

**EXPRESSION OF INTEREST (EOI)  
and  
REQUEST FOR QUALIFICATION**



# 24 x 7 Water Supply Project For Nagpur City

**Issued on:** *August 10, 2008*  
**Tender No.:** *203/PR/07/08/08*

**Nagpur Municipal Corporation**

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# Summary Description

## 1. PREQUALIFICATION PROCEDURES

### **Instructions to Applicants (ITA)**

This Section specifies the procedures to be followed by Applicants in the preparation and submission of their Applications for Prequalification (AFPs). Information is also provided on evaluation of AFPs.

### **Prequalification Data Sheet (PDS)**

This Section consists of provisions that are specific to this prequalification, and supplements the information or requirements included in Section I, Instructions to Applicants.

### **Qualification Criteria and Requirements**

This Section contains the methods, criteria, and requirements to be used to determine how Applicants shall be prequalified and later invited to bid.

### **Application Forms**

This Section contains the forms for the Application Submission Form and all the forms required to be submitted with the Application.

## **2. SERVICE REQUIREMENTS**

### **Scope of Services**

Nagpur a second capital of Maharashtra has population over 2.5 million spread in 217 sq km. Pursuant the Constitutive Act of Nagpur Municipal Corporation (NMC), this institution is responsible of providing water supply services to the city of Nagpur. The total water supply to city is over 500 mld per day through nearly 225 thousand connection. The distribution network consists of over 2100 km of pipe line network. Nagpur City Development Plan states that NMC mission includes achieving “Water for all and 24 x 7 supplies with focus on safety, equity, and reliability”.

Nagpur Municipal Corporation intends to achieve uninterrupted water supply to city on 24x7 basis. In this context, NMC has received the JNNURM sanctions for about Rs. 615 crore for expansion of water supply systems and will apply to get JNNURM grant for rehabilitation of distribution system for this project of appx Rs. 350 crore. NMC envisages to collect full user charges for assets created under JNNURM. To this end, NMC established new tariff setting, with a view to collecting full cost recovery.

NMC intends to entrust the realization of Full-City uninterrupted 24x7 water supply system in Nagpur to a private operator, which will be required to finance the capital expenditure required to rehabilitate, repair, maintain and to provide for appropriate refurbishing and replacement of water supply infrastructure as required to achieve the objectives of this project.

To this end NMC intends to grant 25-year exclusive rights of operating of water supply services, under which the private operator shall be granted, for a period of 25 years, exclusive rights to operate, maintain, refurbish water supply infrastructure owned by NMC, to deliver water supply services and to collect corresponding water charges on behalf of NMC, and to retain an Operator’s fee in proportion of the volume of water produced and sold. The Operator’s fee shall be intended to cover eligible expenditure incurred by the Operator for running the system. The operator’s fee will depend on factors designed to reward performance in maintaining physical and commercial losses below certain levels and in providing for adequate collection efficiency.

In order to support the initial investment program, this is required to meet NMC objectives in respect to 24x7 uninterrupted water supply service in the entire city by 2012, NMC will arrange for financing the Initial Investment Program with grants under JNNURM arrangements. For this purpose, NMC undertake identifying required improvement works and then developed

corresponding engineering design activities in order to ensure access to JNNURM grants. This program shall be revised by the selected Operator during the Transition Period. The Operator shall submit proposed adjustment to the works program within 6 months after the Commencement Date. NMC,, will make all reasonable effort to provide that these changes in the works program will be accepted by the funding institutions involved in JNNURM financing Memorandum.

Whichever will be the final decision of JNNURM in regards to proposed changes, it shall not release any of the Operator's obligations to meet service levels objectives under the Contract.

