance to the water charges fixed by the SNN & MNP;
  - (i) Receive and redress and resolve the complaints from the customers
  - (j) If required, to operate and maintain the water tankers, in accordance with the provisions of this Agreement; and
  - (k) To extend the water supply coverage area within the Service Area, as and when required;
- 3.7.2. Commissioning Certificate: The Commissioning Certificate shall be issued only on completion of the Design-Build Period Milestones and demonstrated achievement of Service Levels.



#### 4. OPERATION AND MAINTENANCE REQUIREMENTS

##### 4.1. General obligations in the Operate Service period:

4.1.1. From the commencement of Operate Service period subsequent to issue of Commissioning Certificate and until the Contract Completion Date the Contractor shall provide the following services in connection with the operation and maintenance of the potable water system:

- (a) Abstracting raw water from the source at the intake arrangements;
- (b) Pumping and transmitting the abstracted raw water to the water treatment works;
- (c) Treating the raw water to the stipulated Potable Water Specification;
- (d) Transmitting the potable treated water from the water works through the transmission and feeder networks via the treated water pumping stations to various reservoirs and the distribution network up to the Consumer Water Connection Points;
- (e) Carrying out all plumbing and other civil works necessary for providing customer house connections fitted with consumption meter, to all those new customers authorized by the SNN & MNP;
- (f) Operating the river intakes, pumping stations, water treatment works and potable water transmission pipe system to existing and proposed water reservoirs, and the distribution pipe system from the water towers to the consumer properties;
- (g) Managing the district metered areas (DMAs) and distribution network for distributing water efficiently and minimizing non-revenue water (NRW) throughout the Operate Service Period;
- (h) Reading and calibrating the customer meters for verification of demand, supply and system losses, supply of consumption data to the Employer to meet their monthly billing requirements and tracking of meter readings against actual bills raised on behalf of the SNN & MNP;
- (i) Managing the water abstraction points by maintaining required water levels and level instrumentation, de-weeding and de-silting the intake location and monitoring river flow levels;
- (j) Maintaining the infrastructure referred to in subparagraphs (a) to (j) above;
- (k) Sampling raw water at the point it enters the river intake to check whether it meets the limits of raw water quality characteristics detailed in the Raw Water Analysis Report provided at Section 6.4 - Supplementary Information;
- (l) Sampling treated water as it leaves the water treatment works to ensure that it meets the Potable Water Specification; and
- (m) Detecting and monitoring non-revenue connections and consumption.

##### 4.2. Standards of Operate Service:

4.2.1. The Contractor shall be responsible to undertake all the operations, maintenance and management tasks, and activities as required in accordance with international best practice and prudent industrial standards.

- 4.2.2. The Contractor shall take necessary steps to prevent water from entering the potable water system that has not been treated to the Potable Water Specification at the water works.
- 4.2.3. Non-Revenue Water Control: The Contractor shall enforce a detailed program of activities for effective reduction and long term control of Non-Revenue Water (NRW) in the entire water supply chain from source to Customers. This will include detailed system pressure and flow control & monitoring, preparation of water balances, appropriate SCADA systems, pressure management, and active leakage control methods.
- 4.2.4. The network and service pipe repair, rehabilitation and replacement program covering transmission, feeder and distribution networks shall be based on an effective NRW monitoring activity and active leakage control. Timely and high quality leak repair shall be supplemented by network and service pipe replacement as needed.
- 4.2.5. The Contractor will make available sufficient capacity water tankers to supply additional water services during emergencies and for special functions in line with arrangements in place at the date of this Contract and as may be updated from time to time as mutually agreed by the Parties.

#### 4.3. Annual Operations and Maintenance Plan:

- 4.3.1. Within 90days before issue of Commissioning Certification, the Contractor shall prepare an annual operations and maintenance plan comprising of the operating and maintenance strategy for maintaining operating efficiency, methodology, organization structure, human resource plan, equipment deployment plan, environmental management measures, responsibilities for unit operations, monitoring and emergency response, related processes, systems, protocols, procedures including detailed costs for each activity of operations and maintenance etc.:

- 4.3.2. AOMP will present in detail the monitoring protocol for water quality measurement around the system. This protocol will cover the whole process from designing the sampling regime, taking samples, testing samples, and reporting samples. The AOMP will also present the on-line water quality reporting system required to meet the Service Levels.

#### 4.4. Emergency Response Plan

- 4.4.1. The Contractor shall prepare an emergency response plan (the "Emergency Response Plan") to manage emergencies covering,
- (a) major plant failures;
  - (b) major pipeline failures;
  - (c) loss of electricity;

- (d) chemical spills;
- (e) water quality contamination;
- (f) extreme weather conditions;
- (g) natural disasters;
- (h) serious injuries or deaths to staff or the public;
- (i) other similar emergencies

The emergency response plan shall be submitted to the Employer's Representative for review and approval.

#### 4.5. Maintenance requirements

4.5.1. The Contractor shall fulfil at least the following maintenance requirements, obligations and commitments in accordance with good industrial practice during the Operate Service Period:

- (a) Planned maintenance of all electro-mechanical equipment & other devices existing, supplied, installed/erected and commissioned by the Contractor;
- (b) Planned maintenance of all valves and pipeline/appurtenances/electro-mechanical equipment and other devices supplied, installed/erected & commissioned by the Contractor.
- (c) Planned maintenance and periodical upgrade of all computers, software and all other electronic equipment
- (d) Planned maintenance activities of all other assets in accordance with Good Industry Practice.
- (e) Provision of chemicals, consumables, and spares for minor maintenance.

#### 4.6. Water quality surveillance program:

4.6.1. Water Quality Surveillance Program: As part of the annual O&M plan, the Contractor shall develop a comprehensive water quality surveillance program and monitoring protocol. This protocol will cover the whole process from designing the sampling regime, taking samples, testing samples, and reporting samples. The annual O&M Plan will also present the on-line water quality reporting system required to meet the Service Levels monitoring. The program shall be based on statutory requirements if any as per the Applicable Law and shall comprise at least the following.

Minimum requirements for sampling and analysis of Raw and Treated Water		
Sample location	Parameters	Frequency
Raw water at river/lake source	Complete Physical, chemical and biological parameters listed in Appendix 15.4 of CPHEEO Manual	Once in a month

Raw water at the inlet of each water treatment works	pH, Turbidity	Continuously electronically logged online at an hourly interval
Raw water at the inlet of each water treatment works	"The contractor shall measure all the water quality parameters necessary for the proper operation of the water treatment plant and delivery of the required quality of treated water"	Once daily
Raw water at the inlet of each water treatment works	Pesticides and heavy metals	Once in a month
Treated water at the outlet of each water treatment works	Residual Chlorine, turbidity and pH,	Continuously electronically logged online at an hourly interval
Treated water at the outlet of each water treatment works	All physical and chemical characteristics listed in Appendix 15.3 of CPHEEO Manual	Once daily
Treated water at the outlet of each water treatment works	Bacteriological analysis listed in Appendix 15.5 of CPHEEO Manual	Once daily
Treated water in distribution networks:		
a) At a customer tap randomly selected	Contractor shall measure all the parameters as per CPHEEO Appendix 15:5 at selected customer taps and also to detect any contamination at downstream of the WTP,(especially after the network works are carried out) among these parameters most particular shall be to detect the presence of e-coli bacteria.	Once in a month
b) At customer taps randomly selected	Residual Chlorine, turbidity and pH.	One sample per each DMA or for each 2000 customers per week

#### 4.7. Standard Operating Procedures

4.7.1. The Contractor shall prepare Standard Operating Procedures (SOPs) for the management and operation of the water supply system and service delivery. An indicative list of the procedures is provided below.

4.7.2. Policies and Procedures: The Contractor shall develop various policies and procedures for effective and efficient service delivery which shall include but not be limited to, the following:

- (a) Emergency Response Plan (ERP);
- (b) Customer Management and Communications Plan;
- (c) Energy optimization program;
- (d) Environmental Management Plan, including health and safety;
- (e) Connections policy for all types of connections including services to the urban poor and treatment of illegal connections;
- (f) Network expansion policy;
- (g) Stores and inventory management policy;
- (h) Compliance requirements and risk management plan; and
- (i) Human resource management and training policy.

#### 4.7.3. Operating Instructions

Operating instructions and Standard Operating Procedures (SOPs) shall be formulated for each site in the water supply system comprising of process equipment schedules, operation and maintenance data, sampling and analysis with frequencies etc. The operating parameters shall be optimised based on the data collected on commissioning of the facilities. All the activities in the preventive maintenance schedule shall be followed without any lapse. Indicative functions that are expected to be performed at each site are given below:

##### A. Intake Well

- i. Flow measurements
- ii. Selection of withdrawal level
- iii. Collection and analysis of Raw Water quality from the intake well and at entry to WTP and bringing to notice of the Employer for any abnormal variations, as is necessary and appropriate, within reasonable time
- iv. Checking operation of all pumps and valves
- v. Cleaning of inlet gates and screens
- vi. Maintaining requisite pressure in the raw water conveyance main
- vii. Checking operations of electrical & mechanical equipment

##### B. Water pumping stations and transmission main

- i. Check operation of all pumps
- ii. Take all relevant meter readings
- iii. To ensure compliance with agreed withdrawals and to bring to notice of the Employer any excess or short withdrawal.
- iv. Check operation of all valves along the transmission main
- v. Flow and pressure measurement
- vi. Checking operations of electrical & mechanical equipment
- vii. Check the power factor and power consumption

#### C. Water Treatment Works

- i. Test raw water samples for physical, chemical and biological quality parameters
- ii. Supervise the loading, unloading of chemicals, ensure adequate precautions during storage, handling and maintain an inventory
- iii. Prepare the chemical solution / lime slurry
- iv. Conduct jar test to optimize chemical dosage
- v. Inspect the operation of flocculators, clarifiers and filters
- vi. Check the distribution of flows to the individual process units
- vii. Take samples of influent and effluent and analyze for relevant quality parameters, as required to comply with Law
- viii. Monitor the performance of Sludge thickener and dewatering equipment
- ix. Disposal of dried Sludge to the site identified by the Employer
- x. Adjust chemical dosing as required.
- xi. Monitor spares
- xii. Flow and pressure measurement
- xiii. Checking operations of electrical & mechanical equipment

#### D. Pumping Stations

- i. Inspect the overflow devices
- ii. Check operation of all pumps
- iii. Take all meter readings at times of the day, as agreed with the Employer
- iv. Check distribution of flows to feeder mains
- v. Bring to notice of Employer any variation in drawl by each of the feeder or distribution reservoirs, which is beyond the Contractor's ability to control promptly
- vi. Checking operations of electrical & mechanical equipment

#### E. Water Supply Networks

- i. Take all relevant meter, flow and pressure readings
- ii. Check operation of all equipment
- iii. Check integrity of feeder mains and OHTs and UGRs
- iv. Periodically check water meters and take readings
- v. Check for Chlorine residual, flow and pressure at the Critical Measurement Points (CMPs)
- vi. Checking operations of electrical & mechanical equipment

#### F. Non-Routine Duties

In addition to the routine operational tasks in the process, the Contractor shall undertake the following non-routine and maintenance tasks.

- i. Carry out minor maintenance and repair works
- ii. Emptying the tanks and inspection of the mechanism
- iii. Supervise the lifting, haulage and disposal of dried Sludge
- iv. Removal of submersible pumps for checking seals/glands etc.
- v. Site audits and surveys
- vi. Test alarms
- vii. Safety and process risk assessment
- viii. Budgetary inputs and assistance

#### G. Maintenance and Repairs

A properly designed water system shall be capable of delivering desired output at all times. Considering that every mechanical system shall have to be given a downtime for maintenance purposes, the Contractor shall schedule a plant downtime of one hundred and twenty hours, on a cumulative basis in a year for the facilities in consultation with the Employer so as to minimise disruption in services.

To ensure that the Water Treatment Works delivers desired output at all times, a proper maintenance management plan shall be formulated, which shall have following arrangements:

- i. Routine inspection and maintenance of all equipment
- ii. Planned and scheduled maintenance (preventive)
- iii. Unscheduled maintenance (breakdown)
- iv. Cost and budget planning

#### H. Routine Inspection and Maintenance of Equipment

The Contractor shall carry out routine monitoring of the equipment and ensure that the equipment is properly maintained to meet the desired output. Typical tasks that shall be undertaken are:

#### I. Mechanical

- (a) Checking the lubrication and necessary follow-up
- (b) Replacing of glands that are leaking
- (c) Servicing as per supplier's instructions
- (d) Stripping down of pumps to observe clogging if any
- (e) Checking for unusual vibrations and noise

#### J. Electrical

- (a) Checking electrical contacts and wiring
- (b) Checking motor heating and noise level
- (c) Assessing efficiency of electrical equipment

#### K. Instrumentation

- (a) Cleaning and calibration of probe / sensors
- (b) Fault diagnosis

These maintenance tasks shall be issued on a weekly basis through computer aided management system and the Contractor shall incorporate it in operating work schedule. All observations shall be recorded in the properly designed record system and would be analyzed for initiating corrective actions, if any.

#### L. Planned and Scheduled Maintenance (Preventive)

A work schedule chart listing identification of critical equipment, work assignment, timing shall be prepared. Critical equipment is defined as those items where failure would adversely affect the quality and quantity of output or those that risk the safety of employees or customers. The schedule shall identify the responsible person / agency who shall be intended to complete the task e.g. in - house technician or specialist contractor etc.



The overall yearly plan schedule shall be issued to all parties to enable forward planning of anticipated manpower requirement and equipment down time. The chart given in Table 1 gives indicative maintenance schedule of the various equipment provided in the project. This would be finalized during the preparation of the comprehensive manual.

M. Breakdown Maintenance (Responsive)

The aim of routine and preventive maintenance is to keep breakdown to minimum for items of critical equipment which shall directly affect the performance of treatment processes. However certain breakdown may occur in spite of proper maintenance. The Contractor shall take the breakdown maintenance on a top priority to keep disruption to the systems at a minimum level.

The process controller shall have an option to call other available staff and also the services of the local skilled contractors should the breakdown occur.

N. Spare Parts

The Contractor shall store spares of all the critical equipment on respective Sites and the inventory shall be assessed according to anticipated usage and in conformity with Annual Operating and Maintenance Plan. The Contractor shall make available specialised spares to the contracted service firms as necessary.

The Contractor shall obtain consumable items required for maintenance e.g. grease, gaskets etc. from local suppliers, as and when required.

O. Maintenance Reports

To assist the Contractor in the management of the maintenance activities, a Computer Aided Maintenance Management (CAMM) shall be implemented by the Contractor which shall be integrated with the Management Information System. Appropriate proprietary CAMM packages shall be utilised by the Contractor for maintenance purposes. This package shall incorporate features such as Facility details, maintenance history records and scheduling of maintenance activities. The use of such package shall allow the Contractor to predict when the maintenance activities shall need to be carried out.

Record of maintenance jobs carried out shall be reported in the record system, which shall provide the Employer the past history, time and cost involved for each category. The report shall include:

- i. Details of number of jobs completed
- ii. Frequency of breakdown, time required repairing and costs involved.
- iii. Personnel involved / contractors used

Input data along with the base data and license, if assignable, would be made available to the Employer.

#### 4.8. Laboratory

A laboratory equipped to perform all water quality surveillance, sampling, testing and analysis as required under this contract is to be set up within the Water Works area. The minimum key equipment including glassware and instruments including the consumables shall be provided in compliance to the requirements specified by the Manual on Water Supply and Treatment, CPHEEO, Ministry of Urban Development.

#### 4.9. Workshop

A standard workshop with key mechanical equipment, tools, plants etc shall be established within the Water Works area for facilitating on site repair or reconditioning of all critical mechanical and electrical installations as necessary to ensure lowest possible downtime of uninterrupted operations of the water services.

**Table 1 : Chart Indicating Indicative Preventive Maintenance Schedule**

<b>Sr. No.</b>	<b>Items</b>	<b>Job</b>	<b>Minimum Inspection Frequency</b>
1	All pump sets	Checking of stuffing box gland	Semi Annual
		Cleaning and oiling gland bolts	Semi Annual
		Inspection of packing and replacement if required	Semi Annual
		Checking of alignment with pump driver and correction	Semi Annual
		Draining and refilling of oil from oil lubricant bearing	Semi Annual
		Checking of grease lubricant bearing	Semi Annual
		Removing, cleaning and examining the bearings	Annual
		Cleaning of bearing houses	Annual
		Oiling / greasing of bearings	Annual
2	Mixers / Aerators	Inspect for mechanical integrity	Once in 3 months
		Check the oil level in gear box	Once in 3 months
		Check the alignment with the driver	Once in 6 months
		Inspect gear and check for backlash	Once in a year
		Tighten motor and gear bolts	Once in a year
		Grease and align motor coupling	Once in a year
3	Clarifier/Thickener/Mechanism	Inspect for mechanical integrity	Once in 3 months
		Check the oil level in gear box	Once in 3 months
		Check the alignment with the driver	Once in 6 months
		Inspect gear and check for backlash	Once in a year

		Tighten motor and gear bolts	Once in a year
		Grease and align motor coupling	Once in a year
		Check chain drives for alignment and tightness	Once in 6 months
		Change lubricant in chain drive system	Once in 6 months
4	Flow meter & Measuring devices	Testing and calibration	Once a year

## 5. COMMERCIAL MANAGEMENT REQUIREMENTS

### 5.1. Contractor's role:

- 5.1.1. The Contractor acknowledges that it will, from the completion of Commissioning Period have full responsibility for billing in the Service Area for and on behalf of the SNN & MNP, which will be on a monthly basis unless agreed otherwise with the SNN & MNP.
- 5.1.2. From the commencement of Operate Service and upon introduction of water charging regime in accordance to the Obligations of SNN & MNP and up to the Contract Completion Date the Contractor shall be responsible for all commercial services including meter reading, billing of revenues for water consumption. All bills will be processed, printed, collated, distributed and handled by the Contractor on behalf of and as an agent of the SNN & MNP. All revenues shall be invoiced in the name of SNN & MNP and paid to the dedicated revenue account established by the SNN & MNP.
- 5.1.3. The Employer and SNN & MNP either individually or collectively shall have full and unrestricted access to the billing software, all current and historical billing data and the consumer service centers operated and managed by the Contractor upon request. All reasonable requests for data and analysis from the billing data system shall not be unreasonably refused by the Contractor.
- 5.1.4. The Contractor shall develop procedures consistent with the connection policy of SNN & MNP for:
  - (a) (i) sanctioning new service connections, (ii) change of ownership for existing connections (iii) division of existing connections consequent to division of property, (iv) disconnections in case of defaulting Customers and (v) reconnections and (vi) dealing with the un-authorized or illegal connections;
  - (b) preparing, issuing, and collecting a bill for water service for every customer, and dealing with under-payment or non-payment; including reporting all outstanding accounts to the SNN & MNP every two months;
  - (c) the issuance of dummy volumetric bills for a period of [three (3)] months during commissioning period and another [three (3) months] from commencement of Operate Service Period to allow customers to understand the implications of volumetric charging and to undertake improvements to internal plumbing for prevention of leakage or overflows or wastage; and
  - (d) (i) meter reading procedures and arrangements, (ii) meter reader control (iii) efficient and accurate meter reading practices (iii) respond to reports of malfunctioning meters from customers (iv) testing and calibrating meters as required (v) replacing old, malfunctioning or low accuracy meters (vi) replacing all meters older than ten (10) years and of metrological class lower than Class B; and (iv) how water consumption is estimated for un-metered Customers if any.

- 5.1.5. The Contractor shall develop plan to undertake spot billing at the customer property through a portable, battery powered, hand-held, electronic meter reading collection and data storage device, complete with the interface to the proposed billing software.
- 5.1.6. The Contractor shall develop detailed revenue collection procedures, and plans for establishing facilities for achieving the prescribed level of revenue collection efficiency such as billing offices or through Banks and electronic transfers.
- 5.2. Customer Metering:
- 5.2.1. The Contractor shall develop a plan to install a water meter at every stand-post or other service connection supplying water public and municipal buildings or property directly connected to the public network or fed from a storage tank filled from the public network and to replace all faucets on stand-posts with self-closing taps.
- 5.2.2. The Contractor shall develop standard designs for installing approved water meters in a lockable box on the connection pipe to every connected property at the external side of the wall of the main building (within the compound, if a compound wall exists, or at a safe and convenient location if there is no compound wall) where the connection enters the building.
- 5.2.3. Meter Reading: The Contractor shall:
- (a) Read all consumer water meters in accordance with the general instructions of SNN & MNP;
  - (b) Register all consumer water meter readings in the appropriate computer data base;
  - (c) Develop a monitoring program of random spot-checks to ensure the accuracy of the meters and the meter reading process and provide written reports to SNN & MNP on the results;
  - (d) Develop and implement a plan the intent of which is to ensure that:
    - i. all consumer meters are accurate,
    - ii. all consumer meters are read,
    - iii. all consumer meters are in suitable locations,
    - iv. problems related to unprotected and unsealed consumer revenue meters are resolved,
    - v. develop and implement a program to estimate consumption in circumstances where metering problems exist, and
    - vi. provide advice as to methods to improve the meter reading process to ensure greater accuracy;
  - (e) Convert all consumer revenue meter readings to billings to Customers;
  - (f) Identify consumer revenue meters which have not been read; and
  - (g) Respond to reports of malfunctioning consumer revenue meters from Customers.
- 5.2.4. Meter accuracy: If at any time either Party or customer has reasonable grounds to suspect that any water meter is not accurate in any respect, the discrepancy or

suspected discrepancy shall be immediately reported to the other Party in writing along with any evidence in support of such claim and the Contractor shall arrange for either the testing of the relevant meter at any accredited meter testing workshop if available.

- 5.2.5. The cost of all testing of the water meters other than the electricity meters shall be borne by the Contractor except in the case of testing carried out at the instigation of the Employer or Consumer which shall only be borne by the Contractor if such testing reveals the relevant meter to be inaccurate by more than [3]%, and otherwise by the Employer or Consumer if within such accuracy standards.

5.3. Deleted

5.4. New Connections/Network Expansions during Operate Service Period:

- 5.4.1. The Contractor shall provide new connections to prospective Customers where the property owner or resident applies to the SNN & MNP for a new connection and the SNN & MNP authorizes the same. The SNN & MNP shall indicate clearly whether the applicant is eligible for subsidy or not.

- 5.4.2. When the Contractor provides a new connection, or replaces an illegal connection, the costs of providing the new connection (including material, labour, road cutting and restoration) shall be paid by the SNN & MNP from out of the connections charges collected for such purpose and the Contractor shall inform the SNN & MNP when the connection is completed. The standard cost will be agreed between the SNN & MNP and the Contractor annually and will reflect the average cost of providing such connection. The SNN & MNP will transfer, quarterly, the sum of the standard costs for subsidized connections sanctioned and provided over the previous quarter.

5.5. Customer Relations:

- 5.5.1. The Contractor will provide Services to every Customer in the Service Area in accordance the connection policy of the SNN & MNP.

- 5.5.2. The Contractor shall ensure that Customers throughout the Service Area have easy access to information from the Contractor and are able to lodge complaints with it. The Contractor is obliged to display prominently a schedule of tariffs and details of how to contact the Contractor and file complaints at Customer Service Centres and on SNN & MNP website.

- 5.5.3. The Contractor shall record all complaints from Customers and shall report to the SNN & MNP and respond to complaints.

5.6. Defaulting Customers:

- 5.6.1. In the event a Customer has outstanding dues in excess of the permitted period as per the SNN & MNP's connection policy from the due date, the Contractor shall take the steps authorized by the SNN & MNP's tariff policy and bye laws for collecting the unpaid revenue.

- 5.6.2. On the first day of each month, the Contractor will submit to the SNN & MNP a list of Customers whose payment has been in default for beyond the permitted period and above and the amounts that are outstanding. On receipt of such notice the SNN & MNP will issue a "notice of disconnection" to the Customer in default within fifteen (15) business days of receipt of such report from the Contractor.
- 5.6.3. If the Customer has not paid all the outstanding dues within fifteen (15) days of receipt of such notice, the SNN & MNP will instruct the Contractor to disconnect the defaulting Customers' connection on the SNN & MNP's behalf. On receipt of such instruction, the Contractor shall organize for disconnecting the Customer's connection in the presence of SNN & MNP staff and classify the Customer as a disconnected customer in the customer database.
- 5.6.4. If the SNN & MNP has not issued an instruction to the Contractor within the specified duration, or if the SNN & MNP has issued an instruction to the Contractor to continue the supply to the defaulting customer, the Contractor will continue with supply to the Customer. The amounts billed to the Customer and revenues collected in respect of such bills, after the specified duration or after receipt of instruction to continue supply, shall not be considered in the calculation of Revenue Collection Efficiency of the Contractor.
- 5.6.5. The Contractor along with the monthly report will also submit a list of customers in respect of whom the SNN & MNP has not issued an instruction to disconnect, or has issued an instruction to continue supply, the respective amounts billed, collected and uncollected from them.
- 5.6.6. The amounts that remain due from such Customer shall be treated as "bad debts" in accordance with this Agreement. The Contractor shall give a notice to the SNN & MNP of the amount due, with a copy to Employer and the project management consultant. Upon receipt of such notice, the SNN & MNP, on confirmation of the project management consultant of the shortfall, shall deposit in the dedicated revenue account the shortfall amount set forth promptly and in any event no later than thirty (30) days from when such monies would first fall due to the Contractor.
- 5.6.7. A disconnected Customer may apply to the SNN & MNP for a reconnection as a regular Customer.
- 5.6.8. Unauthorised or illegal connections: On detection of unauthorized or illegal connection during the Contract period, the Contractor will submit to the SNN & MNP a list of Customers with unauthorised or illegal connections. On receipt of such notice the SNN & MNP will issue a "notice of disconnection" to the owner of the connection in default within fifteen (15) days of receipt of such report from the Contractor.
- 5.6.9. If the Customer has not applied for regularization of the connection within fifteen (15) days of receipt of such notice, the SNN & MNP will instruct the Contractor to disconnect the illegal/unauthorized connection. On receipt of such instruction, the Contractor shall disconnect the illegal/unauthorized connection.



5.6.10. If the SNN & MNP has not issued an instruction to the Contractor within the specified duration, the Contractor will continue with supply to the illegal/unauthorized connection. The estimated quantity of water supplied to the connection shall not be considered in the calculation of NRW.

## 6. TRAINING

### 6.1. Training of SNN & MNP Staff

6.1.1. The Contractor shall plan and develop the course content, and implement on-the-job and classroom based training, for SNN & MNP staff for at least 30 person days per year commencing from the Operating Service. Within 365 days from the Contract Completion Date, the Contractor shall organize training for identified shadow managers from amongst the SNN & MNP staff in technical, commercial and financial aspects of water services provision to enable the SNN & MNP to build sufficient capacity and skills to manage the water services after the Contract Completion Date. Commencing from 90 days before the Contract Completion Date, the successor managers either from SNN & MNP or from a future Contractor will overlap and co-manage the operations to ensure continuity in service delivery.

Capacity building, standardisation and training will also apply to this contract.

## 7. ASSET REPLACEMENT DURING OPERATE SERVICE PERIOD

### 7.1. Replacement Schedule for Equipment

The Contractor shall follow scheduled replacement and/or upgradation of the equipment as per the schedule given below.

Table 7.1 Upgradation or Replacement Schedule for Equipment

Item	Scheduled Replacement
Bulk meters	Once in 10 years or as necessary
Customer meters	Once in 7 years or as necessary
Motors for pumps	Once in 12 years or as necessary
Dosing pumps	Once in 6 years or as necessary
Centrifugal and submersible pumps	Once in 15 years or as necessary
Computers, printers and networking equipment	Once in 3 years or as necessary
Software	Continuous timely upgrade including regular upgradation of anti-virus and protection software
Instrumentation	Once in 3 years or as necessary
Painting of civil and mechanical structures	Once in 3 years or as necessary

## 8. HEALTH AND SAFETY

### 8.1. Safety and Security

8.1.1. Accident Prevention Officer: The Contractor shall, at all times, have a nominated Accident Prevention Officer responsible for safety precautions at the Works. The Accident Prevention Officer shall be properly qualified and experienced in Water Supply treatment safety matters. The Contractor shall notify the Employer of the identity of the Accident Prevention Officer.

The responsibilities of the Accident Prevention Officer shall include:

- (a) safety training
- (b) safety inspections, and
- (c) promoting good safety practice
- (d) Investigation of accidents and health and safety breaches.
- (e) The inspection and maintenance of fixed and portable fire protection equipment.

### 8.2. Health and safety procedures

The Contractor shall, no later than one month prior to the Commencement to the Operate Service submit to the Employer's Representative for review and consent, written health and safety procedures (the "Health and Safety Manual") covering all aspects of the operation and maintenance of the Works, including (but limited to):

- (a) Health and safety procedures for the Works
- (b) Use of, storage of, safety arrangements, and evacuation procedures in connection with chlorine and chemical facilities.
- (c) Fire hazard inspection procedures

The Health and Safety Manual shall be updated on an annual basis. A copy of the Health and Safety Manual shall be kept on the site at all times.

The Contractor shall:

- i. Ensure that its operating procedures follow good health and safety practice;
- ii. Ensure that the Works is maintained at all times in a safe condition.
- iii. Train all its staff on health and safety issues in accordance with the Health and Safety Manual and the Staff Training Plan;
- iv. Provide for all staff and visitors the necessary protective and safety equipment and clothing.
- v. Provide all necessary safety and first aid equipment.

### 8.3. Security

In order to protect property, materials and facilities against unauthorised entry and trespassing, theft, destruction, damage, sabotage, embezzlement, fraud and other dishonest, illegal or criminal acts during the Operate Service Period, a security programme shall be prepared, implemented and maintained. The security plan shall be subject to review and comment by the Employer's Representative.

## 9. REPORTING REQUIREMENTS

### 9.1. Periodical Reports

9.1.1. The Contractor shall prepare and submit periodic reports on different plans, progress of works, Service Levels etc., including exceptional reports on emergencies if any. The reporting requirements are provided in Table 9.1 below. The Contractor shall as part of the SIP develop the required formats for the periodic reports and also identify any critical reporting requirements in order to enable timely decision making by the Employer and SNN & MNP.

**Table 9.1: Summary of Periodic Reporting Requirements**

<b>Deliverable</b>	<b>First Report</b>	<b>Follow-up Tasks</b>
Service Improvement Plan (SIP)	Submit SIP not later than 60 days from the Commencement Date	Not applicable
Standard Operating Procedures (SOPs)	Submit report not later than 300 days from the Commencement Date	Complete implementation and training within 547 days from the Commencement Date
O&M manuals	Submit O&M manuals for all relevant operations and installations within 28 days before commencement of Commissioning Period	
Annual operations and maintenance plan (AOMP)	Submit AOMP not later than 300 days from the Commencement Date as part of SIP	Submit AOMP for subsequent years not later than 90 days prior to end of previous year plan
Health and safety manual	Submit along with SIP and update as part of annual operating plan	
Updated IEE, EMP, RP and IPP	As part of SIP and as part of AOP	
Management Information Systems (MIS)	Submit report not later than 90 days after Contract Commencement Date	Complete implementation and training within 547 days from the Commencement Date
Monthly Progress Report on the implementation of SIP during the Design-Build Period	Submit report on or before 10 <sup>th</sup> day of every month detailing the progress achieved during the previous month	Repeat for every month and a consolidated report for every quarter to be submitted to ADB

<b>Deliverable</b>	<b>First Report</b>	<b>Follow-up Tasks</b>
Operating performance report (OPR); the OPR shall include: monthly water account with details of production, distribution and sales; revenue collection; Service Levels achieved or maintained during the month; exceptional reports on emergencies; financial information on project cash flows, etc.	Submit OPR for any and every month before the 10 <sup>th</sup> day of subsequent month commencing from the commencement of Operation Period	Repeat every month
Quarterly performance report (QPR); the QPR shall include a brief summary of the relevant issues detailed in the monthly operating performance including a summary analysis of unpaid bills	Submit quarterly performance report for any and every quarter before 20 <sup>th</sup> day of subsequent quarter commencing from the date of issue of Commissioning Certificate	Repeat for every quarter including summary analysis of unpaid bills
Annual performance report (APR); the APR shall include the annual accounts, cash flow, and financial performance including summary analysis of unpaid bills	Submit annual performance report for any and every year before 20 <sup>th</sup> day of subsequent year	Repeat for every year
Asset and Facilities Register	Submit Asset and Facilities Register within 300 days from the Commencement Date	Submit updated Asset and Facilities Register before 30 <sup>th</sup> day from the completion of an operating year

10. CONTRACTOR'S PERSONNEL AND EQUIPMENT
- 10.1. Contractor's Personnel:
- 10.1.1. Except as otherwise stated in this Agreement, the Contractor shall make arrangements for the engagement of all the Contractor's Personnel in accordance with Applicable Laws. The Contractor is encouraged, to the extent practicable and reasonable, to employ staff and labour having appropriate qualifications and experience from the State of Madhya Pradesh and within India.
- 10.1.2. The Contractor shall provide all expertise, staffing and labour necessary for the continuous and efficient performance of Works.
- 10.1.3. Before the end of the Commissioning Tests, the Contractor shall submit to the Employer's Representative, for review and approval, a detailed programme for Operation and Maintenance of the Works. This shall include an organisation chart with the number of, and job descriptions for, each grade of staff up to and including the general manager.
- 10.1.4. The Contractor shall ensure that its staff possess the necessary qualifications and abilities to undertake their assigned tasks, and shall substitute its staff within three months after being requested by the Employer's Representative.
- 10.1.5. The Contractor shall pay wages, and observe conditions of labour in accordance with Applicable Laws.
- 10.1.6. The Contractor shall inform the Contractor's Personnel about their liability to pay personal income taxes in respect of such of their salaries, wages, allowances and any benefits as are subject to tax under the Applicable Laws of India for the time being in force, and the Contractor shall perform such duties in regard to such deductions thereof as may be imposed on it by such Applicable Laws.
- 10.1.7. The Contractor shall comply with all labour and other Laws applicable to the Contractor's Personnel, including Applicable Laws relating to their employment, health, safety, welfare, immigration and emigration, and shall allow them all their legal rights.
- 10.1.8. The Contractor shall require the Contractor's Personnel to obey all Applicable Laws, including those concerning safety at work
- 10.1.9. The Contractor's Personnel shall be appropriately qualified, skilled and experienced in their respective trades or occupations. The SNN & MNP may require the Contractor to remove (or cause to be removed) any person employed under the Contract, who:
- (a) persists in any misconduct or lack of care,
  - (b) carries out duties incompetently or negligently,
  - (c) is determined, based on reasonable evidence to have engaged or be engaging in corrupt, fraudulent or coercive practice during the Agreement,
  - (d) fails to conform with any provisions of the Agreement, or
  - (e) persists in any conduct which is prejudicial to safety, health, or the protection of the environment.

In such a case the Contractor shall then appoint (or cause to be appointed) a suitable replacement person.

- 10.1.10. The Contractor shall not be eligible for any additional payment towards the cost of personnel deployed from time to time and all cost of personnel shall be part of O&M fee to be paid to the Contractor only.
- 10.1.11. The minimum requirements for the Contractor's key personnel shall be following.

**Table 10.1.10 Personnel Requirements**

Using Form PER-1 and PER-2 in Section 4 (Bidding Forms), the Bidder must demonstrate it has personnel that meet the following Major requirements:

Position	Nos.	Minimum Professional/Academic Qualifications	Minimum years' (specific) experience	Minimum practical experience
<b>Design-Build Period</b>				
Project Manager	1/Package	Graduate Engineer or Professional Equivalent	10 (5)	Managing at least one water supply system of similar size to the bid. Proven experience in construction management, contract management and quality control in construction of water supply projects preferably in laying and commissioning of network pipe lines.
Construction Manager/Senior Engineer	1/Package	Graduate (Civil) Engineer	7 (5)	Experience in construction of urban infrastructure similar size to bid. Proven experience in construction management and quality control
Site/QA-QC Engineers	2 to 3/ULB	Graduate/Diploma (Civil) Engineer	3/5	Experience in construction supervision and quality control of water supply/sewerage works. (One for pipeline work at every 100 Km + One for structures)
Safety /Accident Prevention Officer	1/ULB	Diploma in Safety Management or equivalent	3 (1)	Experience in safety and Hazard Management at site and Knowledge of safety equipments and its use.
<b>Operation Service Period</b>				
Operations Manager	1/Package	Graduate Engineer or Professional Equivalent	5 (2)	<p>Operations manager of any utility industry of similar size to the bid. Prior experience of at least two (2) years in operations and maintenance of any water supply system is essential.</p> <p>Proven skills and experience in the following areas are required:</p> <ul style="list-style-type: none"> <li>• Production planning and demand management</li> <li>• Distribution planning and service delivery</li> <li>• Customer management and public relations</li> <li>• Human resource management</li> <li>• Management information systems</li> <li>• Standard Operating Procedures and</li> <li>• Emergency response</li> </ul>
Accounts/Finance Assistant	1/Package	B Com or Graduate in Management	5 (2)	<p>Preferred experience in any utility financial management with demonstrated experience in:</p> <ul style="list-style-type: none"> <li>• Financial planning and preparation of budgets</li> <li>• Business planning, forecasting and regular financial monitoring</li> </ul>

Position	Nos.	Minimum Professional/Academic Qualifications	Minimum years' (specific) experience	Minimum practical experience
				<ul style="list-style-type: none"> <li>• Procurement and investment planning</li> <li>• Financial management and cost control</li> <li>• Tax planning and compliance</li> <li>• Public finance and statutory compliance</li> </ul>
DMA / Network Engineer	1/ULB	Engineer or Professional Equivalent	5 (2)	<p>Network/Leakage Engineer of at least one system of similar size to the bid with demonstrated experience in the design and implementation of leakage reduction schemes. Proven experience and skills in the following is important:</p> <ul style="list-style-type: none"> <li>• Network management</li> <li>• Flow and pressure management</li> <li>• Data logging and processing, management and monitoring</li> <li>• Leak detection and repair</li> </ul>
Customer Service Manager	1/ULB	Engineer or professional equivalent	5 (2)	<p>Commercial Manager of any utility or service industry at least one system of similar size to the bid with demonstrated experience in customer service management</p> <ul style="list-style-type: none"> <li>• Preparation and delivery of bills</li> <li>• Customer call and complaint management</li> <li>• Public relations and communications</li> </ul>

10.1.12. Uniforms and Logos: The Contractor will ensure that all uniforms worn by Contractor's Personnel and all vehicles used by the Contractor in the course of exercising its duties under this Agreement carry the respective SNN & MNP logo and Contractor's logo, in a format to be agreed between the Contractor and SNN & MNP.

10.1.13. Staff training: The Contractor shall prepare and implement a staff training plan for the training of the Contractor's Personnel. The staff training plan shall be submitted to the Employer's Representative for review and comment.

10.1.14. The quality, quantity and effectiveness of the Contractor's training programmes shall form part of the audit of the Contractor's performance undertaken by the Independent Auditing Body.

10.1.15. The Contractor shall provide familiarity training on an as-needed basis to nominated members of the Employer's Representative's supervisory staff covering the design, operation and maintenance of the Works and the Contractor's procedures for reporting and quality control.

10.2. Contractor's Equipment:



- 10.2.1. The Contractor shall ensure continuous and timely availability all necessary vehicles, equipment required for ensuring effective and efficient Services during Design-Build and Operation Period. The Contractor shall not be eligible for separate payment towards the equipment deployed from time to time.
- 10.3. Replacement of Contractor's Equipment
  - 10.3.1. The Contractor's Equipment deployed on Site, all other equipment, materials and spares shall belong to the SNN & MNP and shall be eligible for suitable replacement in accordance to the Asset Replacement Schedule.
  - 10.3.2. The Contractor shall not be eligible for any additional payment towards the cost of equipment deployed from time to time and all cost of equipment, software, upgrade etc shall be part of O&M fee to be paid to the Contractor only.
  - 10.3.3. The minimum equipment required for operations is provided in the following table.

Table 10.2.1

Minimum Equipment to be deployed during Design Build Period.