## Contents

	<b>Page</b>
<b>PART 1 – Prequalification Procedures.....</b>	<b>1</b>
Section I. Instructions to Applicants.....	1
Section II. Prequalification Data Sheet.....	12
Section III. Qualification Criteria and Requirements .....	15
Section IV. Application Forms .....	23
<b>Part-2 Service Requirements .....</b>	<b>41</b>
Section VI. Scope of Services.....	42

## **PART 1 – Prequalification Procedures**

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# Section I. Instructions to Applicants

## Table of Content

<b>A. General.....</b>	<b>3</b>
1. Scope of Application.....	3
2. Source of Funds .....	3
3. Fraud and Corruption.....	3
4. Eligible Applicants.....	5
5. Eligible Goods and Related Services.....	6
<b>B. Contents of the Prequalification Document .....</b>	<b>7</b>
6. Sections of Prequalification Document .....	7
7. Clarification of Prequalification Document.....	7
8. Amendment of Pre-qualification Document.....	8
<b>C. Preparation of Applications.....</b>	<b>8</b>
9. Cost of Applications .....	8
10. Language of Application.....	8
11. Documents Comprising the Application.....	8
12. Application Submission Form .....	8
13. Documents Establishing the Eligibility of the Applicant .....	8
14. Documents Establishing the Qualifications of the Applicant.....	8
15. Signing of the Application and Number of Copies.....	8
<b>D. Submission of Applications.....</b>	<b>9</b>
16. Sealing and Identification of Applications .....	9
17. Deadline for Submission of Applications.....	9
18. Late Applications .....	10
19. Opening of Applications .....	10
<b>E. Procedures for Evaluation of Applications .....</b>	<b>10</b>
20. Confidentiality .....	10
21. Clarification of Applications.....	10

22.	Responsiveness of Applications .....	10
23.	Subcontractors.....	10
<b>F. Evaluation of Applications and Prequalification of Applicants.....</b>		<b>11</b>
24.	Evaluation of Applications .....	11
25.	NMC's Right to Accept or Reject Applications .....	11
26.	Prequalification of Applicants .....	11
27.	Notification of Prequalification .....	11
28.	Invitation to Bid .....	11
29.	Changes in Personnel or Qualifications of Applicants .....	11

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# Section I. Instructions to Applicants

## A. General

- 1. Scope of Application**
  - 1.1 In connection with the Invitation for Prequalification indicated in Section II, Prequalification Data Sheet (PDS), the Granting Authority, as defined in the **PDS**, issues this Prequalification Document (PQD) to applicants interested in bidding for the Services described in Section VI, Scope of Services. The Tender number corresponding to this prequalification is provided in the **PDS**.
  
- 2. Source of Funds**
  - 2.1 NMC intends to apply for Government grants under JNNURM and shall allocate these funds to eligible payments under the contract(s) resulting from the bidding for which this Pre-qualification is conducted.
  
- 3. Fraud and Corruption**
  - 3.1 NMC requires that Applicants, Bidders, Suppliers, Contractors, and Consultants under NMC contracts, observe the highest standard of ethics during the procurement and execution of such contracts. In pursuit of this policy, NMC:
    - (a) Defines, for the purposes of this provision, the terms set forth below as follows:
      - (i) “corrupt practice”<sup>1</sup> is the offering, giving, receiving or soliciting, directly or indirectly, of anything of value to influence improperly the actions of another party;
      - (ii) “fraudulent practice”<sup>2</sup> is 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;

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<sup>1</sup> “Another party” refers to a public official acting in relation to the procurement process or contract execution]. In this context, “public official” includes NMC staff and employees of other organizations taking or reviewing procurement decisions.

<sup>2</sup> “Party” refers to a public official; the terms “benefit” and “obligation” relate to the procurement process or contract execution; and the “act or omission” is intended to influence the procurement process or contract execution.

- (iii) “collusive practice”<sup>3</sup> is an arrangement between two or more parties designed to achieve an improper purpose, including to influence improperly the actions of another party;
- (iv) “coercive practice”<sup>4</sup> is 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;
- (v) “obstructive practice” is
  - (i) deliberately destroying, falsifying, altering or concealing of evidence material to the investigation or making false statements to investigators in order to materially impede an investigation into allegations of a corrupt, fraudulent, coercive or collusive practice; and/or 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
  - (ii) acts intended to materially impede the exercise of the inspection and audit rights
- (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 or coercive practices in competing for the Contract in question;

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<sup>3</sup> “Parties” refers to participants in the procurement process (including public officials) attempting to establish bid prices at artificial, non competitive levels.