No.	Equipment Type and Characteristics	Quantity
1	Excavator	2
2	Concrete batch mix plant	2
3	Transit mixers	4
4	Field test facilities for testing fineness, consistency, setting time compressive & tensile strength of cement compressive & flexural strength of cement concrete and proof stress, elongation, tensile strength, bending & re-bending of reinforcement steel	2
5	Concrete mixer with hopper	4
6	Road roller (tandem/vibratory)	2
7	Needle/ plate vibrator	6
8	Tipper lorries	4
9	Total station survey equipment set	2
10	HDPE Pipe welding sets with weld data loggers	4
11	Water tanker (with sprinkling arrangements)	4

Note: The above is minimum equipment to be deployed during Design Build Period. However, the contractor to decide based on the site conditions.

#### **Equipment to be deployed during Operating Service Period**

The equipment to be deployed during Operating Service Period shall be provided as per BOQ provisions. The quantities for the equipment are the minimum requirement to be deployed during Operating Service Period. However, the contractor shall provide the equipment's as required based on the work and site conditions.

## 11. SERVICE LEVELS

### 11.1. Minimum service levels

The Service Levels and measurement framework governing the period of the Contract during the Operate Service Period shall be as detailed below.

**Table 10. 1 Service Levels during Operate Service Period**

Sl.No.	Description	Details
1.	Parameter	Continuity of Water Supply and Pressure (24x7 water supply)
	Service Level	<p>No DMA shall have more than one (1) incident or interruption, as defined below, in the quarter under review.</p> <p>Water shall be supplied continuously at a minimum pressure of 10m, 24 hours a day and for 365 days in a year. No more than one incident allowed per quarter, [four incidents per year] in each DMA.</p> <p>An incident occurs when either of the following two situations occurs:</p> <ol style="list-style-type: none"> <li>1. Pressure at the critical measurement point is continuously between 2m and 10m for a period exceeding 12 hours (If this situation continues beyond 24 hours it would be considered a new incident, and similarly for every 24hour period thereafter until the incident is resolved).</li> <li>2. Pressure at the measurement point is continuously below 2m for a period exceeding 3 hours. (If this situation continues beyond 12hours it would be considered a new incident, and similarly for every 12hour period thereafter until the incident is resolved).</li> </ol>
	Measured By	Data derived from analysis of pressure data log recorded at the agreed critical measurement point in each DMA during the quarter under review.
	Monitored By	<p>An electronic registry maintained by the Contractor shall include</p> <ol style="list-style-type: none"> <li>i. Time, date and pressure</li> <li>ii. CMP identification number</li> <li>iii. Digital analytical output on number of incidents</li> </ol>
	Allowable Exclusions	<ol style="list-style-type: none"> <li>iv. Planned maintenance periods not exceeding 12 hours each with customers notified 48hours in advance and not exceeding four such interruptions in a year</li> <li>v. Events not related to the water supply infrastructure including power failure, fire-fighting, and shortage of source water</li> </ol>
	Performance	For each incident of supply interruption lasting more than

Sl.No.	Description	Details
	Damage	allowable duration a Performance Damage at Rs.2500 shall be deducted from the payments for Operate Service
2.	Parameter	Resolution of Complaints
	Minimum Service Level	90% of complaints should be resolved within the time period provided for respective category of complaint. Complaints to be resolved within 12 hours: Complaints related to water quality, no water Complaints to be resolved within 24 hours: Complaints related to low pressure, leaks in HSCs Complaints to be resolved within 7 days: Complaints related to delay in providing connection, meter not working properly, delay/errors/problems in billing and collection, change in customer database, reconnection, temporary disconnection, arrears, other complaints connected to customer database, billing or collection.
	Measured By	Percentage of total number of complaints resolved within the respective quarter divided by the total number of complaints received during the quarter under review.
	Monitored By	An electronic registry maintained by the Contractor, the registry shall include detailed database and summary tables including: <ul style="list-style-type: none"> <li>▪ Time and date</li> <li>▪ Complaint number</li> <li>▪ Mode of receipt of complaint</li> <li>▪ Customer name</li> <li>▪ Customer identification number</li> <li>▪ DMA number</li> <li>▪ Nature of complaint</li> <li>▪ Action taken report</li> <li>▪ Time and date of resolution of complaint</li> <li>▪ Specified time period for resolution and actual time period for resolution</li> <li>▪ Time and date at which Customer is provided with response</li> <li>▪ Status of resolution, if pending</li> </ul>
	Allowable Exclusions	None
	Performance Damage	For each complaint not resolved in the stipulated type a Performance Damage at Rs.25 shall be recovered from the payments for Operate Service
3.	Parameter	Treated water quality at the outlet of water treatment works

Sl.No.	Description	Details
	Minimum Service Level	98% samples collected at the outlet of treatment plants, immediately after the process of disinfection shall conform to the standards prescribed in the Potable Water Specification.
	Measured By	For the quarter under review, percentage of number of samples tested and conforming to water quality standards prescribed divided by the total number of samples collected and tested as per the agreed sampling protocol. Uncollected samples shall be deemed to be non-conforming.
	Monitored By	An electronic registry maintained by the Contractor; the registry shall include detailed database and summary tables to be maintained as part of the water quality surveillance protocols agreed as part of the Agreed SIP which will conform to applicable water quality regulations. The water quality testing database shall include: <ul style="list-style-type: none"> <li>▪ Time and date</li> <li>▪ Samples to be collected as per protocol, samples actually collected</li> <li>▪ Sample location</li> <li>▪ Sample number</li> <li>▪ Details of water quality tests conducted</li> <li>▪ Details of remedial actions taken in case of water quality problem</li> <li>▪ Time and date of stoppage and resumption of service level</li> </ul>
	Allowable Exclusions	Deterioration in raw water quality in excess of historically observed values documented in the SIP which cannot be treated by the water treatment plant. Failure in electricity supply to water treatment plants which trigger bye pass arrangements with adequate prior notice.
	Performance Damage	For each episode of non-compliance of water quality, a Performance Damage of Rs.5000 shall be recovered from payments for Operate Service
4.	Parameter	Treated water quality at customer taps
	Service Level	95% samples conforming to the permissible level of residual chlorine to be maintained, other than where the Emergency Response Plan is triggered.
	Measured By	Percentage of number of samples from Customer taps tested and conforming to residual chlorine levels divided by the total number of samples from Customer taps tested for residual chlorine as per the agreed sampling protocol.

Sl.No.	Description	Details
	Monitored By	<p>An electronic registry maintained by the Contractor; the registry shall include detailed database and summary tables to be maintained as part of the water quality surveillance protocols agreed as part of the Agreed SIP.</p> <p>The water quality testing database shall include:</p> <ul style="list-style-type: none"> <li>▪ Time and date</li> <li>▪ Sample location (Customer Identification Number)</li> <li>▪ Sample number</li> <li>▪ Details of water quality tests conducted including the results of tests.</li> <li>▪ Details of remedial actions taken in case of water quality problem</li> <li>▪ Time and date of resumption of service level</li> </ul>
	Performance Damage	For each episode of non-compliance of water quality at customer tap, a Performance Damage at Rs.50 shall be recovered from payments for Operate Service

## 12. SPECIFICATIONS

### 12.1. Standard manuals governing project construction and operations

The technical specifications governing the Agreement shall confirm to all the relevant guidelines, standards, standard operating procedures detailed in the relevant Standards Codes published by Bureau of Indian Standards and shall be in conformity to the following standard manuals.

- i. Manual on Water Supply and Treatment published by Government of India, Ministry of Urban Development, CPHEEO as amended up to date
- ii. Manual on Operations and Maintenance of Water Supply Systems, published by Government of India, Ministry of Urban Development, CPHEEO, January 2005 and as amended up to date

### 12.2. Equivalency of Standards and Codes

Except where otherwise specified, the Works under this Agreement shall comply with the requirements of the referenced or relevant Indian Standards (IS), British Standards (BS), AWWA standards, ISO standards AWS standards, ASTM standards, etc. Other equivalent national or international standards or similar other organizations may be considered at the sole discretion of the Employer's Representative or as may have been agreed in the Agreement. All standards used shall be the latest versions.

12.3. The Contractor shall obtain at least one copy of each IS, BS, or other approved standards or reference material which are referred to in the specification and a copy of all other standards which apply to materials which are being supplied to, or workmanship executed on the works. These standards and reference material shall be available to the Contractor and the Employer's Representative at all reasonable times.

12.4. Where the requirement of any such standard specification or regulation conflict with Employer's Requirements, then the Contractor should refer to the Employer's Representative for clarification before proceeding with construction of the Works.

12.5. The Contractor shall carry out the Works based on the Standard Specifications applicable from time to time in the Madhya Pradesh Urban Administration and Development Directorate available at [www.mpurban.gov.in](http://www.mpurban.gov.in) as provided below.

- i. Specifications Part 1 – Water Supply, Sewerage and Tube Well Works
- ii. Specifications Part 2 – Building Works
- iii. Specifications Part 3 – Road and Bridge Works
- iv. Specifications Part 4 – Electrical Works

12.6. In addition to the Standard Specifications prescribed above, the Contract is governed by the Particular Specifications provided as Part II of this bid document.

12.7. Except as otherwise specified in the above Specifications, the Indian/International Standards and codes of practice in their latest version shall be adhered to for the design, manufacturing, inspection, calibration, installation, field testing, packing, handling and transportation of products. Should any product be offered conforming

to other standards, the equipment or products shall be equal to or superior to those specified and the documentary confirmation shall be submitted for the prior approval of the Employer.

- 12.8. All the Materials incorporated in the Works shall be the most suitable for the duty concerned and shall be new and of first class commercial quality, free from imperfections and selected for long life and minimum maintenance. These may be tested according to relevant Indian Standards (IS) or International Standards Organization (ISO) standards in qualified labs and certificates produced to the satisfaction of the Employer's Representative.



### 13. COMPLIANCE TO ADB SAFEGUARDS

#### 13.1. Compliance to Environmental Safeguards

##### 13.1.1. General Safeguard Tasks & compliance requirements

###### (a) General Safeguard Compliance Requirements

The Contractor shall comply to all the applicable national, state and local environmental laws and regulations including ADB's Safeguard Policy Statement 2009. The specific procedures and compliance requirements are set out in the following documents provided as Supplementary Information which form part of this Bid.

###### (b) Environmental Assessment and Review Framework (EARF) for MPUSIP

###### (c) Initial Environmental Examination report specific for the bid package

###### (d) Environmental Management Plan specific for the bid package

(e) Environmental Management Plan (EMP) is set out in this schedule. Contractor shall update the EMP including the Initial Environmental Examination Report provided at Clause 16, Supplementary Information reflecting the changes, amendments, additions made during the Design Build Period and submit to Employer's Representative for approval.

##### 13.1.2. ADB SPS Requirements:

During the design, construction, and operation of the project, the pollution prevention and control technologies and practices consistent with international good practice, as reflected in internationally recognized standards such as the World Bank Group's Environment, Health and Safety Guidelines, World Health Organization's guidelines on ambient air quality and noise level etc., will be applied. These standards contain performance levels and measures that are normally acceptable and applicable to projects. When Government of India regulations differ from these levels and measures, the contractor will achieve whichever is more stringent. If less stringent levels or measures are appropriate in view of specific project circumstances, provide full and detailed justification for any proposed alternatives that are consistent with the requirements presented in ADB SPS.

##### 13.1.3. Environmental safeguard compliance requirements

###### 13.1.3.1. Design-Build Period

(i) Immediately upon mobilization, the Contractor shall review the IEE Report of the contract package including the screening checklist, category and the Environmental Management Plan, and conduct site visits to understand the environmental sensitivity of the project sites.

(ii) Update the REA checklist, confirm the category, and update/revise the IEE Report of the project reflecting the changes /amendments /additions that are affected in the project during the detailed design

- (iii) Update / revise and finalize the EMP (EMP prepared for the subproject during the preliminary design stage is appended to the bid for reference (Appendix 1).
- (iv) Obtain all necessary clearances and approval of the project. It is the sole responsibility of contractor to obtain clearances that are required for performance of the contract (such a labour licence, clearances for establishing facilities like quarries, crushers, concrete batching plants, etc.,). It will be the responsibility of employer to obtain clearances/approvals required for the construction and operation of the project (such as tree cutting permission, MPPCB consent for WTP etc.). However, contractor is required to provide all necessary assistance, such as documentation, technical support etc., to the employer in obtaining those clearances/approvals.
- (v) Ensure that all design-related measures of the EMP, and conditions, if any, of government regulatory agencies (like MPPCB consent conditions) are duly included in the final designs.
- (vi) Ensure that all regulatory clearances (both project related and contractor related) are in place before start of the construction work.
- (vii) Confirm with PIU availability of rights of way at all project sites prior to start of work.
- (viii) Follow the EMP measures/guidelines for establishment of temporary construction camps, construction waste disposal sites, and material borrow areas, etc.,
- (ix) Prepare and implement traffic management plan (template is provided in IEE)
- (x) Prepare and implement construction site health & safety plan (template is provided in IEE)
- (xi) Implement EMP and ensure compliance with all the mitigation, enhancement and monitoring measures including
- (xii) Comply with applicable government rules and regulations
- (xiii) Conduct environmental monitoring (ambient air, noise and water) as per the EMP and submit reports to PIU/PMC
- (xiv) Address the public complaints on construction promptly, and redress grievances as per the directions of the PIU
- (xv) Identify and report to PMC on any new impacts, and take immediate remedial actions
- (xvi) Submit monthly EMP implementation reports

#### 13.1.3.2. Operate Service Period

- (i) Implement operation stage EMP measures
- (ii) Implement corrective actions, where necessary
- (iii) Submit quarterly EMP implementation report

#### 13.1.4. Environmental Management Plan

- (a) The Environmental Management Plan (EMP) provided as part of IEE Report is part of the Contract. The Contractor shall update and comply during the Design-Build and Operating Service Periods.
- (b) The EMP includes a monitoring program to measure the environmental condition and effectiveness of implementation of the mitigation measures. It will include observations on- and off-site, document checks, and interviews with workers and beneficiaries.
- (c) The Contractor shall prepare and submit to the Employer's Representative, for review and approval, a site environmental plan (SEP) including (i) proposed sites/locations for construction work camps, storage areas, hauling roads, lay down areas, disposal areas for solid and hazardous wastes; (ii) specific mitigation measures following the approved EMP; (iii) monitoring program as per SEP; and (iv) budget for SEP implementation. No works are allowed to commence prior to approval of SEP.
- (d) A copy of the EMP and approved SEP will be kept on site during the construction period at all times. The EMP forms part of the of contract agreement. Non-compliance with, or any deviation from, the conditions set out in this document constitutes a failure in compliance.
- (e) For civil works, the contractor will be required to (i) carry out all of the mitigation and monitoring measures set forth in the approved SEP; and (ii) implement any corrective or preventative actions set out in safeguards monitoring reports that the employer will prepare from time to time to monitor implementation of this IEE and SEP. The contractor shall allocate budget for compliance with these SEP measures, requirements and actions.
- (f) The Initial Environment Examination Report is part of the Contract. It is the responsibility of the contractor to update this IEE, and comply with all its provisions.
- (g) Prior to commencement of the works, the contractor will submit a compliance report to Employer's Representative that all identified pre-construction mitigation measures as detailed in the EMP are undertaken. Contractor should confirm that the resources for EMP compliance are mobilized.
- (h) During construction, results from internal monitoring by the contractor will be reflected in their monthly EMP implementation reports submitted to the Employer's Representative.

#### 13.2. Compliance to Social Safeguards

##### 13.2.1. General Social Safeguard Tasks and Compliance Requirements

The Contractor shall be responsible for design, construction and operation of the sub-project in compliance to all the applicable national and state social protection, land acquisition and resettlement and rehabilitation related laws and regulations,

and the ADB's Safeguard Policy Statement 2009. The specific procedures and compliance requirements are set out in the following documents provided as Supplementary Information which form part of this Bid.

- a. Due-diligence report for the sub-project in the Bid (DDR)
- b. Resettlement Plan for the sub-project in the Bid if applicable (RP)
- c. Indigenous Peoples Plan (IPP) / Indigenous Peoples Due Diligence Report, as applicable

13.2.2. In addition to the social safeguard compliance requirements provided in the DDR the following key and critical tasks shall be ensured during sub-project implementation.

- a. Any third party damages to people and property shall be compensated using the replacement cost principle or market price.
- b. Priority shall be given and best endeavour made to provide employment in project construction work and operation and maintenance work to persons belonging to Scheduled Castes / Scheduled Tribes, women, below poverty line households and affected persons, who are interested and possess required skill or are willing to get trained. Efforts also shall be made to provide skill training to encourage employment in project implementation. Records of employment provided to vulnerable sections to be maintained by contractor for inclusion in social monitoring reports.
- c. Provision of access to all those properties affected during excavation of pipe line trenches until the restoration and extra care shall be taken to provide sufficient warning signs and lighting during night and during rains when the trenches are flooded.
- d. Assistance to shops and vendors to temporarily shift during pipeline construction and also during shifting back to the original status after completion of construction
- e. Grievance Redressal – The Contractor shall designate a site based literate person with communications skills as a nodal person for receiving all grievances, recording and coordination with all other staff in timely resolving the grievances. The telephone number and name of the person shall be disclosed at each work site on the display boards and also in the notice board of ULB concerned.

14. HAND-BACK REQUIREMENTS
- 14.1. Hand Back at Termination:
  - 14.1.1. During the final twelve (12) months of the contract the Contractor will support the SAGAR NAGAR NIGAM &MAKRONIA NAGAR PARISHAD(SNN & MNP) in readiness for hand back of the Facilities at the end of the Term, as laid out in the Contract. The Contractor shall on the Expiry Date (whether due to early termination or lapse of time), hand back free of charge the Facilities all vehicles, equipment, materials and supplies made available to the Contractor pursuant to this Agreement or purchased by the Contractor using funds provided by the SNN & MNP under this Agreement, in at least the same condition, normal wear and tear excepted, as they were when made available to or purchased by the Contractor. For the purpose of clarity, the Contractor shall leave behind all assets in good and operable condition including tools, spares, inventory, machinery and all other movables required for provision of continuous water supply for at least one hundred and eighty (180) days period from the date of handing over. The Contractor shall also deliver to the SNN & MNP all plans, designs, reports programs, surveys and guidelines of any kind whatsoever prepared by the Contractor in performing the Services no later than the Expiry date.
  - 14.2. Preparation for Handback on Expiry of Contract
    - 14.2.1. At least twelve (12) months before the scheduled Expiry Date a joint inspection of the Facilities shall be undertaken by the SNN & MNP and the Contractor. The SNN & MNP shall, within forty five (45) days of such inspection prepare and furnish to the Contractor a list of works/ jobs ("Handback Requirements"), if any, to be carried out so as to conform to the Service Levels and maintenance requirements applicable to the year in which the handing over is contemplated. The Contractor shall promptly undertake and complete such works / jobs at least three (3) months prior to the Expiry Date and ensure that the Facilities continue to meet such requirements until the same are handed back to the SNN & MNP.
    - 14.2.2. Thirty (30) days prior to the Expiry Date, the SNN & MNP and the Contractor shall undertake a joint inspection of the Facilities so as to ensure that Handback Requirements are met. The release of the final payment of the O&M Fees, the Performance Security and other outstanding payments, if any, shall be subject to the Handback Requirements being fully met to the satisfaction of the Employer Representative.
    - 14.2.3. The Contractor, upon written request by the Employer Representative no later than one hundred and eighty (180) days prior to the Expiry Date, shall provide assistance to the SNN & MNP during a transitional period of up to ninety (90) days prior to the Expiry Date. The purpose is to ensure a smooth transition between the Contractor and a subsequent manager of the Facilities. The scope of the transition assistance shall be determined by the Employer's Representative in consultation

with the SNN & MNP provided that the assistance shall be related to only transition services and shall not be the full range of Services as set out under the Contractor's Obligations. If the SNN & MNP makes a request for assistance, the transition assistance shall be provided by those staff of the Contractor identified by the SNN & MNP and Employer's Representative and the identified staff shall be resident in the Service Area until the completion of the transition assistance.