<sup>4</sup> “Party” refers to a participant in the procurement process or contract execution.

**4. Eligible Applicants**

- 4.1 An Applicant shall be a private, public or government owned legal entity, subject to ITA 4.6 and 4.7, or any combination of them in the form of association(s) including Joint Venture (JV) with the formal intent, as evidenced by a letter of intent), to enter into an agreement or under an existing agreement. In the case of a JV, (i) all parties shall be jointly and severally liable, and (ii) there shall maximum 03 number of partners, and (iii) the JV shall nominate a Representative who shall have the authority to conduct all business for and on behalf of any and all the partners of the JV during the prequalification and bidding process and, in the event the JV is awarded the Contract, during signing of contract. Iv) In case of JV, minimum one partner should be from India. VI) NMC prefers that all Indian partners to gether shall hold equity stake not less than 50 % in joint venture, however this condition is not mendatory for prequalification.
- 4.2 The eligibility criteria listed in ITA 4 shall apply to the Applicant, including the parties constituting the Applicant for any part of the Contract including related Services.
- 4.3 An Applicant may have the nationality of any country, subject to the restrictions pursuant to sub clause 4.10. An Applicant shall be deemed to have the nationality of a country if the Applicant is a citizen, or is constituted, incorporated or registered and operates in conformity with the provisions of the laws of that country, as evidenced by its Articles of Incorporation or Documents of Constitution, and its Registration Documents.
- 4.4 Applicants shall not have a conflict of interest. Applicants have an obligation to disclose any situation of actual or potential conflict that impact their capacity to serve the best interest of the NMC, or that may reasonably be perceived as having this effect. Failure to disclose said situations may lead to rejection of the Application, Bid, or eventual termination of the Contract.
- 4.5 An Applicant shall submit only one application in the same Prequalification process, either individually as an Applicant or as a partner of a JV. No Applicant can be a subcontractor while submitting an application individually or as a partner of a joint venture in the same Prequalification process. An Applicant who submits, or participates in, more than one application will cause all the applications in which the Applicant has participated to be disqualified.

- 4.6 An Applicant that is under a declaration of ineligibility by NMC or by any other Governmental Authority in India, in accordance with ITA 3, at the date of submission of the application or thereafter, shall be disqualified.
- 4.7 Government-owned entities shall be eligible only if they can establish that they are legally and financially autonomous, and operate under commercial law.
- 4.8 Applicants shall not be under execution of a Bid-Securing Declaration in India.
- 4.9 Applicants and all parties constituting the Applicant shall provide such evidence of their continued eligibility satisfactory to the NMC, as the NMC shall reasonably request.
- 4.10 Applicants from an eligible country may be excluded if, (a) as a matter of law or official regulations the Republic of India prohibits commercial relations with that country; or (b) 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 Republic of India prohibits any import of goods from that country, contracting of Services from that country, or any payments to persons or entities in that country.

**5. Eligible  
Goods and  
Related  
Services**

- 5.1 NA

## **B. Contents of the Prequalification Document**

### **6. Sections of Prequalification Document**

6.1 The document for the prequalification of Applicants (hereinafter “prequalification document”) consists of parts 1 and 2 which comprise all the sections indicated below, and should be read in conjunction with any Addendum issued in accordance with ITA 8.

#### **PART 1 Prequalification Procedures**

- Section I. Instructions to Applicants (ITA)
- Section II. Prequalification Data Sheet (PDS)
- Section III. Qualification Criteria and Requirements
- Section IV. Application Forms
- Section V. Eligible Countries

#### **PART 2 Service Requirements**

- Section VI. Scope of Services

6.2 The “Invitation for Prequalification Applications” (IPA) issued by the NMC is not part of the prequalification document.

6.3 The NMC accepts no responsibility for the completeness of the prequalification document and its addenda unless they were obtained directly from the NMC.

6.4 The Applicant is expected to examine all instructions, forms, and terms in the Prequalification Document and to furnish all information or documentation required by the Prequalification Document.

### **7. Clarification of Pre-qualification Document**

7.1 A prospective Applicant requiring any clarification of the Prequalification Document shall contact the NMC in writing at the NMC’s address indicated in the **PDS**. The NMC will respond in writing to any request for clarification provided that such request is received no later than fourteen (14) days prior to the deadline for submission of applications. The NMC shall forward copies of its response to all applicants who have acquired the prequalification document directly from the NMC including a description of the inquiry but without identifying its source. Should the NMC deem it necessary to amend the prequalification document as a result of a clarification, it shall do so following the procedure under ITA 8 and in accordance with the provisions of ITA 17.2.

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- 8. Amendment of Pre-qualification Document**
- 8.1 At any time prior to the deadline for submission of applications, the NMC may amend the Prequalification Document by issuing addenda.
- 8.2 Any addendum issued shall be part of the Prequalification Document and shall be communicated in writing to all who have obtained the prequalification document from the NMC.
- 8.3 To give prospective Applicants reasonable time to take an addendum into account in preparing their applications, the NMC may, at its discretion, extend the deadline for the submission of applications.

### **C. Preparation of Applications**

- 9. Cost of Applications**
- 9.1 The Applicant shall bear all costs associated with the preparation and submission of its application. The NMC will in no case be responsible or liable for those costs, regardless of the conduct or outcome of the prequalification process.
- 10. Language of Application**
- 10.1 The application as well as all correspondence and documents relating to the prequalification exchanged by the Applicant and the NMC, shall be written in the language specified in the **PDS**. Supporting documents and printed literature that are part of the application may be in another language, provided they are accompanied by an accurate translation of the relevant passages in the language specified in the **PDS**, in which case, for purposes of interpretation of the application, the translation shall govern.
- 11. Documents Comprising the Application**
- 11.1 The application shall comprise the following:
- (a) application Submission Form, in accordance with ITA 12;
  - (b) documentary evidence establishing the Applicant's eligibility to prequalify, in accordance with ITA 13;
  - (c) documentary evidence establishing the Applicant's qualifications, in accordance with ITA 14; and
  - (d) any other document required as specified in the **PDS**.
- 12. Application Submission Form**
- 12.1 The Applicant shall prepare an Application Submission Sheet using the form attached in Section IV, Application Forms. This Form must be completed without any alteration to its format.

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- 13. Documents Establishing the Eligibility of the Applicant** 13.1 To establish its eligibility in accordance with ITA 4, the Applicant shall complete the eligibility declarations in the Application Submission Form and Forms ELI (eligibility) 1.1 and 1.2, included in Section IV, Application Forms.
- 14. Documents Establishing the Qualifications of the Applicant** 14.1 To establish its qualifications to perform the contract(s) in accordance with Section III, Qualification Criteria and Requirements, the Applicant shall provide the information requested in the corresponding Information Sheets included in Section IV, Application Forms.
- 15. Signing of the Application and Number of Copies** 15.1 The Applicant shall prepare one original of the documents comprising the application as described in ITA 11 and clearly mark it "ORIGINAL". The original of the application shall be typed or written in indelible ink and shall be signed by a person duly authorized to sign on behalf of the Applicant.
- 15.2 The Applicant shall submit copies of the signed original application, in the number specified in the **PDS**, and clearly mark them "COPY". In the event of any discrepancy between the original and the copies, the original shall prevail.