14.3. Handover on Early Termination

14.3.1. In the event of early termination under Clause 15 (*Termination by Employer*) of GCC, immediately upon dispatch or receipt of the notice of termination, the Contractor shall meet with the Employer's Representative and SNN & MNP to agree a schedule for bringing the Services to a close and for handback of the Facilities in a prompt and orderly manner. The Contractor shall return no later than the date agreed by the Employer's Representative and the Contractor under this clause 14.3.1, or failing agreement, the date of termination specified in the termination notice, the Facilities, all vehicles, equipment, materials and supplies made available to the Contractor pursuant to this Agreement or purchased by the Contractor using funds provided by the SNN & MNP under this Agreement, in at least the same condition, normal wear and tear excepted, as they were when made available to or purchased by the Contractor. The Contractor shall also deliver in accordance with Clause 15.6 to the Corporation all plans, designs, reports programs, surveys and guidelines of any kind whatsoever prepared by the Contractor in performing the Services no later than the date of termination.

14.3.2. Upon certification by the Employer Representative and the Audit Body, of fulfilment of the obligations set out in the preceding Clauses 14.2 and 14.2.3 by the Contractor, the Employer shall release the Performance Security. To the extent that the Audit Body certifies that any of the Handback Requirements or requirements under the Clause 14.3.1 are not achieved by the Expiry Date, then the Employer's Representative shall deduct amounts from the final invoice of O&M Fees or other sources towards the implementation of works/ jobs listed in the Handover Requirements which have not been carried out by the Contractor; and purchase of items that have not been handed back to the SNN & MNP in accordance with clause 15.2 GCC.

## 15. TERMS OF APPOINTMENT FOR THE AUDITING BODY

### 15.1. Introduction

The Auditing Body shall be appointed at least 182 days prior to the commencement of the Operate Service, following a competitive selection process, in accordance with ADB's Guidelines on the Use of Consultants, to carry out an independent and impartial audit during the Operate Service.

The purpose will be to audit and monitor the performance of both the Employer and the Contractor during the Operate Service in compliance with the Operate Service Requirements.

The Auditing Body shall commence its duties at least 30 days before commencement of the Commissioning Period

Notwithstanding that the Auditing Body is engaged by the Employer, the Auditing Body shall act independently and impartially. Audit Body shall audit and monitor the performance of both the Contractor and Employer.

### 15.2. Scope of the Services of the Auditing Body

The scope of services of the Auditing Body shall include the following:

- a. To assess the overall performance of the Contractor and confirm that it is meeting its obligations under the contract, including:
  - i. undertaking audits of the reports and plans furnished by the Contractor;
  - ii. undertaking audits to determine whether the Contractor has met the Minimum Service Levels and performance standards;
  - iii. reviewing the Contractor's procedures for water quality testing and reporting;
  - iv. reviewing the Contractor's customer and commercial management activities;
  - v. monitoring and analyzing customer complaints;
  - vi. reviewing matters related to quality assurance, safety and environmental management;
  - vii. commenting on the quality of Contractor and Employer records and audit trails;
  - viii. Reviewing the adequacy of the Contractor's management and staff and assessing whether its training procedures are adequate.
- b. To make recommendations for improvements on the water services provided by the Contractor, including:
  - i. improvements to the Contractor's management and execution of the contract;
  - ii. improvements in the Employer's management and oversight of the Contract;
  - iii. improvements to the cooperation between the Contractor and the SNN & MNPs.
- c. To monitor the Employer's obligations and ensure that the Employer has:
  - i. not interfered with or attempted to improperly influence the Auditor in the performance of any of the Services

- ii. made available to the Auditor all information, assistance, documentation, models and particulars relating to the Services reasonably requested by the Auditor within the time (if any) required by the or, where no period is specified, as soon as practicable; and
- iii. attended regular meetings with the Auditing Body and the Contractor as may be reasonably required;
- iv. enabled the Auditing Body in carrying out the Services as reasonably necessary;
- v. provided explanations and additional information relating to any document, notice or information provided to the Auditing Body;
- vi. paid the Auditing Body of the fee payable for the Services during a month in accordance with the contract; and
- vii. timely approved relevant information or documents submitted by the Contractor;
- viii. Timely processed the Contractor's request for payment; and
- ix. Performed all its obligations under the Contract.
  - d. To recommend matters that should be referred to the DAB for resolution.
  - e. To prepare a draft annual performance report for discussion with the Parties.
  - f. To prepare a final annual performance audit report.

The draft and final annual performance reports shall be submitted simultaneously to the Contractor and Employer.



16. LIST OF SUPPLEMENTARY INFORMATION

- (a) Detailed Project Report of water supply improvement scheme of Nagar Nigam & Makroniya Nagar Parishad
  - I. Volume I – Report and Annexure
  - II. Volume II – Hydraulic Design
  - III. Volume II – Estimate
  - IV. Volume IV – Drawings (Part I)
  - V. Volume IV – Drawings (Part II)
- (b) Initial Environment Examination report for the bid package
- (c) Due-diligence Report on social safeguards for the bid package
- (d) Resettlement Plan for the bid package

### Section 7 - General Conditions of Contract

1. **Name of Employer: Madhya Pradesh Urban Development Company Limited (MPUDC)**, acting through its Engineer-in-Chief
2. **Name of Contract: Improvements to Water Supply to Sagar Nagar Nigam and Makronia Nagar Parishad in Sagar District of Madhya Pradesh.** (MPUSIP- 6B)
3. The Conditions of Contract comprise two parts, this Section 7 - General Conditions of Contract (GCC) and the following Section 8 - Particular Conditions of Contract.
4. The GCC shall be the Conditions of Contract for Design, Build and Operate Projects (First Edition 2008), prepared by the Fédération Internationale des Ingénieurs-Conseils or FIDIC (FIDIC Gold Book) available at <http://fidic.org/bookshop>. The GCC is deemed to include the General Conditions of Dispute Adjudication Agreement and the Procedural Rules for Dispute Adjudication Board Members of the FIDIC Gold Book.
5. Interested bidders may view a copy of the FIDIC Gold Book through inspection of the Bid Document, pursuant to paragraph 5 of the Invitation for Bids. Please contact:  
Engineer-in- Chief  
MPUDC, First Floor, 8, Old Jail Road,  
,  
Bhopal – 462011  
Tel: +91 755 2763060  
Fax: +91 755 2763868  
Email: mpusibpl@gmail.com  
(10:00 to 16:00 only)
6. A Bidder must, as part of its Bid proposal, submit an ‘Undertaking’ stating the following:
  - i. It has read and reviewed the General Conditions of Contract (GCC) referred to in Section 7 of the Bid Document, namely the Conditions of Contract for Design, Build and Operate Projects (First Edition 2008), prepared by the Fédération Internationale des Ingénieurs-Conseils or FIDIC; and
  - ii. In respect of the conditions of contract, its Bid is submitted on the basis of the aforementioned GCC, as supplemented by Section 8 of the Bidding Document.
7. Modifications to the GCC. Pursuant to paragraph 2.12(a) of ADB’s Procurement Guidelines (as amended from time to time), please be advised not to propose any modification to, or deviations from, the provisions set forth in “Section 7 – General Conditions of the Contract (GCC)”, unless there are valid reasons to do so. Unjustified or arbitrary changes are likely to reduce the efficiency that the standard bidding documents intend to achieve. They also increase the burden and cost on people involved in processing, implementing, and administering the Project, while running the risk of adding little or no real value to the Project itself.

### Section 8 - Particular Conditions of Contract

The following Particular Conditions of Contract (PCC) shall supplement the General Conditions of Contract (GCC). Whenever there is a conflict, the provisions herein shall prevail over those in the GCC.

#### Part A – Contract Data

Sub-Clause	Data to be given	Data
1.1.24	Cost plus Profit	Cost + 15% (including profit, overhead and statutory deductions etc)
1.1.26	Cut Off Date	As per Sub-Clause 15.2(h)
1.1.32	Employer's Name and Address	Madhya Pradesh Urban Development Company Limited represented by its Engineer-in-Chief: Address: Engineer-in-Chief MPUDC, 1 <sup>st</sup> Floor, 8, Arera Hills, Old Jail, Bhopal – 462011 (India) Telephone: +91 755 2763060 Fax: +91 755 2763868 Email: <a href="mailto:mpusibpl@gmail.com">mpusibpl@gmail.com</a>
1.1.35	Employer's Representative	The Employer's Representative shall be: The Project Manager, Project Implementation Unit (PIU), MPUDC, Sagar, (Madhya Pradesh)
1.1.70	Section	Section means the part of Works scheduled to be completed in accordance to the Design-Build Period Milestones provided at Table 3.6.5 under sub-clause 3.6.5 in Section 6 – Employer's Requirements.
1.3	Address of Employer's Representative for communication	To be determined later
1.3	Address of Contractor for Communication	To be determined later
1.3 (c)	Agreed Systems of Electronic Transmission	By facsimile or electronic mail only
1.4	Contract shall be governed by the law of	Republic of India and State of Madhya Pradesh. In case of conflict, the Laws of former shall prevail.
1.4	Ruling Language	English

Sub-Clause	Data to be given	Data
1.4	Language for Communication	English
2.1	After receiving the Letter of Acceptance, the Contractor shall be given right of access to all or part of the Site within:	"7 daysafter Commencement Date."
4.2	Performance Security (as percentages of Accepted Contract Amount in currencies)	<p>(a) The Performance Security shall be furnished in two instalments.</p> <p>(b) The first instalment shall be furnished within 28 days of the receipt of notification of award, in the amount (s) of Ten (10) percent of the accepted contract amount for the Design-Build period excluding the Provisional Sums.</p> <p>(c) The second instalment shall be furnished within 28 days from the commencement of commissioning period in the amount (s) of Ten (10) percent of the accepted contract amount for the Operation Service period excluding the estimated cost of electricity consumed determined as 30% of the Variable O&amp;M Fee.</p> <p>(d) The Performance Security shall be denominated in the types and proportions of the currencies in which the Contract Price is payable, or in a freely convertible currency acceptable to the Employer. The Performance Security shall be in the form of an unconditional guarantee from any reputable bank, which may include Scheduled Banks in India, and if the Bank issuing the Performance Security is located outside India, it shall have a correspondent financial institution, which may include Scheduled Banks, in the territory of India to make it enforceable.</p>

Sub-Clause	Data to be given	Data
4.2	Reductions in Performance Security: -	<p>a. 33% of Performance Security shall be returned at the end of the Retention Period;</p> <p>b. 33% of the Performance Security shall be returned following 5 years of continuous and satisfactory performance of the Operate Service in accordance with the Contract, as certified by the Audit Body; and</p> <p>c. The balance Performance Security shall be returned on issue of Contract Completion Certificate.</p>
5.1	Period for notification of errors, faults and other defects in Employer's Requirements	90 days from the Commencement Date
5.2	Contractor's documents requiring approval	The draft Service Improvement Plan and Annual Operating Plan and additional documents specified in included in Section 6 Employer's Requirements.
6.5	Normal working hours on the Site during Design-Build Period	8.00 hours to 18.00 hours
6.5	Normal working hours on the site during Operate Service Period	As required to fulfil the contractual obligations
8.2	Period of the Operate Service	<p>3650 days from the Commissioning Date.</p> <p>In the case of staged commissioning, the specified Operate Service Period shall be measured from the final Commissioning Date.</p>
9.2	Time for Completion of Design-Build	850 days
9.2	Time for Completion of each Section	In accordance with the Design-Build Period Milestones in Table 3.6.5 under sub-clause 3.6.5 in Section 6 Employer's Requirements
9.6	Delay damages	0.15 % of the Accepted Contract Amount pertaining to each Section for every day of delay

Sub-Clause	Data to be given	Data									
9.6	Maximum amount of delay damages	10% of Accepted Contract Amount for the Design-Build Period									
10.6a	Maximum compensation payable by the Contractor	10% of the Accepted Contract Amount for Operate Service									
10.6b	Maximum compensation payable by the Employer	10% of the Accepted Contract Amount for Operate Service									
10.7	Minimum production outputs required	As defined in Section-6, Employer's Requirements, therein under paragraph 11: Service Levels, Table-10 Service Levels during operate service period, under serial no.1, (Row-1, Column-3)									
10.7 (b)	Performance damages	As defined in Section-6, Employer's Requirements, therein under paragraph 11: Service Levels, Table-10 Service Levels during operate service period, Performance Damages under serial no.1, (Row-5, Column-3)									
13.5	Percentage rate to be applied to Provisional Sums	10%									
14.2	Amount of Advance Payment (percent of Accepted Contract Amount)	1) Total 10% of the Accepted Contract amount for Design-Build component excluding Provisional Sums. 2) Number of instalments: Two (2), each of 50% of total advance amount.									
14.2	Repayment of Advance Payment	Each installment of the mobilization advance shall be repaid to the Employer in 10 (ten) equal monthly payments as per the schedule given below: <table border="1" data-bbox="857 1402 1317 1879"> <thead> <tr> <th>Interim Payment for the Work done during the Month After Payment of Advance</th> <th>Deduction from Interim Payment (Percent of Advance Amount)</th> <th>Cumulative recovery of advance (Percent of Advance Amount)</th> </tr> </thead> <tbody> <tr> <td>0 to 3</td> <td>No recovery</td> <td>0%</td> </tr> <tr> <td>4</td> <td>10%</td> <td>10%</td> </tr> </tbody> </table>	Interim Payment for the Work done during the Month After Payment of Advance	Deduction from Interim Payment (Percent of Advance Amount)	Cumulative recovery of advance (Percent of Advance Amount)	0 to 3	No recovery	0%	4	10%	10%
Interim Payment for the Work done during the Month After Payment of Advance	Deduction from Interim Payment (Percent of Advance Amount)	Cumulative recovery of advance (Percent of Advance Amount)									
0 to 3	No recovery	0%									
4	10%	10%									

Sub-Clause	Data to be given	Data																											
		<table border="1"> <tr> <td>5</td> <td>10%</td> <td>20%</td> </tr> <tr> <td>6</td> <td>10%</td> <td>30%</td> </tr> <tr> <td>7</td> <td>10%</td> <td>40%</td> </tr> <tr> <td>8</td> <td>10%</td> <td>50%</td> </tr> <tr> <td>9</td> <td>10%</td> <td>60%</td> </tr> <tr> <td>10</td> <td>10%</td> <td>70%</td> </tr> <tr> <td>11</td> <td>10%</td> <td>80%</td> </tr> <tr> <td>12</td> <td>10%</td> <td>90%</td> </tr> <tr> <td>13</td> <td>10%</td> <td>100%</td> </tr> </table>	5	10%	20%	6	10%	30%	7	10%	40%	8	10%	50%	9	10%	60%	10	10%	70%	11	10%	80%	12	10%	90%	13	10%	100%
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14.3	Percentage of Retention	5%																											
14.3	Limit of Retention Money	5% of Accepted Contract Amount																											
14.6 (b) (i)	Plant and Materials	The relevant Plant and Materials are those approved as part of the Service Improvement Plan																											
14.6(c) (i)	Plant and Materials for payment when delivered to the Site	In accordance to the payment terms provided at Schedule 2 – Schedule of Payments.																											
14.7(b)	Minimum Amount of Interim Payment Certificate	2% (two percent) of the accepted contract amount for Design Build. No minimum amount of interim payment certificate is applicable for operation service.																											
14.17	Currencies for payment of Contract Price	“As per the Accepted Contract Amount in the Letter of Acceptance.”																											
14.17	Proportion of Currencies	“As per the Accepted Contract Amount in the Letter of Acceptance.”																											
14.17	Rate of Exchange	As per Sub-Clause 14.17 (e)																											
14.17	Currencies for Payment of Damages	“Per the Acceptance Contract Amount in the Letter of Acceptance.”																											
14.19	Maximum Amount of Maintenance Retention Fund	5% of the total amount given in the Letter of Acceptance for the Operate Service.																											
17.1	Operation of forces of nature allocated to the Contractor.	None																											
17.8	Total liability of the Contractor shall not exceed	100% of the Accepted Contract Amount																											
19.2 (a) (i)	Deductible Limits	None																											
19.2 (a) (ii)	Additional sum to be insured	Rupees 10 Million																											

Sub-Clause	Data to be given	Data
19.2 (a) 4	Additional sum to be insured	Rupees 10 Million
19.2 (a) 5	Employer's Risks to be insured if different to Sub-Clause 17.1	Nil
19.2 (b)	Insurance for Contractor Equipment	Rupees 15 Million
19.2 (c)	Insurance of Contractor's Equipment (amount required):	Rupees 10 Million
19.2 (c)	Amount of professional liability insurance	Rupees 100 Million
19.2 (c)	Period for which professional liability insurance required	Up to 365 days from the issue of Contract Completion Certificate.
19.2 (f)	Amount of insurance required for injury to persons and damage to property	Shall be at least 2% of Accepted Contract Amount subject to a minimum of Rupees 5 (five) million for each occurrence with unlimited occurrences
19.3 (a)	Amount of fire extended cover insurance required	Above ground assets: Rs.200 Million Underground assets: Rs.25 Million
19.3 (d)	Other insurances required from the Contractor	The Contractor shall ensure that the insurances taken out include cover for: (i) Operations office including the billing section (ii) All Customer Service Centres (iii) All pumping stations including mechanical and electrical equipment
19.3 (e)	Other insurances required by law from the Contractor (give details):	None
19.3 (e)	Other optional insurances required from the Contractor	None
20.3	Date for appointment of DAB	28 days from the Commencement Date
20.3	The DAB shall comprise	The DAB shall comprise one member selected by the Contractor from the list of potential members, which shall be made available by the Employer within thirty (30) days from the issuance of the Letter of Acceptance”.
20.4	Appointing entity (official) for	President of Institution of Engineers



Sub-Clause	Data to be given	Data
	DAB members, if not agreed, shall be:	(India), Bhopal Chapter or a person appointed by him/her.
20.8	Language of Arbitration	English
20.8(a)(b) &(c)	Arbitration	<p><u>For a contract with a local Contractor:</u></p> <p>In the case of a dispute between the Employer and the Contractor, the dispute shall be settled by arbitration in accordance with the Rules of Arbitration applicable in the State of Madhya Pradesh under the Madhya Pradesh Madhyastham Adhikaran Adhiniyam, 1983.</p> <p>Place of arbitration: Bhopal, Madhya Pradesh, India.</p> <p><u>For a contract with a foreign Contractor:</u></p> <p>In the case of a dispute between the Employer and the Contractor, the dispute shall be settled by international arbitration conducted in accordance with the Arbitration Rules of the Singapore International Arbitration Centre. The arbitration procedure shall be administered by the Singapore International Arbitration Center.</p> <p>Place of arbitration: Singapore.”</p>

**Part B -Specific Provisions**

Sub-Clause	Section	Specific Provision
1.1	Definitions	<p>Unless otherwise specifically stated, or unless the context requires otherwise, capitalized terms in this Part B and in the Schedules to the GCC are as defined under Sub-Clause 1.1 of the General Conditions of Contract and under Sub-Clause 1.2 of Section 6.1 Scope of Services under Section 6 - Employer's Requirements.</p> <p>The Particular Conditions of Contract (PCC) Part B - Specific Provisions, is to amend or for additions to the General Conditions of Contract (GCC - Section 7). Whenever there is a conflict, the provisions herein shall prevail over those in the GCC.</p> <p>'Bid' and 'Tender' will have the same meaning, as defined in Section 1- Instructions to Bidder.</p>
1.1.66	Retention Period	<p><i>Replace this sub-clause in its entirety by the following:</i></p> <p><b><i>"Retention Period"</i></b> means the period of one year after the date stated in the commissioning certificate.</p>
1.1.83	Year and Month	<p><i>Amend the Definition as:</i></p> <p>"Year means three hundred and sixty five [365] days and "month" means thirty [30] days</p>
1.1.84	ADB	<p>Add new sub-clause 1.1.84 as follows:</p> <p>"ADB" means the Asian Development Bank, the institution financing the contract</p>
1.1.85	Price Schedules	<p>Add new sub-clause 1.1.85 as follows:</p> <p>"Price Schedules" means those schedule's incorporated in the contract showing the manner in which the contract price broken down into the rates and prices.</p>
1.1.86	Schedule of Performance Guarantees	<p>Add new sub-clause 1.1.86 as follows:</p> <p>"Schedule of Performance Guarantees" means the schedule incorporated in the contract detailing the performance standards to be achieved by the Contractor under the Contract</p>
1.2	Interpretation	<p>Add the following sub-paragraphs, after sub-paragraph (f):</p>

		<p>(g) The word 'Tender' or 'tender' is synonymous with 'Bid' or 'bid' and the words 'Letter of Tender' are synonymous with 'Letter of Bid', and 'tender documents' with 'bidding documents' and</p> <p>(h) The words "Contractor's Proposal" are synonymous with 'Contractor's Technical Proposal'.</p>
1.9	Care and Supply of Documents	<p>Replace the entire third paragraph with the following:</p> <p>"If a Party becomes aware of an error or defect in a document which was prepared for use during execution of Works, the Party shall promptly notice to the other Party of such errors or defect".</p> <p><i>Append the following text in the end of Sub Clause</i></p> <p>"Failure to issue such notice by the Employer or Employer's Representative to the Contractor in respect of any error in the Contractor's Documents shall not in any manner relieve the Contractor of its obligation to ensure the correctness and accuracy of Contractor's Documents and their compliance with requirement of the Contract."</p>
1.16	Inspections and Audit by the Asian Development Bank	<p><i>Add Sub Clause 1.16 as under:</i></p> <p>The Contractor shall permit the Asian Development Bank and/or persons appointed by the Bank to inspect the Site and/or the Contractor's accounts and records relating to the performance of the Contract and to have such accounts and records audited by auditors appointed by the Bank if required by the Bank.</p>
3.6	Management Meetings	<p><i>Insert this Sub-Clause after Sub-Clause 3.5:</i></p> <p>The Employer's Representative or the Contractor's Representative may require the other to attend a management meeting in order to review the progress with reference to the agreed program and arrangements for future work. The Employer's Representative shall record the business of management meetings and supply copies of the record to those attending the meeting and to the Employer. In the record, responsibilities for any actions to be taken shall be in accordance with the</p>

		Contract.
4.1	Contractor's General Obligations	<i>In the second sentence of the fifth paragraph the words 'notified to' are replaced with the words 'approved by'</i>
4.2	Performance Security	<p><i>Add the following lines in the end of third para:</i></p> <p>The entity shall have its origin in any eligible source country listed in Appendix 4 to these Particular Conditions Part B.</p> <p><i>Append the following paragraph after third paragraph:</i></p> <p>Without limitation to the provisions of the rest of this Sub-Clause, whenever any portion of the Contract Price payable in a specific currency increases by more than 25 percent, because of one increase or multiple increases as a result of Variations, the Contractor shall, at the Employer's Representative's request, promptly increase the value of the Performance Security in that currency by an equal percentage.</p>
4.2 A	Parent Company Guarantee	<p><i>Add new Sub-Clause as follows:</i></p> <p>"The Contractor shall arrange for his ultimate parent company (or any other parent company as the Employer may approve in his absolute discretion, acting reasonably) to provide to the Employer a parent company guarantee in the sample form set out in the tender documents, or in another form approved by the Employer, within 28 days after receiving the Letter of Acceptance, and shall send a copy to the Employer's Representative.</p> <p>Where the Contractor comprises a consortium of two or more entities, they shall all cause their respective ultimate parent companies (or other parent company or parent companies approved by the Employer in his absolute discretion, acting reasonably) to provide a joint and several parent company guarantee in</p>

		<p>accordance with this Sub-Clause.</p> <p>The Contractor shall, if requested by the Employer in his absolute discretion, provide to the Employer financial or other information the Employer may require to satisfy himself that the parent company is an appropriate entity with sufficient means to satisfy the parent company guarantee.”</p>
4.3	Contractor's Representative	<p>Add the following at the end of this Sub-Clause:</p> <p>“If the Contractor's Representative or such persons are not fluent in the said language, the Contractor shall make competent interpreters available during all working hours in a number deemed sufficient by the Employer's Representative, acting reasonably”.</p>
4.4	Subcontractors	<p><i>Replace the first sentence of the sub-clause 4.4 [Subcontractors] with the following:</i></p> <p>The Contractor shall not sub contract more than 50%(fifty percent) of the works”</p> <p>Add the following at the end of this Sub-Clause:</p> <p>“The Contractor shall ensure that the requirements imposed on the Contractor by Sub-Clause 1.13 [Confidential Details] apply equally to each Subcontractor.</p> <p>Where practicable, the Contractor shall give fair and reasonable opportunity for Contractor's from the country to be appointed as Subcontractors.</p> <p>The Contractor shall only employ person from any eligible source country as listed under Appendix 4 to these Particular Conditions Part B.</p> <p>The Contractor shall not employ any person which is listed either on:</p> <ul style="list-style-type: none"> <li>• The United Nations Security Council Sanctions Lists, or</li> <li>• The Asian Development Bank Anticorruption Sanction List both accessible on the related organization internet web sites, and as amended from time to time.</li> </ul>

		In case of failure by the Contractor to comply with this requirement, and, for the avoidance of doubt, irrespective of whether the Employer's Representative has given prior consent under this Sub-clause, the Contractor shall forthwith cease any business dealing with any ineligible Subcontractor and replace such subcontractor by one having its origin in an eligible source country, all at the Contractor's risk and cost. Additionally, the Employer, at his own election, shall be entitled to terminate the Contract in accordance with Clause-15 [ <i>Termination by Employer</i> ].
4.12	Unforeseeable Physical Conditions	<i>Add the following at end of the Sub-Clause:</i> In addition to notice of any unforeseeable physical conditions, the Contractor shall provide the Employer's Representative with a written notice of any unanticipated environmental or resettlement risks or impacts that arise during construction, implementation or operation of the Plant or Permanent Works, which were not considered in the updated and approved Initial Environmental Examination (IEE), the Environmental Management Plan (EMP), or the updated and approved Resettlement Plan (RP) attached in Section 6.1 Annex C and Annex D
4.16	Transport of Goods	<i>Add the following at end of the Sub-Clause:</i> The Contractor shall adequately record the condition of roads, agricultural land and other infrastructure prior to the start of transporting Materials, Goods and equipment, and construction.
4.18	Protection of Environment	<i>Insert the following at the end of Sub-Clause:</i> The Contractor shall comply with all applicable national, provincial and local environmental Laws and regulations. The Contractor shall: (a) establish all operational systems for managing environmental impacts; (b) carry out all of the monitoring and mitigation measures set forth in the updated and

		<p>approved IEE and EMP attached in Section 6.1 Annex C; and</p> <p>(c) allocate the budget required to ensure that such measures are carried out from Provisional sum..</p> <p>The Contractor shall submit monthly reports on the implementation and monitoring of such measures to the Employer.</p> <p>More particularly, the Contractor shall comply with (i) the measures and requirements set forth in the updated and approved EMP attached in Section 6.1 Annex C; and (ii) any corrective or preventative actions set out in safeguards monitoring reports that the Employer will prepare from time to time to monitor implementation of the IEE and the EMP.</p> <p>The Contractor shall allocate a budget for compliance with these measures, requirements and actions.</p>
4.21	Progress Reports	<p><i>Insert following after Sub-Clause (h):</i></p> <p>(i) Monitoring of the obligations in Sub-Clauses 4.18, 6.4, 6.7, 6.12, and 6.13.</p>
4.27	On-Site Log Book	<p>Add new Sub-Clause as follows:</p> <p>“The Contractor shall maintain on site a log book, in a form approved by the Employer’s Representative and which shall integrate the fields required in the Employer’s Requirements. It will be used to record the Contractor’s activities on a daily basis, and any instructions from the Employer’s Representative given on site. The Employer’s personnel shall have the right to access to this document at all times, and one copy of each daily record shall be promptly provided by the Contractor to the Employer’s representative.”</p>
5.6	Operation and Maintenance Manuals	<p><i>Amend the Sub-Clause as:</i></p> <p>28 days prior to the commencement of the Commissioning Period for any Section of Works, the Contractor shall supply to the Employer’s Representative two copies of all operation and maintenance manuals and commissioning plans in sufficient detail for the Employer to operate,</p>

		maintain, dismantle, reassemble, adjust and repair the Plant and the Works. The Contractor shall supply the balance of the required operation and maintenance manuals prior to the issue of the Commissioning Certificate. The Works or any Section shall not be considered to be completed for the purposes of issuing the Commissioning Certificate under Sub-Clause 11.7 [Commissioning Certificate] until the Employer's Representative has received these documents.
6.1	Engagement of Staff and Labor	Add the following at the end of this Sub-Clause: “The Contractor shall, to the extent practicable and reasonable, employ staff and labor with appropriate qualifications and experience from sources within the Country”.
6.2	Rates of Wages and Conditions of Employment	Add the following at the end of this Sub-Clause: “The Contractor shall inform the Contractor's Personnel about their liability to pay personal income taxes in the Country in respect of such of their salaries, wages, allowances and any benefits as are subject to tax under the laws of the Country for the time being in force, and the Contractor shall perform such duties in regard to such deductions thereof as may be imposed on him by such laws.”
6.5	Working hours on site	During the Design Build Period: 8.00 to 18.00 hours including one hour lunch break During the Operations Period: As necessary to meet the Service Levels.
6.7	Health and Safety	<i>Insert the following at the end of the Sub-Clause:</i> The Contractor shall conduct health and safety programs for workers employed under the project, and shall include information on the risk of sexually transmitted diseases, including HIV/AIDS in such a program.
6.12	Foreign Personnel	<i>Add Sub-Clause 6.12 as under:</i> “The Contractor may bring in to the Country any foreign personnel who are necessary for the execution of the Works to the extent allowed by the applicable Laws. The Contractor shall ensure that these personnel are provided with the



		<p>required residence visas and work permits. The Employer will, if requested by the Contractor, use his best endeavours in a timely and expeditious manner to assist the Contractor in obtaining any local, state, national, or government permission required for bringing in the Contractor's personnel."</p> <p>"The Contractor shall be responsible for the return of these personnel to the place where they were recruited or to their domicile. In the event of the death in the Country of any of these personnel or members of their families, the Contractor shall similarly be responsible for making the appropriate arrangements for their return or burial."</p>
6.13	Supply of Foodstuffs	<p><i>Add Sub-Clause 6.13 as under:</i></p> <p>The Contractor shall arrange for the provisions of a sufficient supply of suitable food as may be stated in the specification at reasonable prices for the Contractor's Personnel for the purposes of or in connection with the Contract.</p>
6.14	Supply of Water	<p><i>Add Sub-Clause 6.14 as under:</i></p> <p>The Contractor shall, having regard to local conditions, provide on the site an adequate supply of drinking and other water for the use of the Contractor's Personnel.</p>
6.15	Measures Against Insect & Pest Nuisance	<p><i>Add Sub-Clause 6.15 as under:</i></p> <p>"The Contractor shall at all times take the necessary precautions to protect the Contractor's Personnel employed on the Site from insect and pest nuisance and to reduce the danger to their health. The Contractor shall comply with all the regulations of the local health authorities, including use of appropriate insecticides."</p>
6.16	Alcoholic Liquors or Drugs	<p><i>Add Sub-Clause 6.16 as under:</i></p> <p>"The Contractor shall not, otherwise than in accordance with Laws of the Country, import, sell, give, barter, or otherwise dispose of any alcoholic liquor or drugs, or permit or allow importation, sale, gift, barter, or disposal thereto by Contractor's Personnel."</p>

6.17	Arms and Ammunition	<p><i>Add Sub-Clause 6.17 as under:</i></p> <p>“The Contractor shall not give, barter, or otherwise dispose of, to any person, any arms or ammunition of any kind, or allow Contractor’s Personnel to do so.</p>
6.18	Festivals and Religious Customs	<p><i>Add Sub-Clause 6.18 as under:</i></p> <p>“The Contractor shall respect the Country’s recognized festivals, days of rest, and religious or other customs.”</p>
6.19	Funeral Arrangement	<p><i>Add Sub-Clause 6.19 as under:</i></p> <p>“The Contractor shall be responsible, to the extent required by local regulations, for making any funeral arrangements for any of his local employee who may die while engaged upon the works.</p>
6.20	Forced Labour	<p><i>Add Sub-Clause 6.20 as under:</i></p> <p>“The Contractor shall not employ forced labour, which consists of any work or service, not voluntarily performed, that is exacted from an individual under threat of force or penalty, and includes any kind of involuntary or compulsory labour, such as indentured labour, bonded labour or similar labour-contracting arrangements.”</p>
6.21	Child Labour	<p><i>Add Sub-Clause 6.21 as under:</i></p> <p>The Contractor shall not employ children in a manner that is economically exploitative, or is likely to be hazardous, or to interfere with, the child’s education, or to be harmful to the child’s health or physical, mental, spiritual, moral, or social development. Where the relevant labour laws of the Country have provisions for employment of minors, the Contractor shall follow those laws applicable to the Contractor. Children below the age of 18 years shall not be employed in dangerous work.</p>
6.22	Employment Records of Workers	<p><i>Add Sub-Clause 6.22 as under:</i></p> <p>The Contractor shall keep complete and accurate records of the employment of labour at the Site. The records shall include the names, ages, genders, hours worked and wages paid to all workers. These records shall be summarised on a</p>

		<p>monthly basis and submitted to the Employer's Representative. These records shall be included in the details to be submitted by the Contractor under Sub-Clause 6.10 [<i>Records of Contractor's Personnel and Equipment</i>].</p>
<p>6.23</p>	<p>Worker's Organizations</p>	<p><i>Add Sub-Clause 6.23 as under:</i></p> <p>"In countries where the relevant labour laws recognize workers' rights to form and to join workers' organizations of their choosing without interference and to bargain collectively, the Contractor shall comply with such laws. Where the relevant labour laws substantially restrict workers' organizations, the Contractor shall enable alternative means for the Contractor's Personnel to express their grievances and protect their rights regarding working conditions and terms of employment. In either case described above, and where the relevant labour laws are silent, the Contractor shall not discourage the Contractor's Personnel from forming or joining workers' organizations of their choosing or from bargaining collectively, and shall not discriminate or retaliate against the Contractor's Personnel who participate, or seek to participate ,in such organizations and bargain collectively. The Contractor shall engage with such workers' representatives. Workers' organizations are expected to fairly represent the workers in the workforce."</p>
<p>6.24</p>	<p>Non-discrimination and equal Opportunity</p>	<p><i>Add Sub-Clause 6.24 as under:</i></p> <p>The Contractor shall not make employment decisions on the basis of personal characteristics unrelated to inherent job requirements. The Contractor shall base the employment relationship on the principle of equal opportunity and fair treatment, and shall not discriminate with respect to aspects of the employment relationship, including recruitment and hiring, compensation (including wages and benefits), working conditions and terms of employment, access to training,</p>

		<p>promotion, termination of employment or retirement, and discipline. In countries where the relevant labour laws provide for non-discrimination in employment, the Contractor shall comply with such laws. When the relevant labour laws are silent on nondiscrimination in employment, the Contractor shall meet this Sub-Clause's requirements. Special measures of protection or assistance to remedy past discrimination or selection for a particular job based on the inherent requirements of the job shall not be deemed discrimination.</p>
6.25	Resettlement	<p><i>Add Sub-Clause 6.25 as under:</i></p> <p>The Contractor shall comply with (i) the measures and requirements set forth in the updated and approved Resettlement Plan (RP) attached in Section 6.1 Annex B and Indigenous People Protection Plan (IPP) attached in Section 6.1 Annex C, to the extent it concerns impacts on affected people during construction; and (ii) any corrective or preventive actions set out in safeguards monitoring reports that the Employer will prepare from time to time to monitor implementation of the Resettlement Plan.</p> <p>The Contractor shall allocate a budget for compliance with these measures, requirements and actions from Provisional Sum.</p>
7.9	Origin of Goods	<p><i>Add the following new Sub-Clause</i></p> <p>“Goods shall have their origin in any eligible source country listed in Appendix 4 to these Particular Conditions Part B. In case of failure by the Contractor to comply with this requirement, he shall forthwith remove the ineligible Goods from the Site and replace those with Goods having their origin in an eligible source country, all at the Contractor's risk and cost. For the avoidance of doubt, the Employer's Representative shall be entitled to withhold corresponding payment certification in accordance with Sub-Clause 14.7</p>

		<i>[Issue of Advance and Interim Payment Certificates]</i> until such time replacement Goods are provided in accordance with the Contract.”
8.1	Commencement Date	The Commencement Date shall be within 60 days after the Contractor receives the Letter of Acceptance.
8.2	Operate Service Period	<i>Add the following:</i> In the case of sectional completion, the Operate Service shall commence from the date stated in the initial Commissioning Certificate. The Operate Service Period shall continue till 3650 days after the date stated in the Commissioning Certificate of the final section. The Operate Service Period maybe extended with mutual consent on the same terms and conditions up to a period not exceeding 1825 days.
8.3	Programme	<i>Add the following sub-paragraph after sub-paragraph (e):</i> “(f) the STI, STD and HIV/AIDS alleviation programme in accordance with Sub-Clause 6.7 <i>[Health and Safety]</i> ”
8.6	Contract Completion Certificate	<i>Replace in its entirety the 1<sup>st</sup> sentence in the 2<sup>nd</sup> paragraph by the following:</i> “The Employer’s Representative shall, subject to Sub-Clause 11.8 <i>[Joint Inspection Prior to Contract Completion]</i> , Sub-Clause 10.8 <i>[Completion of Operation Service]</i> , Sub-Clause 14.18 <i>[Asset Replacement Fund]</i> and Sub-Clause 4.23 <i>[Contractor’s Operations on Site]</i> , issue the Contract Completion Certificate to the Contractor, with a copy to the Employer, within 21 days after the last day of the Contract Period.”
9.1	Commencement of Design Build	<i>Add the following after the last sentence of this Sub-Clause:</i> “There shall be no work authorized to proceed on Site until such time the Contractor has effected the insurances defined under Sub-Clause 19.2 <i>[Insurances to be provided by the Contractor during the Design-Build Period]</i> in accordance with the provisions under Sub-Clause 19.1 <i>[General</i>

		<i>Requirements].”</i>
9.3	Extension of Time for Completion of Design Build	<i>After “exceptionally adverse climatic conditions”, add the following: “as defined in the Employer’s Requirements”</i>
9.7	Suspension of Work	<i>Add the following after the last sentence of this Sub-Clause:</i> “ <i>As an example, and without limitation to other possible causes, any suspension of work caused by any failure from the Contractor to comply with the obligations stated :</i> under Sub-Clause 4.8 as to safety procedures, under Sub-Clause 4.9 as to the quality assurance, under Sub-Clause 4.18 as to the protection of the environment, or under Sub-Clause 6.7 as to health and safety, shall be considered as cause of suspension which is the responsibility of the Contractor”.
10.2	Commencement of Operation Service	<i>Add the following after the second paragraph:</i> “ <i>The Operation Service shall not commence until such time the Contractor has effected the insurances defined under Sub-Clause 19.3 [Insurances to be provided by the Contractor during the Operation Service Period] in accordance with the provisions under Sub-Clause 19.1 [General Requirements].”</i>
10.3	Independent Compliance Audit	At least 182 days prior to the commencement of the Operate Service, the Auditing Body shall be appointed following a competitive selection process, to carry out an independent and impartial audit during the Operate Service. The terms of appointment of the Auditing Body shall be as specified in the Employer's Requirements, and the purpose will be to audit and monitor the performance of both the Employer and the Contractor during the Operate Service in compliance with the Operate Service Requirements.  The Auditing Body shall commence its duties at least 30days before commencement of