#### **D. Submission of Applications**

- 16. Sealing and Identification of Applications** 16.1 The Applicant shall enclose the original and the copies of the application in a sealed envelope that shall:
- (a) bear the name and address of the Applicant;
  - (b) be addressed to the NMC, in accordance with ITA 17.1; and
  - (c) bear the specific identification of this prequalification process indicated in the **PDS** in accordance with ITA 1.1;
- 16.2 The NMC will accept no responsibility for not processing any envelope that was not identified as required.
- 17. Deadline for Submission of Applications** 17.1 Applicants may always submit their applications by mail or by hand. When so specified in the **PDS**, applicants shall have the option of submitting their applications electronically, in accordance with electronic application submission procedures specified in the **PDS**. Applications shall be received by the NMC at the address and no later than the deadline indicated in the **PDS**. A receipt will be given for all applications submitted.
- 17.2 The NMC may, at its discretion, extend the deadline for the

submission of applications by amending the Prequalification Document in accordance with ITA 8, in which case all rights and obligations of the NMC and the Applicants subject to the previous deadline shall thereafter be subject to the deadline as extended.

**18. Late Applications** 18.1 Any application received by the NMC after the deadline for submission of applications prescribed in ITA 17 will be treated as indicated in the PDS.

**19. Opening of Applications** 19.1 Any specific electronic application opening procedures required if electronic submission of applications is permitted pursuant to Sub Clause 17.1 shall be as specified in the **PDS**. The NMC shall prepare a record of the opening of applications that shall include, as a minimum, the name of the Applicant. A copy of the record shall be distributed to all Applicants.

### **E. Procedures for Evaluation of Applications**

**20. Confidentiality** 20.1 Information relating to the evaluation of applications, and recommendation for prequalification, shall not be disclosed to Applicants or any other persons not officially concerned with such process until the notification of prequalification is made to all Applicants.

20.2 From the deadline for submission of applications to the time of notification of the results of the prequalification in accordance with ITA 27, any Applicant that wishes to contact the NMC on any matter related to the prequalification process, may do so but only in writing.

**21. Clarification of Applications** 21.1 To assist in the evaluation of applications, the NMC may, at its discretion, ask any Applicant for a clarification of its application which shall be submitted within a stated reasonable period of time. Any request for clarification and all clarifications shall be in writing.

21.2 If an Applicant does not provide clarifications of the information requested by the date and time set in the NMC's request for clarification, its application may be rejected.

**22. Responsiveness of Applications** 22.1 The NMC may reject any application which is not responsive to the requirements of the prequalification document.

**23. Subcontractors** 23.1 NA

23.2 NA

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## **F. Evaluation of Applications and Prequalification of Applicants**

- 24. Evaluation of Applications**
- 24.1 The NMC shall use the factors, methods, criteria, and requirements defined in Section III, Qualification Criteria and Requirements to evaluate the qualifications of the Applicants. The use of other methods, criteria, or requirements shall not be permitted. The NMC reserves the right to waive minor deviations in the qualification criteria if they do not materially affect the capability of an Applicant to perform the contract.
- 24.2 Wholly owned subsidiary companies can quote with technical and financial capabilities of the Parent company.
- 25. NMC's Right to Accept or Reject Applications**
- 25.1 The NMC reserves the right to accept or reject any application, and to annul the prequalification process and reject all applications at any time, without thereby incurring any liability to Applicants.
- 26. Prequalification of Applicants**
- 26.1 All Applicants whose applications have met or exceeded ("passed") all the specified threshold requirements will, to the exclusion of all others, be prequalified by the NMC.
- 27. Notification of Prequalification**
- 27.1 Once the NMC has completed the evaluation of the applications it shall notify all Applicants in writing of the names of those applicants who have been prequalified.
- 28. Invitation to Bid**
- 28.1 Promptly after the notification of the results of the prequalification the NMC shall invite bids from all the Applicants that have been prequalified.
- 28.2 Bidders shall be required to provide a Bid Security or a Bid Securing Declaration acceptable to the NMC in the form and an amount to be specified in the Bidding Documents, and the successful Bidder shall be required to provide a Performance Security to be specified in the Bidding Documents.
- 29. Changes in Personnel or Qualifications of Applicants**
- 29.1 NA