		<p>Commissioning Period.</p> <p>Payment of the Auditing Body shall be made from the Asian Development Bank loan. The procedures for the selection of the Auditing Body shall be in accordance with ADB's Guidelines on the Use of Consultants.</p>
10.7	Failure to reach the production output	<p>Replace the opening sentence with the following:</p> <p>"In the event that the Contractor fails to achieve any of the performance standards defined in the Schedule of Performance Guarantees, the Parties shall jointly establish the cause of such failure.</p>
11.1	Testing of the Works	<p><i>In the fifth Para last sentence replace the words: "Schedule of Guarantees" by "Schedule of Performance Guarantees</i></p>
11.4	Failure to Pass Tests on Completion of Design-Build	<p><i>Replace this Sub-Clause in its entirety by the following:</i></p> <p>"If the Works, or a Section, fail to pass the Tests on Completion of Design- Build repeated under Sub-Clause 11.3 [<i>Retesting of the Works</i>] the Employer's Representative shall be entitled to:</p> <ul style="list-style-type: none"> <li>(a) order further repetition of Tests on Completion of Design-Build under Sub-Clause 11.3 [<i>Retesting of the Works</i>];</li> <li>(b) issue a Notice under Sub-Clause 15.1 [<i>Notice to Correct</i>]; or</li> </ul> <p>issue the Commissioning Certificate to the Contractor subject to the payment of performance damages as per the provisions of Sub- Clause 10.7 [<i>Failure to Reach Production Outputs</i>], in which case the Employer shall also be entitled to forthwith apply the provisions found under Sub-Clause 10.7(b)(ii) without waiting for the prescribed period</p>
12.1(a) iii	Completion of outstanding work and Remedying the Defects	<p><i>Add a new para in the Sub-Clause as under:</i></p> <p>(iii) on the completion of construction, the Contractor shall fully reinstate pathways, other local infrastructure, and agricultural land to at least their pre-project condition as recorded by the</p>

		Contractor in consonance with its obligation in Sub-Clause 4.16.
13.1	Right to Vary	In the second paragraph of this clause, under point no.(iii) make the following correction: “Schedule of Guarantee” read as “Schedule of Performance Guarantee”
13.2	Value Engineering	The Contractor may, at any time, submit to the Employer's Representative a written proposal, which (in the Contractor's opinion) will, if adopted: (a) accelerate completion of the Works; (b) reduce the cost to the Employer of executing, maintaining or operating the Works; (c) improve the efficiency or value to the Employer of the completed Works; (d) improve the efficiency of the Operate Service being provided; or (e) otherwise be of benefit to the Employer; or (f) Improve the Contractor's efficiency and thereby assist the Contractor to achieve the Contract milestones or Minimum Service Levels. The proposal shall be prepared at the cost of the Contractor and shall include the items listed in Sub-Clause 13.3 [ <i>Variation Procedure</i> ]
13.3	Variation Procedure	<i>In the last Para replace the words “reasonable profit” by:</i> “reasonable profit which shall be the percentage profit applicable to the Cost as stated in the Contract Data for Cost Plus Profit under Sub-Clause 1.1.24”
13.5	Provisional Sums	<i>Add the following Para at the end of this Sub-Clause:</i> “As an exception to the above, the Provisional Sum for the cost of the DAB, shall be used to pay the Contractor of the Employer's one-half share of the invoices of the DAB for its fees and expenses, in accordance with Clause 20 [ <i>Claims, Disputes and Arbitration</i> ]. No prior instruction of the Employer's Representative shall be required with respect to the work of the DAB. The Contractor



		shall produce the DAB invoices and satisfactory evidence of having paid the entirety of such invoices as part of the substantiation of those Statements submitted under Sub-Clause 14.3 [ <i>Application for Interim Payment Certificates</i> ]. The Employer's Representative certification of such Statements shall be based upon such invoices and such evidence.
13.9	Adjustments for changes in raw water quality	<i>Add new clause as follows:</i> The Contractor's Operate Service price shall be adjusted to take into account for any increase in operating and maintenance costs resulting from sustained long term deterioration in raw water quality relative the raw water quality characteristics specified in Clause 16 – Supplementary Information.
14.1	The Contract Price	Add the following sentence in the end of the text of clause 14.1 [ <i>The Contract Price</i> ] The amount of applicable Goods & Services Tax (GST) will be paid separately to the Contractor with each bill at the time of payment.
14.2	Advance Payment	<i>Delete the entire text of Sub-clause 14.2 and replace with the following text:</i> Employer will, if requested by the Contractor, make interest-free mobilization advance payments to the Contractor to assist in defraying the initial expenses that will necessarily be incurred by the Contractor for mobilization. The total amount of such advance payments, and the number of installments, shall be as stated in the <b>Part A-Contract Data</b> . The Employer's Representative will issue an Interim Payment Certificate for the first installment after: (i) execution of the Contract Agreement by the parties. (ii) provision by the Contractor of the Performance Security in accordance with Sub-clause 4.2 [ <i>Performance Security</i> ], and (iii) provision by the Contractor of an unconditional and irrevocable bank

		<p>guarantee in amounts and currencies equal to the advance payment. Such bank guarantee shall in the form of an unconditional bank guarantee issued either by a Nationalized or Scheduled Bank located in India or a foreign bank through a correspondent bank located in India and if the issuing bank is located outside India, it shall have a correspondent Bank in territory of India to make it enforceable. The guarantee shall remain effective until the advance payments have been repaid.</p> <p>The mobilization advance payments shall be made in installments as stated in the Contract Data, subject to the conditions described below. The advance payments shall be used by the Contractor exclusively for mobilization expenses, as per the programme approved by the Employer's Representative.</p> <p>The Employer will make payment of the first installment of the mobilization advance only after the Contractor has fulfilled the conditions as stated above.</p> <p>In case the advance payment is not utilized by the Contractor as per the approved programme and within the stipulated period to the satisfaction of the Employer's Representative, default proceedings as per Sub-clause 15.2 [<i>Termination for Contractor's Default</i>] of General Conditions of Contract, will be initiated against the Contractor.</p> <p>It is expected that the Contractor will also mobilize sufficient funds, which should normally be not less than the advance provided by the Employer, so that adequate cash flow is maintained at all times during the execution. The Contractor is required to maintain liquidity from its own sources, and the advance from the Employer is only intended to facilitate the Contractor's mobilization and enhance activities at the Site.</p> <p>After the first installment of the advance payment</p>
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		<p>has been utilized as per the approved programme, substantiated by relevant documents and to the satisfaction of the Employer's Representative; the Contractor may then apply for the second installment. The Employer will make payment of the second installment after the Contractor has fulfilled the following conditions:</p> <ul style="list-style-type: none"><li>(a) Established fully furnished Site office(s);</li><li>(b) Submitted, for approval to the Employer's Representative, mobilization/ deployment schedules;</li><li>(c) Mobilised the survey and subsoil investigation crews to the Site and commenced the surveys and subsoil investigations,</li><li>(d) Deployed:(i) Contractor's key personnel required for managing, executing and supervising the Works, and (ii) Contractor's Plant, Machinery and Equipment required for execution the Works;</li><li>(e) Submitted, Service Improvement Plan (SIP),duly approved by the Employer;</li></ul> <p>Each installment of the mobilization advance shall be repaid to the Employer in 10 (ten) equal monthly payments, each in the amount of 10% (ten percent) of the actual amount of the installment, by way of deduction from the Interim Payment Certificates. Deductions will start from the Interim Payment for the 4<sup>th</sup> (fourth) month following the month in which the advance was paid, and will end with a deduction from the Interim Payment for the 13<sup>th</sup> (thirteenth) month after payment of the advance, as per the schedule indicated in the <b>Part A-Contract Data</b>.</p> <p>If the advance payments have not been fully repaid prior to issue of the Commissioning Certificate, or prior to termination under Clause 15 [<i>Termination by the Employer</i>] or Clause 16 [<i>Suspension and Termination by Contractor</i>] or Clause 18 [<i>Exceptional Risks</i>] (as the case may be) the whole of the balance, then outstanding,</p>
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		<p>shall immediately become due and payable by the Contractor to the Employer.</p> <p>The Employer may, at its sole discretion, forfeit the Bank Guarantee given by the Contractor as security for such advance, if the Contractor is in breach of its obligation under the Contract because the Contractor used the advance payment for purposes other than the costs of mobilization in respect of the Works.</p>
15.8	Corrupt or Fraudulent Practices	<p>Please add the new sub-clause 15.8 as follows:</p> <p>“If the Employer determines, based on reasonable evidence, that the Contractor has engaged in a prohibitive practices, in competing for or in executing the Contract, then the Employer may, after giving 14 days’ notice to the Contractor, terminates the Contract and expel him from the Site, and the provisions of clause-15 shall apply as if such termination had been made under Sub-clause 15.2 [<i>Termination for Contractor’s Default</i>]</p> <p>Should any employee or subcontractor of the Contractor be determined based on the reasonable evidence, to have engaged in a prohibitive practice during the execution of the Contract then that employee shall be removed in accordance with Sub-clause- 6.9 [<i>Contractor’s Personnel</i>]</p> <p><i>The following sentence shall apply:</i></p> <p>[For contracts financed by the Asian Development Bank]</p> <p>For the purposes of this Sub-clause:</p> <p>ADB’s Anticorruption Policy requires Borrowers (including beneficiaries of ADB-financed activity), as well as Contractors, Subcontractors, manufacturers, and Consultants under ADB-financed contracts, observe the highest standard of ethics during the procurement and execution of such contracts. In pursuance of this policy, ADB</p> <p>(a) defines, for the purposes of this provision, the terms set forth below as follows:</p> <p>(i) “corrupt practice” means the offering,</p>

		<p>giving, receiving, or soliciting, directly or indirectly, anything of value to influence improperly the actions of another party;</p> <p>(ii) "fraudulent practice" means any act or omission, including a misrepresentation, that knowingly or recklessly misleads, or attempts to mislead, a party to obtain a financial or other benefit or to avoid an obligation;</p> <p>(iii) "coercive practice" means impairing or harming, or threatening to impair or harm, directly or indirectly, any party or the property of the party to influence improperly the actions of a party;</p> <p>(iv) "collusive practice" means an arrangement between two or more parties designed to achieve an improper purpose, including influencing improperly the actions of another party;</p> <p>(v) "obstructive practice" means (a) deliberately destroying, falsifying, altering, or concealing of evidence material to an ADB investigation; (b) making false statements to investigators in order to materially impede an ADB investigation; (c) failing to comply with requests to provide information, documents or records in connection with an Office of Anticorruption and Integrity (OAI) investigation; (d) threatening, harassing, or intimidating any party to prevent it from disclosing its knowledge of matters relevant to the investigation or from pursuing the investigation, or (e) materially impeding ADB's contractual rights of audit or access to information; and</p> <p>(vi) "integrity violation" is any act which violates ADB's Anticorruption Policy, including (i) to (v) above and the</p>
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		<p>following: abuse, conflict of interest, violations of ADB sanctions, retaliation against whistle blowers or witnesses, and other violations of ADB's Anticorruption Policy, including failure to adhere to the highest ethical standard.</p> <p>(b) will reject a proposal for award if it determines that the Bidder recommended for award has, directly or through an agent, engaged in corrupt, fraudulent, collusive, coercive, or obstructive practices or other integrity violations in competing for the Contract;</p> <p>(c) will cancel the portion of the financing allocated to a contract if it determines at any time that representatives of the borrower or of a beneficiary of ADB-financing engaged in corrupt, fraudulent, collusive, coercive, or obstructive practices or other integrity violations during the procurement or the execution of that contract, without the borrower having taken timely and appropriate action satisfactory to ADB to remedy the situation; and</p> <p>will impose remedial actions on a firm or an individual, at any time, in accordance with ADB's Anticorruption Policy and Integrity Principles and Guidelines (both as amended from time to time), including declaring ineligible, either indefinitely or for a stated period of time, to participate<sup>4</sup> in ADB-financed, administered, or supported activities or to benefit from an ADB-financed, administered, or supported contract, financially or otherwise, if it at any time determines that the firm or individual has, directly or through an agent, engaged in corrupt, fraudulent, collusive, coercive, or obstructive practices or other integrity violations.</p>
17.4	Employer's risks	<i>Add new sub-paragraph (c) as follows:</i>

<sup>4</sup> Whether as a Contractor, Nominated Subcontractor, Consultant, Manufacturer or Supplier, or Service Provider; or in any other capacity (different names are used depending on the particular Bidding Document). A Nominated Subcontractor is one which either has been: (i) included by the Bidder in its prequalification application or bid because it brings specific and critical experience and know-how that are accounted for in the evaluation of the bidder's prequalification application or the bid, or (ii) appointed by the Employer.

	during the Operate Service Period.	(c) Employer risks associated with the performance of existing water treatment facilities (if any): Any financial loss, delay or damage resulting from a deterioration in raw water quality relative to the raw water quality characteristics detailed in the Raw Water Analysis Report provided at Supplementary Information in Section 6 – Employer’s Requirements and this failure means the treatment processes available to the Contractor are not adequate to treat the raw water to meet the Potable Water Specification.
18.1	Exceptional Risks	<i>Add additional risks as follows:</i> (g) Insufficient availability of raw water or quality of raw water does not meet the specification to which the water treatment works is designed for (h) Interruptions in availability of electricity
18.2	Notice of Exceptional Event.	<i>Replace the first sentence of this Sub-Clause by the following:</i> If a Party is or will be substantially prevented from performing his obligations under the Contract due to an Exceptional Event, then it shall give Notice to the other Party of such event or circumstance and shall specify the obligations, the performance of which is or will be prevented”
18.4	Consequences of Exceptional Event	<i>Replace the words:</i> “If the Contractor is prevented from performing any of his obligations under the Contract” <i>by</i> “If the Contractor is substantially prevented from performing his obligations under the Contract
19.1	General Requirements	<i>Add the following at the end of the first paragraph:</i> “The Contractor shall take out any insurance under or in connection with the Contract with insurers from any eligible source country listed in Appendix 4 to these Particular Conditions Part B. In case of failure by the Contractor to comply with this requirement, and irrespective of any former approval from the Employer, he shall

		forthwith take replacement insurance(s) from insurers having their origin in an eligible source country and in terms both subject to approval by the Employer, all at the Contractor's risk and cost. For the avoidance of doubt, the Employer's Representative shall be entitled to withhold corresponding payment certification in accordance with Sub-Clause 14.7 [ <i>Issue of Advance and Interim Payment Certificates</i> ] until such time replacement insurance(s) are provided in accordance with the Contract."
20.3	Appointment of Dispute Adjudication Board	<p><i>Replace the fifth paragraph in its entirety by the following:</i></p> <p>"The agreement between the Parties and either the sole member ("adjudicator") or each of the three members shall be based on the sample form included in the tender documents, and incorporate by reference the General Conditions of Dispute Adjudication Agreement in these General Conditions, with such amendments as are agreed between them."</p>
20.5	Avoidance of Dispute	<p><i>Insert the text below after the first paragraph and before the second paragraph of this Sub-Clause:</i></p> <p>"The DAB shall act, as far as reasonable and practicable, in the spirit of preventing potential problems or claims in between the Parties from becoming Disputes. The DAB shall take reasonable and relevant initiatives in this respect, including, but not necessarily limited to, suggesting the Parties to refer a matter to the DAB in accordance with this Sub-Clause. The DAB shall however not act in a way which may be inconsistent with its obligations under the agreement referred to in Sub-Clause 20.3 [<i>Appointment of the Dispute Adjudication Board</i>] and under Sub-Clause 20.6 [<i>Obtaining Dispute Adjudication Board's Decision</i>], and which may render any of its decision unenforceable for breach of natural justice or any other procedural shortcoming or matter. In particular, when acting</p>



		under this Sub-Clause 20.5, the Dispute Board shall accordingly always meet the Parties jointly, and shall not meet a Party in the absence of the other Party.”
20.6	Obtaining Dispute Adjudication Board's Decision.	<p><i>Replace the first paragraph of this Sub-Clause by the following:</i></p> <p>“If a Dispute (of any kind whatsoever) arises between the Parties in connection with, or arising out of, the Contract or the execution of the Works during the Design-Build Period, including any Dispute as to any certificate, determination, instruction, opinion or valuation of the Employer’s Representative, either Party may refer the Dispute in writing to the DAB for its decision, with copies to the other Party and the Employer’s Representative. Such reference shall state that it is given under this Sub- Clause. The other Party shall then have 21 days to send a response to the DAB with copies to the referring Party and the Employer’s Representative.”</p>
20.10	Disputes Arising during the Operation Service Period	<p>Replace the Sub-Clause 20.10 in its entirety with the following:</p> <p>“Disputes arising during the operation service period which cannot be resolved between the parties shall be settled by a one-person DAB (“Operation Service DAB”). Such person shall be jointly agreed and appointed by the parties by the date 28 days after one party has given notice to the other Party of its intention to refer a Dispute to the DAB in accordance with this Sub-Clause.</p> <p>If the Parties cannot agree on the person who shall be the Operation Service DAB, then the person shall be appointed according to the provisions of Sub-Clause 20.4 [Failure to agree Dispute Adjudication Board].</p> <p>The agreement between the Parties and the Operation Service DAB shall be based on the Sample form included in the tender documents, and incorporate by reference the General</p>

		<p>Conditions of Dispute Adjudication Agreement in these General Conditions, with such amendments as are agreed between them.</p> <p>The terms of remuneration of the operation service DAB shall be mutually agreed upon by the parties when agreeing the terms of appointment. Each Party shall be responsible for paying one-half of this remuneration.</p> <p>The procedure for obtaining a decision from the Operation Service DAB shall be in accordance with the provisions of sub-clause 20.6 [obtaining Dispute Adjudication Board's Decision], and the DAB shall give its decision no later than 84 days after receiving the other party's response or, if no such response is received, within 105 days after receiving the reference and the supporting documentation from the Party referring the Dispute.</p> <p>The appointment of the Operation Service DAB shall expire 28 days after it has given its decision in writing to both Parties.</p> <p>If either Party is dissatisfied with the decision of the Operation Service DAB the provisions of Sub-Clause 20.6 [Obtaining Dispute Adjudication Board's Decision], 20.7 [Amicable Settlement], 20.8 [Arbitration] and 20.9 [Failure to Comply with Dispute Adjudication Board's Decision] shall apply."</p>
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#### Schedules to General Conditions of Contract

- Schedule 1: Obligations of the Employer through MPUDC - supplement to GCC Clause 2
- Schedule 2: Schedule of Payments - supplement to GCC Clause 14
- Schedule 3: Terms of Reference (ToR) of PMC as assistant to Employer's Representative – supplement to GCC Sub-Clause 3.2
- Schedule 4: Operating License – supplement to GCC 1.7

**Schedule 1: Obligations of the Employer through MPUDC**

- 1.1. During the term of this Contract, the Employer shall have the following obligations:
- 1.2. The Employer has ensured the following conditions precedent before the commencement date unless otherwise waived by Parties
  - (a) Employer has entered into a tripartite agreement with the Government of Madhya Pradesh and the Nagar Parishads in complying to the terms of this Contract
  - (b) Employer has obtained the rights and entitlements for utilizing the source of water allocated by respective owner or regulator for the such source;
- 1.3. The Employer shall be responsible for
  - (a) Overall project management including review, finalization, maintenance and supervision of the Contractor's Documents including the agreed Service Improvement Plan, disbursement of the capital expenditures in accordance with the procedure specified in the construction contract, disbursement of Contractor Payments set out in Schedule 5, taking decisions regarding the completion of the Works and the achievement of the respective obligations by each party, and the issue of the certificates on commencement or completion of different periods of Contract.
  - (b) Preparing applications in accordance to standard procedures for obtaining all statutory clearances and approvals required from Government of Madhya Pradesh and/or Government of India, concerning project implementation including all environmental clearances, permission from highway and railway authorities, National Highway Authority, Indian Airlines, Airport Authority of India, Archaeological Survey of India, Ministry of Environment and Forests etc and any other such authorities as may be required.
  - (c) The approval of investments as per the agreed Service Improvement Plan.
  - (d) On receipt of a request from the Contractor to release sufficient funds for either(a) expansion or replacement of any assets approved under the Asset Replacement Fund; or (b) undertaking Asset Replacement works approved like replacement of pumps or electrical infrastructure or provision of new tube wells or any such new works etc., but not including those assets procured and installed by the Contractor as part of the approved Service Improvement Plan, and expressly permitting the Contractor to implement such works on appropriate Variation orders or organizing implementation of such works by third party contractors under separate contracts in such a manner that it will not affect the smooth conduct of the Contractor Obligations under this Contract.
  - (e) Be responsible for the overall project management including decisions regarding achievement/non-achievement of performance obligations by the Contractor and release of eligible payments to the Contractor.

- (f) Supervise payments to the Contractor, all consultants and sub-contractors on request of the main Contractor.
- (g) Manage the project roles and responsibilities, interfaces and resolution of problems arising out of them using appropriate level(s) of interface.
- (h) Manage and disburse the investment component of the Project.
- (i) Timely disbursement of all the eligible Contractor Payments on successful fulfilment of Contractor Obligations under this Contract.
- (j) Establish a dedicated project account with funds secured from ADB and Government of Madhya Pradesh sufficient to ensure at least 90 days cumulative Contractor Payments at any given period of the Contract.
- (k) Be responsible for all communications with regard to organizing project funding, reporting to the funding agency, and obtaining necessary statutory approvals from the Government of Madhya Pradesh.
- (l) Be responsible for ensuring effective and timely compliance of the Obligations of Nagar Parishad as listed in Appendix-1 hereunder.

**Appendix 1: Obligations of Nagar Parishads**

1. Access to Facilities
  - 1.1. The Nagar Parishad shall provide to the Contractor, at no cost to the Contractor, free, continuous and exclusive access to, possession and right to use of, and rights over, the land, installations, and Facilities, sufficient to enable the Contractor to carry out its obligations under this Contract on or before the Commencement Date until the Contract Completion Date. For the avoidance of doubt, the term "Contractor" as used herein shall include duly authorized officers, employees, Contractor's representatives and sub-contractors.
  - 1.2. Ownership of the Facilities shall remain with the Nagar Parishad.
  - 1.3. The Nagar Parishad shall on or before the Commencement Date, grant, or procure for the benefit of the Contractor the rights and powers to repair or replace the facilities, to lay pipes, construct civil structures, install equipment and machinery on its behalf (and carry out necessary excavations to achieve this), undertake necessary remedial works on the existing infrastructure if any and new works, where appropriate, and to install connections and any other rights and powers required by the Contractor to carry out its obligations under this Contract. The Contractor shall give the public or Nagar Parishad reasonable notice of any necessary work which is likely to cause a disruption to the public or Nagar Parishad, and the Parties shall use their best endeavours to agree a mutually acceptable program for such work.
  - 1.4. To the extent that Nagar Parishad requires access to the Facilities, for example to carry out statutory duties, it shall request such access from the Contractor (such consent not to be unreasonably withheld or delayed). The Nagar Parishad, its sub-contractors, employees and consultants (other than the Contractor), in exercising their rights of access to the Facilities within the Service Area, shall comply at all times with:
    - a) All governing laws, relevant permits set forth in GCC Sub-Clause 1.13 and other permits for the services and all relevant health and safety requirements;
    - b) Instructions and directions issued by the Contractor which are necessary to ensure compliance by the Contractor with any governing laws and any relevant health and safety requirements applicable to their respective activities in the Service Area; and
    - c) Such health and safety regulations and site regulations as the Contractor has in effect at the facilities from time to time, such regulations having been provided to Nagar Parishad.
  - 1.5. The Contractor shall be relieved from performance of its obligations under this Contract to the extent that Nagar Parishad or its sub-contractors impede or prevent the performance by the Contractor of its obligations under this Contract but shall use reasonable endeavours to perform the services and mitigate any loss or damage.

- 1.5.1. The Nagar Parishad shall be entitled to monitor on a regular basis the Contractor's performance of the services and may request any technical documents and reports necessary to do so provided that such requests would not hinder the Contractor in performing its obligations under the Contract. The Nagar Parishad shall have access to the Facilities to inspect the facilities during business hours upon reasonable advance notice to the Contractor.
- 1.6. Where the Nagar Parishad or the Employer or its sub-contractors, employees, consultants or agents cause damage to the Facilities in the exercise of its rights under this Sub-Clause 1.6, The Nagar Parishad/the Employer shall be liable to the Contractor for the reasonable cost of repairing the damage to the facilities so caused.
2. The Nagar Parishad shall provide free of charge sufficient space to construct an office, storage, Customer Service Centers, and parking space to enable the Contractor to perform its obligations under this Contract.
3. Land Rent, and Property Taxes if any
  - 3.1. The Nagar Parishad shall be responsible for and pay the land rent and the property taxes if any and the Contractor shall not be responsible for these charges. The Nagar Parishad will also bear the cost of any increase in such charges from time to time.
  - 3.2. The Nagar Parishad will remain responsible for all water related revenue arrears (property tax) dated prior to the commencement of Operate Service Period.
4. Tariff Setting and Timely Revisions
  - 4.1. Within 365 days from the Contract Commencement Date, the Nagar Parishad shall be responsible for establishing a water charging regime by setting a tariff to be charged for water consumed through a metered connection and monthly minimum fixed charges for customers who have no meters.
  - 4.2. Cost recovery will be phased in to avoid tariff shock to the customers, and so that the tariff is commensurate with improved Service Levels as set out in Section 6 Employer Requirements.
  - 4.3. It is required that the tariff for potable water:
    - i. Shall by the end of Design Build Period be able to recover at least [50%] of the Contractor payments due during the Operate Service Period;
    - ii. Shall by the end of 5 (five) years from the issue of Commissioning Certificate be able to recover [100%] of the Contractor payments including payments under Asset Replacement Fund due during the Operate Service Period; and
    - iii. Thereafter shall be increased annually in line with inflation, and to meet revised cost recovery objectives as established by the Nagar Parishad and Government of Madhya Pradesh.
5. Grant of Connections
  - 5.1. Upon receiving a request and recommendation from the Contractor and confirmation of proof of payment of any statutory charges from a potential new Customer, the Nagar Parishad shall grant the approval for providing service connections to such Customers.

6. Non-revenue Connections and Consumption
  - 6.1. The Contractor shall monitor the System in order to detect non-revenue connections and consumption. The Nagar Parishad shall assist the Contractor in identifying non-revenue connections and consumption and preparing invoices for non-revenue consumption. For the avoidance of doubt, the Contractor shall not be responsible for the quality of water taken at non-revenue connections unless and until a formal connection has been installed and a continuous 24 Hour Supply is provided to that connection. The Nagar Parishad shall indemnify the Contractor for any cost, penalty, claim, damage, injury, charge, fine, levy or liability arising out of or in connection with any non-revenue connections or water abstracted therefrom to the extent that the connections are made into pipes carrying raw or clarified water, unless and until such non-revenue connections are connected to the potable water system or local treatment processes are put in place.
7. Licenses and Consents
  - 7.1. The Nagar Parishad shall provide the Contractor with an Operating License for the duration of the Operation Period authorizing the Contractor to operate and maintain the Works and provide water services in the Nagar Parishad.
  - 7.2. The Nagar Parishad shall procure, obtain and maintain all consents to enable the Contractor to perform its duties and its obligations under the Contract for the duration of the Contract. The Nagar Parishad shall deal directly with the departments of the government or statutory authorities on behalf of the Contractor on all matters that require consultation and discussion with such department and shall ensure that the Contractor is able reasonably to perform its duties under the Contract. The Contractor will provide at the Nagar Parishad's request all reasonable assistance and support to the Nagar Parishad in procuring all Consents.
8. Electricity
  - 8.1. The Nagar Parishad shall provide the Contractor with continuous and unimpeded access to electricity supply facilities. The Nagar Parishad shall pay to the electricity supply company all the charges for demand, consumption, etc., as levied other than the penalties if levied due to operating negligence of the Contractor or power factor surcharges. The Contractor's Monthly payments will be adjusted as described in the preamble to the BoQ to account for the electricity used.
9. Third Party Contractors
  - 9.1. The Nagar Parishad shall make an inventory of any Works in relation to the facilities which are in progress (and funded by Nagar Parishad or Government of Madhya Pradesh) at the Commencement Date, deliver to the Contractor two copies of any associated contracts as required by the Contractor, and agree with the Contractor on the conditions of hand over of these Works to the Contractor for operation, maintenance and management (as applicable) by the Contractor upon the

commissioning of such Works, including any additional cost to be incurred or any increase in the Contractor Payments required by the Contractor.

10. Collection of Water Revenue and Deposit:

10.1. The Nagar Parishad shall:

(a) Collect all amounts due to Nagar Parishad as revenues related to the water services:

- i. through Nagar Parishad's billing offices,
- ii. through banks, electronic transfer, and
- iii. by other means as may be prescribed by the Nagar Parishad;

(b) Deploy required staff on shift system in the customer service centre to manage the collection service. The responsibilities of the collection staff shall be:

- i. Receiving cash or cheques or other means of payment and recording the transaction in the revenue account and issuing authorized receipt for the payment to the customer
- ii. Continuous update of computerized revenue account management
- iii. Safe and timely deposit of the cash and other payment instruments into the designated revenue account in the designated bank within 24 hours of the receipt of the payments
- iv. Working on a customer friendly working hours of 8am to 8pm during all working days
- v. Timely resolution of any complaints from customer with coordination with the Contractor

(c) Identify and record all outstanding accounts and initiate and undertake all necessary measures to collect outstanding accounts;

(d) Share the information with the Contractor with summary and analysis of unpaid accounts once in every month;

(e) Manage all aspects of revenue collection services with the Customers including debt management

10.2. Management of collected revenue

- a. With respect to the collection of customer payments under the sole responsibility of the Nagar Parishad, the Nagar Parishad shall directly deposit all of the collected consumer payments, whether in the form of cash, cheques or other form, into the designated revenue account established exclusively for the purpose and owned by the Nagar Parishad by the next business or working day.
- b. Until such time as the Nagar Parishad deposits the charges into the designated revenue account, the charges shall be in the care and custody of the Nagar Parishad staff protected under an appropriate cash on transit insurance.
- c. The Nagar Parishad shall not deposit nor permit the deposit or divert the charges into any account other than the designated revenue account Nagar Parishad account.
- d. The Nagar Parishad shall put in place, prior to the receipt of any of the charges, security measures necessary to protect such charges from loss, theft or destruction.



**Schedule 2: Schedule of Payments**

1. The Contractor payments comprises of two components:
  - a. Payment for Design-Build works; and
  - b. Payment for Operate Service.
  - c. Payments for Asset Replacement
2. Interim Payments for Design-Build works implemented during the Design-Build Period.
  - (i) The eligibility of payment shall be as follows:

<b><u>ITEM NO.- 1 (RIVER PONDING STRUCTURE / ANICUT / WEIR / STOP DAM)</u></b>		
<b>S. No.</b>	<b>Description of Items</b>	<b>% of cost</b>
<b>Construction of River ponding structure / Anicut / Weir / Stop Dam</b>		
1	5% of the quoted price on land survey/ geotechnical survey/ and approval of detail engineering design and drawings	5%
2	25% of the quoted price on completion of excavation, PCC, and foundation in all respect up to river bed level	25%
3	30% of the quoted price on completion of 75% height og desired height or structure on pro-rata basis (i.e with the on progress of work)	30%
4	30% of the quoted price on completion of structure (Anicut) with all respect (i.e protection wall, Apron, Key wall etc.)	30%
5	10% of the quoted price after commencement of water supply from anicut to intake well / WTP	10%
<b>Total of Item No :1</b>		<b>100%</b>
<b><u>ITEM NO- 2 ( INTAKE &amp; RWPH WORK )</u></b>		
<b>Sl. No.</b>	<b>Description of Items</b>	<b>% of cost</b>
<b>Construction of Intake well and raw water pump house with approach bridge.</b>		
<b>A</b>	<b>5% of the quoted price on approval of detailed engineering designs and drawings;</b>	<b>5%</b>
<b>B</b>	<b>10% on completion of each structure of foundation works up to the ground level.</b>	<b>10%</b>
<b>C</b>	<b>30% on completion of each structure of civil construction.</b>	<b>30%</b>
1	On completion of total wall height.	30.0%
2	On completion of pump floor slab.	20.0%
3	On completion of roof slab.	30.0%
4	On completion of plastering, painting, flooring & finishing.	20.0%
<b>Sub total of B</b>		<b>100%</b>
<b>D</b>	<b>30% on supply and installation of all mechanical, electrical equipment</b>	<b>30%</b>
1	On Supply of MS approach Bridge.	40.0%
2	On Installation of MS approach Bridge.	5.0%
3	On Supply of MS Inlet Port with Suitable Sluice Gate & Strainer.	20.0%
4	On Installation of MS Inlet Port with Suitable Sluice Gate & Strainer.	5.0%

<b>S. No.</b>	<b>Description of Items</b>	<b>% of cost</b>
5	On Supply of Suitable Mono Rail with Chain Block.	10.0%
6	On Installation of Suitable Mono Rail with Chain Block.	5.0%
7	On Supply of material for all internal & external electrification and other material etc..	10.0%
8	On Installation of all internal & external electrification and other material etc...	5.0%
	<b>Sub total of D</b>	<b>100%</b>
<b>E</b>	<b>15% after installation of all equipment, instrumentation and protection equipment etc;</b>	<b>15%</b>
<b>F</b>	<b>10% on successful commissioning, testing and demonstration of Service Levels.</b>	<b>10%</b>
	<b>Total of Item No 2 (A+B+C+D+E+F)</b>	<b>100%</b>

**ITEM NO.-3 (For pipe laying works including all accessories)**

<b>S. No.</b>	<b>Description of Items</b>	<b>% of cost</b>
1	60% of the quoted price, against supply and storage of pipe at site	60.0%
2	5% of the quoted price, against supply and storage of pipe fittings at site	5.0%
3	15% after laying of pipes	15.0%
4	10% after sectional testing is completed successfully	10.0%
5	10% on setting up the DMA and commissioning the pipeline.	10.0%
	<b>Total of Item No: 3</b>	<b>100%</b>

The Contractor needs to start laying, jointing and testing of pipes simultaneously. At any time, payment against supply of pipes will not be more than 20% of the pipe length for each ULB of un-laid length, and payment against laying and jointing will not be more than 20% of untested pipeline in the field.

**ITEM NO.-4 ( For Service Reservoirs )**

<b>S. No.</b>	<b>Description of Items</b>	<b>% of cost</b>
1	On approval of detailed engineering designs and drawings	5%
2	After foundation including staging up to ground level	15%
3	After casting complete Staging	20%
4	After casting Ring Beam, cone wall and Bottom Slab or Bottom Dome	10%
5	After Casting Container Vertical wall	15%
6	After Casting Stair-Case, Top Dome etc.	10%
7	Installation of all fittings, piping arrangements, valves etc.	15%
8	Completion of all civil works and electrification etc.	5%
9	Hydraulic testing of the Reservoir	5%
	<b>Total of Item No: 4</b>	<b>100%</b>

<b>ITEM NO.- 5 ( WTP WORK )</b>		
<b>S. No.</b>	<b>Description of Items</b>	<b>% of cost</b>
<b>Construction of Water Treatment plant ( WTP ) / clear water pump house / sump well.</b>		
<b>A</b>	<b>5% of the quoted price on approval of detailed engineering designs and drawings;</b>	<b>5%</b>
<b>B</b>	<b>10% on completion of each structure of foundation works up to the ground level.</b>	<b>10%</b>
1	Aerator @ 3%	3%
2	Flash Mixer @ 2%	2%
3	Clariflocculator @ 30%	30%
4	Filter House @ 25%	25%
5	Chemical House @ 10%	10%
6	Clear water Sump @ 7.5%	7.5%
7	Pump House @ 7.5%	7.5%
8	Sludge Drying Bed @ 5%	5%
9	Staff Quarter @ 5%	5%
10	Boundary Wall @ 5%	5%
<b>Sub Total of "B"</b>		<b>100%</b>
<b>C</b>	<b>30% on completion of each structure of civil construction.</b>	<b>30%</b>
1	Aerator @ 3% of civil construction cost.	3.0%
2	FLASH MIXER @ 2% of civil construction cost.	2.0%
3	CLARI - FLOCCULATOR @ 30% of civil construction cost..	30.0%
4	FILTER HOUSE @ 25% of civil construction cost.	25.0%
5	WASH WATER TANK @ 3% of civil construction cost.	3.0%
6	CHEMICAL HOUSE @ 10% of civil construction cost.	10.0%
7	CLEAR WATER SUMP @ 5% of civil construction cost.	5.0%
8	PUMP HOUSE @ 5% of civil construction cost.	5.0%
9	Sludge Drying Bed @ 5%	5%
10	Staff Quarter @ 5%	5%
11	Boundary Wall @ 5%	5%
12	For Finishing & Painting @ 2% of civil construction cost.	2.0%
<b>SubTotal of "C"</b>		<b>100.0%</b>
<b>D</b>	<b>30% on supply and installation of all mechanical, electrical equipment</b>	<b>30%</b>
1	Aerator @ 3%	3.0%
2	FLASH MIXER @ 2%	2.0%
3	CLARI - FLOCCULATOR @ 40%	40.0%
4	FILTER HOUSE @ 25%	25.0%
5	WASH WATER TANK @ 5%	5.0%

S. No.	Description of Items	% of cost
6	CHEMICAL HOUSE @ 10%	10.0%
7	CLEAR WATER SUMP @ 5%	5.0%
8	PUMP HOUSE @ 5%	5.0%
9	Sludge Drying Bed @ 5%	5.0%
<b>E</b>	<b>15% after installation of all equipment, instrumentation and protection equipment etc;</b>	<b>15%</b>
<b>F</b>	<b>10% on successful commissioning, testing and demonstration of Service Levels.</b>	<b>10%</b>
<b>Total of Item No 5 (A+B+C+D+E+F)</b>		<b>100%</b>
<b><u>ITEM NO:- 6 ( PLC SCADA )</u></b>		
Sl. No.	Description of Items	% of cost
<b>Supplying and Installation of PLC SCADA for data processing, data management equipment, etc. complete with cost of third party inspection, materials, labor, taxes and duties for monitor of flow &amp; pressure of water at Intake, WTP, OHTs and start of DMAs</b>		
1	On Supply & Storage at Site	65.0%
2	On Installation of Equipment/Item	15.0%
3	On Successful Completion of Testing & Trial Run completed successfully	10.0%
4	On Commissioning of the Equipment	10.0%
<b>Total of Item No 5</b>		<b>100%</b>

**3. For Service Improvement Plan payment of submission of report Part I and II will be governed as follows:**

Submission of SIP Report of Part I and Part II as per sub clause 3.3.8 of section -6 Employers requirement, bidding document.

90% of payment for design of individual component shall be released after approval of respective component and remaining shall be released after approval of service improvement plan as per Part I and Part II of sub-clause 3.3.8 of section-6 Employers Requirement, Bidding Documents.

4. While making running payment for the Design-Build works carried out by the Contractor, the cost of Works will be calculated based on BOQ unit rates or the new rates as approved by the Employer. The adjustment in cost of Works will be calculated separately. The difference in adjusted cost and cost of Works already paid shall be paid once the adjustment in cost is calculated.

**5. Payment for Operate Service:**

- (i) Payments for the Operate Service comprises the Contractor's Fixed Monthly O&M Fee and the Contractor's Variable Monthly O&M Fee.
- (ii) The Fixed Monthly O&M Fee and the Variable Monthly O&M Fee shall be invoiced three Months in arrears.

- (iii) The Fixed Monthly O&M Fee "Ff" for any particular month shall be paid as arrears latest by 5<sup>th</sup> of the subsequent month at the rate specified in Bill No..9, Bill of Quantities.
- (iv) The Variable Monthly O&M Fee "Vf" is calculated as follows:  
Contractor's Variable Monthly O&M Fee Vf = BvxFv  
Where:  
"Bv" is the billed volume of water in cubic meters supplied to customers, as measured at the customer meters in the Month under Consideration. The billed volume of customers with non-functional meters shall be based on average consumption in the six months preceding the billing Month under consideration.  
"Fv" is the variable O&M fee in Rupees per cubic meter specified in the Bill of Quantities.
- (v) Performance Damages for failure to meet Service Levels shall be recovered from payments towards Operate Service in accordance to Clause 11 Service Levels, Section 6, Employer's Requirements
- (vi) No penalties or Performance Damages shall be recovered in the event that the Contractor's non-performance has been caused by an Exceptional Event as defined in GCC 18.1 and PCC 18.1.