## Section II. Prequalification Data Sheet

### A. General

<b>ITA 1.1</b>	The Granting Authority is: : The Municipal Commissioner ,Nagpur Municipal Corporation, Civil Lines Nagpur, Maharashtra Pin : 440002
<b>ITA 1.1</b>	Tender number : 203/PR/07/08/08
<b>ITA 1.1</b>	The name of the Project is: <i>24x7 Water Supply Project for Nagpur City</i>
<b>ITA 1.1</b>	Source of Funds: <i>NMC applied for JNNURM funding for the procurement of works and goods described in Section VI</i>
<b>ITA 4.1</b>	<p>(i) The parties in a JV <i>shall</i> be jointly and severally liable.</p> <p>(ii) Maximum number of partners in the JV shall be: 3</p> <p>(iii) All members of JV should have active participation during the operation of the contract.</p>
<b>ITA 4.4</b>	<p>An Applicant shall not have a conflict of interest (the “<b>Conflict of Interest</b>”) that affects the Bidding Process. Any Applicant found to have a Conflict of Interest shall be disqualified. An Applicant shall be deemed to have a Conflict of Interest that affects the Bidding Process, if:</p> <ul style="list-style-type: none"> <li>(i) a constituent of such Applicant is also a constituent of another Applicant;</li> <li>(ii) such Applicant receives or has received any direct or indirect subsidy from any other Applicant, its Member or Associate or has provided any such subsidy to any other Applicant; or</li> <li>(iii) such Applicant has a relationship with another Applicant, directly or through common third party/ parties, that puts either or both of them in a position to have access to each others’ information about, or to influence the Application of either or each other; or</li> <li>(iv) such Applicant has participated as a consultant to the Authority in the preparation of any documents, design or technical specifications of the Project.</li> </ul>

<b>B. Contents of the Prequalification Document</b>	
<b>ITA 7.1</b>	<p>For <b>clarification purposes</b>, the NMC's address is:</p> <p><i>Executive Engineer, Water Works Department, Nagpur Municipal Corporation, Nagpur</i></p> <p>Attention: <i>Mr. S. S. Hastak</i></p> <p>Address: <i>Dik Dispensory, East High Court Road , Dharampeth</i></p> <p>City: Nagpur</p> <p>ZIP Code: 440 012</p> <p>Country: India</p> <p>Telephone: +91 712 2567041,42,43,44, Mobile : +91 9823128270</p> <p>Facsimile number: +91 712 2567045</p> <p>Electronic mail address: <a href="mailto:eewwd.nmc@gmail.com">eewwd.nmc@gmail.com</a>, <a href="mailto:nagpur24x7@gmail.com">nagpur24x7@gmail.com</a></p>
<b>7.2 Clarification Meeting</b>	<p>A clarification meeting will be held at 15.00 hrs September 09,2008 at NMC premises at which prospective applicants may request clarification of the project requirements and the criteria for qualification. Any interested applicant, who wish to visit the sites may do so on their own. NMC would however facilitate any meetings with the staff of Water Works Department and consultant M/s Dinesh Rathi &amp; Associates. However, these visits shall not affect the date of submission of Applications for Pre-qualification to the NMC.</p>
<b>C. Preparation of Applications</b>	
<b>ITA 10.1</b>	The language of the application as well as of all correspondence is: <i>English.</i>
<b>ITA 11.1(d)</b>	The Applicant shall submit with its application, the following additional documents: <i>NIL</i>
<b>ITA 15.2</b>	In addition to the original, the number of copies to be submitted with the application is: 2
<b>D. Submission of Applications</b>	
<b>ITA 17.1</b>	<p>For <b>application submission purposes only</b>, the NMC's address is:</p> <p>[ “NMC’s address is the same as that indicated in 7.1”]</p> <p><b>The deadline for application submission is:</b></p> <p>Date: 20<sup>th</sup> of September, 2008 at 4.00 pm</p>

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	<i>Application submission shall be in person or through courier . Electronic mail submission is not allowed.</i>
<b>ITA 18.1</b>	Late applications will be returned unopened to the Applicants.

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# Section III. Qualification Criteria and Requirements

This Section contains all the methods, criteria, and requirements that the NMC shall use to evaluate applications. The information to be provided in relation to each requirement and the definitions of the corresponding terms are included in the respective Application Forms.

## Contents

- 1. Eligibility.....17**
- 2. Historical Contract Non-Performance .....18**
- 3. Financial Performance .....19**
- 4. Experience .....20**

No.	Subject	Requirement	Single Entity	Joint Venture			Submission Requirements
				All Parties Combined	Each Partner	One Partner	
<b>1. Eligibility</b>							
1.1	Nationality	Nationality in accordance with ITA Sub-Clause 4.3.	Must meet requirement	Existing or intended JV must meet requirement	Must meet requirement	N / A	Forms ELI –1.1 and 1.2, with attachments
1.2	Conflict of Interest	No conflicts of interest in ITA Sub-Clause 4.4.	Must meet requirement	Existing or intended JV must meet requirement	Must meet requirement	N / A	Application Submission Form
1.3	Ineligibility	Not having been declared ineligible by NMC, as described in ITA Sub-Clause 4.6.	Must meet requirement	Existing JV must meet requirement	Must meet requirement	N / A	Application Submission Form
1.4	Government Owned Entity	Applicant required to meet conditions of ITA Sub-Clause 4.7	Must meet requirement	Must meet requirement	Must meet requirement	N / A	Forms ELI -1.1 and 1.2, with attachments
1.5	United Nations resolution or Indian law	Not having been excluded as a result of the Republic of India's laws or official regulations, or by an act of compliance with UN Security Council resolution, in accordance with ITA 4.10	Must meet requirement	Must meet requirement	Must meet requirement	N / A	Forms ELI -1.1 and 1.2, with attachments

2. Historical Contract Non-Performance							
2.1	History of Non-Performing Contracts	Non performance of a contract did not occur within the last 5 years,( <i>Five</i> years) prior to the deadline for application submission based on all information on fully settled disputes or litigation. A fully settled dispute or litigation is one that has been resolved in accordance with the Dispute Resolution Mechanism under the respective contract, and where all appeal instances available to the applicant have been exhausted.	Must meet requirement by itself or as partner to past or existing JV	N / A	Must meet requirement by itself or as partner to past or existing JV	N / A	Form CON – 2
2.2	Failure to Sign Contract	Not being under execution of a Bid Securing Declaration, pursuant to Sub Clause 4.8..	Must meet requirement.	N/A	Must meet requirement	N/A	Application Submission Form
2.3	Pending Litigation	All pending litigation shall in total not represent more than 25% ( <i>twenty five percent</i> ) of the Applicant's combined net worth and shall be treated as resolved against the Applicant.	Must meet requirement by itself or as partner to past or existing JV	N / A	Must meet requirement by itself or as partner to past or existing JV	N / A	Form CON - 2

No.	Subject	Requirement	Single Entity	Joint Venture			Submission Requirements
				All Parties Combined	Each Partner	One Partner	
<b>3. Financial Performance</b>							
3.1	Financial Performance	The Applicant shall submit copy of audited balance sheets and annual report or other financial statements acceptable to the NMC, for the last <i>five</i> years to demonstrate (a) the current soundness of the applicant financial position and its prospective long term profitability b) capacity to have a cash flow amount of 150 crores.	Must meet requirement  (a) Must meet requirement  (b) Must meet requirement	N / A  (a) N / A  (b) Must meet requirement	Must meet requirement  (a) Must meet requirement  (b) N / A	N / A  (a)N / A  (b) N / A	Form FIN - 3.1 with attachments
3.2	Financial (Qualifications)	The Applicant shall have a minimum Net Worth of Rs. 200 crore (Rs. Two hundred crore)] as at the close of the preceding financial year	Must meet requirement	Must meet requirement	NA	Must meet [50r] %, [fifty percent ] of the requirement	Form FIN - 3.2