#### **Tables of Adjustment Data**

##### **Price Adjustment for Design-Build Works**

Price Adjustment for payment for Design-Build works: All Contractor payments for Design-Build works under this Contract shall be governed in accordance to the adjustments for change in costs as provided in GCC Sub-Clause 13.8

The adjustment to be applied to the amount otherwise payable to the Contractor, as valued in accordance with the appropriate Schedule and certified in Payment Certificates, shall be determined from following formula:

$$P_n = A + B (L_n/L_o) + C (C_n/C_o) + D (F_n/F_o) + E (P_n/P_o)$$

Where-

"P<sub>n</sub>" is the adjustment multiplier to be applied to the assessed contract value of the work carried out in period "n", this period shall be in month;

"A" is a fixed coefficient stated in the table of adjustment data, representing a non-adjustable contractual payment;

"B", "C", "D", and "E" are the fixed coefficients, stated in the table of adjustment data, representing the estimated proportion of various components;

"L<sub>n</sub>", "C<sub>n</sub>", "F<sub>n</sub>", and "P<sub>n</sub>" are the current cost indices or reference price for period "n" expressed in the currency of payment, each of which is applicable to the tabulated cost element on 49 days prior to the last day of the period (to which the particular Payment Certificate relates); and

“L<sub>o</sub>”, “C<sub>o</sub>”, “F<sub>o</sub>”, and “P<sub>o</sub>” are the base cost indices or reference price, expressed in the currency of payment, each of which is applicable to the tabulated cost element on the Base Date.

- a. The cost indices or reference prices stated in Table A.1, table of adjustment data, provided in Section 4, shall be used. If their source is in doubt, it shall be determined by the Employer’s Representative. For this purpose, reference shall be made to the values of the indices at stated dates for the purposes of clarification of the source; although these dates (and thus these values) may not correspond to the base cost indices.
- b. Until such time as each current cost index is available, the Employer’s Representative shall determine a provisional index for the issue of Interim Payment Certificates. When a current cost index is available, the adjustment shall be recalculated accordingly.
- c. If the Contractor fails to complete the Design-Build works within the Time for Completion, adjustment of prices thereafter shall be made using either (i) each index or price applicable on the date 49 days prior to the expiry of the Time for Completion of the Design-Build works, or (ii) the current index or price, whichever is more favorable to the Employer.
- d. The weightings (coefficients) for each of the factors of cost stated in the table(s) of adjustment data shall only be adjusted if they have been rendered unreasonable, unbalanced or inapplicable, as a result of Variations
- e. The weightings (coefficients) for each of the factors of cost stated in the table(s) of adjustment data shall only be adjusted if they have been rendered unreasonable, unbalanced or inapplicable, as a result of Variations

**Table A.1—Payment for Design-Build Works**

<b>Index Code</b>	<b>Index Description</b>	<b>Source of Index</b>	<b>Base Value and Date</b>	<b>Bidder's Local Currency Amount</b>	<b>Bidder's Proposed Weighting</b>
A.	Nonadjustable	—	—	—	A.: 0.15
B.	<b>Labor Component (L): Consumer Price Index for Industrial Workers for Bhopal, Madhya Pradesh</b>	<b>Reserve Bank of India</b>	<b>Indices applicable on 28 days prior to deadline for bid submission</b>	<b>As per cost of Works done</b>	<b>B.: 0.25</b>
C.	<b>Cement (C): Wholesale price index for Cement and Lime</b>	<b>Reserve Bank of India</b>	<b>Indices applicable on 28 days prior to deadline for bid submission</b>	<b>As per cost of Works</b>	<b>C.: 0.20</b>
D.	<b>Ferrous Metals (F): Wholesale price index for Iron &amp; Steel (Sub-Group Basic Metals Alloys &amp; Metals Products)</b>	<b>Reserve Bank of India</b>	<b>Indices applicable on 28 days prior to deadline for bid submission</b>	<b>As per cost of Works</b>	<b>D: 0.30</b>
E.	<b>Plastic Products (P): Wholesale Price Index for Plastic Products</b>	<b>Reserve Bank of India</b>	<b>Indices applicable on 28 days prior to deadline for bid submission</b>	<b>As per cost of Works</b>	<b>E: 0.10</b>
<b>Total</b>					<b>1.00</b>

**Price Adjustment for Payments during Operate Service**

All Contractor payments for Operate Service including the Asset Replacement under this Contract shall be governed in accordance to the adjustments for change in costs as provided in GCC Sub-Clause 13.8

The adjustment to be applied to the amount otherwise payable to the Contractor, as valued in accordance with the appropriate Schedule and certified in Payment Certificates, shall be determined from following formula:

$$OM_n = a + b (CPI_n / CPI_o)$$

Where-

“**OM<sub>n</sub>**” is the adjustment multiplier to be applied to the assessed contract value of the eligible payment for Operate Services or Asset Replacement carried out in period “n”, this period shall be in month;

“**CPI<sub>n</sub>**” is the current consumer price index for period “n” expressed in the currency of payment, each of which is applicable to the tabulated cost element on 49 days prior to the last day of the period (to which the particular Payment Certificate relates); and

“**CPI<sub>o</sub>**” is the base consumer price index, expressed in the currency of payment, each of which is applicable to the tabulated cost element on the Base Date



**Table A.2 – Payment for Operate Service**

<b>Index Code</b>	<b>Index Description</b>	<b>Source of Index</b>	<b>Base Value and Date</b>	<b>Local Currency Amount</b>	<b>Weighting</b>
—	Nonadjustable	—	—	—	a: 0.0
B	Consumer Price Index	Reserve Bank of India	Indices applicable on 28 days prior to deadline for bid submission	As per cost of Works	b: 1.0
<b>Total</b>					<b>1.00</b>

**Table A.3 – Payment for Asset Replacement:**

<b>Index Code</b>	<b>Index Description</b>	<b>Source of Index</b>	<b>Base Value and Date</b>	<b>Local Currency Amount</b>	<b>Weighting</b>
—	Nonadjustable	—	—	—	a: 0.0
B	Consumer Price Index	Reserve Bank of India	Indices applicable on 28 days prior to deadline for bid submission	As per cost in Asset Replacement Schedule	b: 1.0
<b>Total</b>					<b>1.00</b>

**Table B - Foreign Currency- Not applicable**

**Schedule 3: Terms of Reference (ToR) of PMC as Employer's Representative**

1. Appointment: MPUDC will appoint a Program Management Consultant (PMC) to assist the Project Management Unit and Project Implementation Units in successful implementation of the project. The PMC's role shall be an assistant to the Employer's Representative for the purpose of monitoring and evaluation of the performance of the Contract during the Contract Period. The PMC shall play a positive and independent role in discharging its functions, thereby facilitating smooth implementation of the Contract.
2. Obligations: The key obligations of the PMC shall be:
  - a) Review the Service Improvement Plan (SIP) furnished by the Contractor and suggest modifications if any required especially with reference to the baseline service levels and investments proposed by the Contractor to achieve the Service Levels stipulated in Section 6 Employer Requirements;
  - b) Monitor the performance of the Contractor and verify the periodical reports furnished by the Contractor in terms of achievement or maintenance of Service Levels set forth in Section 6, Employer Requirements;
  - c) Review the procedures and policies and suggest any modifications or changes required to protect the interest of Customers, Employers, MPUDC and Nagar Parishad;
  - d) Review matters related to safety and environmental management measures adopted by Contractor;
  - e) Provide independent advise to both Parties under this Contract in times of requirement of revision or rebasing of the Service Levels required due to the following events:
    - i. Substantial change in baseline parameters;
    - ii. Discovery of unknown assets and additional infrastructure which can be put to use resulting in revision of Mandatory Works;
    - iii. Failure of the performance of any of the existing assets other than the new or replaced assets implemented by the Contractor necessitating Major Maintenance by way of replacement;
    - iv. Substantial change in Raw Water Quality in the source requiring additional processing and treatment requirements; and
    - v. Default of the Employer, MPUDC or Nagar Parishad on the Contractor's Notice to Correct.
  - f) Attend project review meetings and provide recommendations on mid-course corrections if any, required for successful implementation of the Project;
  - g) Check, verify and advise the Parties on any Variations proposed by the Contractor from time to time;
  - h) Undertake periodical, at least once in a month, on-site verification of the Services and provide recommendations on any issues which require immediate attention and action from any of the Parties;

- i) Set out a mechanism and monitor smooth handover of Facilities by the Nagar Parishad to the Contractor and hand back of the Facilities by the Contractor to Nagar Parishad.
3. Reports: The PMC shall prepare and submit to MPUDC, periodical reports including the following:
  - a) Monthly report on validation of performance of Contractor with reference to the achievement or maintenance of the Service Levels set forth in Section 6 Employer Requirements;
  - b) Report on Variations, Force Majeure Events and Disputes if any;
  - c) Report on Notice to Correct issued and compliance of Parties to correct;
  - d) Issues, if any, with regard to operation, maintenance and management along with the details of the action taken for the resolution of the same;
  - e) Photographic records of on-site periodical verification;
  - f) Report on PMC's compliance with this Terms of Reference; and
  - g) Any other report as may be reasonably required by MPUDC or as may be necessary to give effect to the provisions of this Contract.
4. Duration: The appointment of PMC shall be from the Contract Commencement Date and up to 365 days from the date of commencement of Operate Service Period. MPUDC reserves the right to extend the services of the PMC for a further period or up to the Contract Completion Date.

**Schedule 4: Operating License**

(draft version)

***[on letterhead paper of the Nagar Parishad]***

**License to provide water services**

**Whereas:**

- 1) The Nagar Parishad is responsible for the provision of water services within its municipal boundaries
- 2) The Madhya Pradesh Urban Development Company Limited (MPUDC) has engaged [.....] as Contractor to undertake the improvement of water supply in ..... Nagar Parishad s) on a Design Build Operate (DBO) basis.
- 3) Under the terms of the DBO Agreement the Nagar Parishad is required to issue Operating Licences to the Contractor which shall form part of the DBO Agreement.

**Terms of the License:**

- 1) The Contractor is hereby authorized extract, treat and distribute water as specified in the DBO Agreement and in accordance with the applicable law.
- 2) The Contractor is hereby authorized to operate and maintain the water systems and to undertake customer and commercial management activities, as set out in the DBO Agreement.
- 3) In consideration of the Contractor's performance of the activities set out in the DBO Agreement, but only to the extent provided for in the DBO Agreement, the Employer grants the Contractor for the term the DBO Agreement, the exclusive right, license and authority to occupy, use and enjoy the Site free of charge and free and clear of all claims.
- 4) Notwithstanding its grant of rights set forth herein, the Contractor shall have no right of property or ownership over the Site and of the Works.

This Licence shall come into full force and effect upon the issue of the Commissioning Certificate required under GCC Clause 11.7 of the DBO Agreement and shall remain in force during the Operate Service Period as defined in GCC Clause 1.1.58, unless terminated earlier pursuant to GCC Clause 15 of the DBO Agreement.

**Definitions**

The terms and expressions in this licence shall have the meanings ascribed to them in the DBO Agreement.

Signed: .....

Position: .....

Date .....

**For the Nagar Parishad**

**Section 9 - Contract Forms**

This Section contains forms which, once completed, will form part of the Contract. The forms for Performance Security and Advance Payment Security, when required, shall only be completed by the successful Bidder after contract award.

**Table of Forms**

**Notification of Award ..... 9-206**  
**Contract Agreement..... 9-207**  
**Performance Security ..... 9-209**  
**Advance Payment Security..... 9-210**

**Notification of Award (Letter of Acceptance)**

*[on letterhead paper of the employer]*

..... *date.* .....

To: ..... *name and address of the contractor* .....

Subject: ..... *Notification of Award Contract No.* .....

This is to notify you that your Bid dated ..... *date.* ... for execution of the ..... *name of the contract and identification number, as given in the Bid Data Sheet* ..... for the Accepted Contract Amount of the equivalent of ..... *amount in figures and words and name of currency* . . . . ., as corrected and modified in accordance with the Instructions to Bidders is hereby accepted by our Agency.

You are requested to furnish the Performance Security within 28 days in accordance with the Conditions of Contract, using for that purpose the Performance Security Form included in Section 9 (Contract Forms) of the Bidding Document.

Authorized Signature: .....

Name and Title of Signatory: .....

Name of Agency: .....

Attachment: Contract Agreement

### Contract Agreement

THIS AGREEMENT made the . . . . . day of . . . . ., . . . . ., between . . . . . *name of the employer*. . . . . (hereinafter “the Employer”), of the one part, and . . . . . *name of the contractor*. . . . .(hereinafter “the Contractor”), of the other part:

WHEREAS the Employer desires that the Works known as . . . . . *name of the contract*. . . . . should be executed by the Contractor, and has accepted a Bid by the Contractor for the execution and completion of these Works and the remedying of any defects therein.

The Employer and the Contractor agree as follows:

1. In this Agreement words and expressions shall have the same meanings as are respectively assigned to them in the Contract documents referred to.
2. The following documents shall be deemed to form and be read and construed as part of this Agreement. This Agreement shall prevail over all other Contract documents.
  - (a) the Contract Agreement,
  - (b) the Letter of Acceptance,
  - (c) the Letter of Technical Bid,
  - (d) the Letter of Price Bid,
  - (e) the Variation Nos . . . . . *insert variation numbers if any*. . . . .
  - (f) the Particular Conditions of Contract – Part A,
  - (g) the Particular Conditions of Contract – Part B,
  - (h) the List of Eligible Countries that was specified in Section 5 of the Bidding Document
  - (i) the General Conditions of Contract,
  - (j) the Specifications,
  - (k) the Drawings,
  - (l) the completed Schedules including Bill of Quantities, and
  - (m) any other documents shall be added here.<sup>1</sup>
3. In consideration of the payments to be made by the Employer to the Contractor as indicated in this Agreement, the Contractor hereby covenants with the Employer to execute the Works and to remedy defects therein in conformity in all respects with the provisions of the Contract.
4. The Employer hereby covenants to pay the Contractor in consideration of the execution and completion of the Works and the remedying of defects therein, the Contract Price or such other sum as may become payable under the provisions of the Contract at the times and in the manner prescribed by the Contract.

IN WITNESS whereof the parties hereto have caused this Agreement to be executed in accordance with the laws of . . . . . *name of the borrowing country*. . . . . on the day, month and year indicated above.

<sup>1</sup> Tables of Adjustment Data may be added if the contract provides for price adjustment (see GCC 13.8).

Signed by .....

Signed by.....

for and on behalf of the Employer  
in the presence of

for and on behalf the Contractor  
in the presence of

Witness, Name, Signature, Address, Date

Witness, Name, Signature, Address, Date



**Performance Security**

.....*Bank's name, and address of issuing branch or office*<sup>1</sup>.....

**Beneficiary: Madhya Pradesh Urban Development Company Limited, Palika Bhawan, Shivaji Nagar, Bhopal (M. P.)**

**Date:** .....

**Performance Guarantee No.:** .....

We have been informed that . . . . . *name of the contractor*. . . . . (hereinafter called "the Contractor") has entered into Contract No. . . . . *reference number of the contract*. . . . . dated . . . . . with you, for the execution of . . . . . *name of contract and brief description of works*. . . . . (hereinafter called "the Contract").

Furthermore, we understand that, according to the conditions of the Contract, a performance guarantee is required.

At the request of the Contractor, we . . . . . *name of the bank*. . . . . hereby irrevocably undertake to pay you any sum or sums not exceeding in total an amount of . . . . . *name of the currency and amount in figures*<sup>2</sup> . . . . . ( . . . . . *amount in words*. . . . . ) such sum being payable in the types and proportions of currencies in which the Contract Price is payable, upon receipt by us of your first demand in writing accompanied by a written statement stating that the Contractor is in breach of its obligation(s) under the Contract, without your needing to prove or to show grounds for your demand or the sum specified therein.

This guarantee shall expire, no later than the . . . . . Day of . . . . . , . . . . .<sup>3</sup>, and any demand for payment under it must be received by us at this office on or before that date.

This guarantee is subject to the Uniform Rules for Demand Guarantees, ICC Publication No. 458 (or ICC Publication No. 758 as applicable), except that subparagraph (ii) of Sub-article 20(a) is hereby excluded.<sup>4</sup>

..... *Seal of Bank and Signature(s)*

*If the institution issuing the performance security is located outside the country of the employer, it shall have a correspondent financial institution located in the country of the employer to make it enforceable*

<sup>1</sup> All italicized text is for guidance on how to prepare this demand guarantee and shall be deleted from the final document.

<sup>2</sup> The guarantor shall insert an amount representing the percentage of the contract price specified in the contract and denominated either in the currency(ies) of the contract or a freely convertible currency acceptable to the employer.

<sup>3</sup> Insert the date 28 days after the expected completion date. The employer should note that in the event of an extension of the time for completion of the contract, the employer would need to request an extension of this guarantee from the guarantor. Such request must be in writing and must be made prior to the expiration date established in the guarantee. In preparing this guarantee, the employer might consider adding the following text to the form, at the end of the penultimate paragraph: "The Guarantor agrees to a one-time extension of this guarantee for a period not to exceed [6 months][1 year], in response to the Employer's written request for such extension, such request to be presented to the Guarantor before the expiry of the guarantee."

<sup>4</sup> Or the same or similar to this clause specified in the Uniform Rules for Demand Guarantees, ICC Publication No. 758 where applicable.

**Advance Payment Security**

.....*Bank’s name, and address of issuing branch or office*<sup>1</sup>.....

**Beneficiary: Madhya Pradesh Urban Development Company Limited, Palika Bhawan, Shivaji Nagar, Bhopal (M. P.)**

**Date:**.....

**Advance Payment Guarantee No.:**.....

We have been informed that . . . . . *name of the contractor*. . . . . (hereinafter called "the Contractor") has entered into Contract No. . . . . *reference number of the contract*. . . . . dated . . . . . with you, for the execution of . . . . . *name of contract and brief description of works*. . . . . (hereinafter called "the Contract").

Furthermore, we understand that, according to the Conditions of the Contract, an advance payment in the sum . . . . . *name of the currency and amount in figures*<sup>2</sup>. . . . . (. . . . . *amount in words*. . . . . ) is to be made against an advance payment guarantee.

At the request of the Contractor, we . . . . . *name of the bank*. . . . . hereby irrevocably undertake to pay you any sum or sums not exceeding in total an amount of . . . . . *name of the currency and amount in figures*<sup>3</sup>. . . . . (. . . . . *amount in words*. . . . . ) upon receipt by us of your first demand in writing accompanied by a written statement stating that the Contractor is in breach of its obligation under the Contract because the Contractor used the advance payment for purposes other than the costs of mobilization in respect of the Works.

It is a condition for any claim and payment under this guarantee to be made that the advance payment referred to above must have been received by the Contractor on its account number . . . . . *Contractor’s account number*. . . . . at . . . . . *name and address of the bank*. . . . .

The maximum amount of this guarantee shall be progressively reduced by the amount of the advance payment repaid by the Contractor as indicated in copies of interim statements or payment certificates which shall be presented to us. This guarantee shall expire, at the latest, upon our receipt of a copy of the interim payment certificate indicating that ninety percent (90%) of the Contract Price has been certified for payment, or on the . . . day of . . . . . , . . . . .<sup>4</sup>, whichever is earlier. Consequently, any demand for payment under this guarantee must be received by us at this office on or before that date. This guarantee is subject to the Uniform Rules for Demand Guarantees, ICC Publication No. 458(or *ICC Publication No. 758 as applicable*).

..... *Seal of Bank and Signature(s)*

<sup>1</sup> All italicized text is for guidance on how to prepare this demand guarantee and shall be deleted from the final document.  
<sup>2</sup> The guarantor shall insert an amount representing the amount of the advance payment denominated either in the currency(ies) of the advance payment as specified in the Contract, or in a freely convertible currency acceptable to the employer.  
<sup>3</sup> Footnote 2.  
<sup>4</sup> Insert the expected expiration date of the time for completion. The employer should note that in the event of an extension of the time for completion of the contract, the employer would need to request an extension of this guarantee from the guarantor. Such request must be in writing and must be made prior to the expiration date established in the guarantee. In preparing this guarantee, the employer might consider adding the following text to the form, at the end of the penultimate paragraph: "The Guarantor agrees to a one-time extension of this guarantee for a period not to exceed [6 months][1 year], in response to the Employer’s written request for such extension, such request to be presented to the Guarantor before the expiry of the guarantee."

*If the institution issuing the advance payment security is located outside the country of the employer, it shall have a correspondent financial institution located in the country of the employer to make it enforceable.*