4. Experience							
4.1	General Experience in long-term operation of water supply utilities	Experience in the realization of one Eligible Project as defined in Section III – Annex 1. as leading partner, during the last 5-year, of private operator, which has demonstrated to provide uninterrupted water supply services. The Eligible Project under this criteria 4.1 shall involve the provision of water supply services in urban areas for not less than one Million inhabitants or not less than 150,000 service connections.	Must meet requirement	Must meet requirement	N / A	Must meet requirement	Form EXP-4.1
4.2(a)	Specific Experience in implementing successful operational improvement programs in managing water utilities	the Applicant shall, over the past 5 (five) financial years preceding the Application due date, have participated as leading partner in the realization of not less than three [2] Eligible Projects as defined in Section III – Annex 1, similar to the required services. The similarity shall be based on the complexity and characteristics of the operator's obligations as described in Section VI, Scope of Services regarding the improvement of the operational efficiency of the water utilities for a population not less than 300,000 inhabitants.	Must meet requirement	Must meet requirement	N / A	Must meet requirement	Form EXP 4.2(a)
4.2(b)	Specific Experience in implementing important investment programs in the water supply sector	the Applicant shall, over the past 5 (five) financial years preceding the Application due date, have participated as leading partner in the realization of Eligible Projects as defined in Section III – Annex 1 with the realization of investment for a total amount which should be not less than 100 crores Indian Rupees each project.	Must meet requirements	Must meet requirement	N / A	Must meet requirement	For specialist subcontractors: Form EXP-4.2(b);

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4.2(c)	PPP experience in Indian Environment	The applicant or its subsidiary or parent company shall over past 5 (five) financial years preceding the application due date , have successfully commissioned at least 2 PPP projects in India (on BOT,BOOT or DBFO model or financing & operating contract) in core sector of which at least one operational project should be of value Rs. 50 crore. The core sector includes Water supply, Roads, Ports, Industrial parks, SEZ, Air ports or any public utilities.	Must meet requirements	Must meet requirements	N / A	Must meet requirements	Form FIN 3.2
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### **Section III – Annex 1 – Eligible Projects**

This Annex refers to the projects eligible for the qualification of Applicants in respect to Sub-factors 4.1, 4.2 (a) and 4.2 (b) of Section III.

For a project to qualify as an Eligible Project for compliance to Sub-factors 4.1, 4.2(a) and 4.2 (b):

- (b) It should have been undertaken on BOT, BOO, BOOT, DBOF, Concession, Leasing or other similar PPP arrangement basis for providing public services including water supply and/or sewerage services to a public sector entity in pursuance of its charter, concession or contract, as the case may be;
- (c) the entity claiming experience should have held, in the company owing the Eligible Project, a minimum of 26% equity during the period for which Eligible Experience is being claimed;
- (d) the capital cost of the project should be more than Rs. 50 crore (Rs. Fifty crore equivalent); and
- (e) the PPP arrangement referred to in criterion (a) above should should be for not less than ten (10) years and include obligations of the private Operator regarding public assets management to operate and maintain. water supply systems.

The Applicant shall quote experience in respect of a particular Eligible Project under any one Sub-factor only, even though the Applicant (either individually or along with a member of the Consortium) may have played multiple roles in the cited project. Double counting for a particular Eligible Project shall not be permitted in any form, even though several members of a Consortium may have participated in the same Eligible Project .

The Applicants shall provide [certificates from the company owing the Eligible Project and/or official certificates from the client \(Ministry, city, etc.\) to confirm the existence of the lease or concession contract](#). Annual Audit Reports, and/or any appropriate documentation as deemed necessary to establish the eligibility of the project submitted by the entity claiming experience according to the criteria set force in Sub-factors 4.1, 4.2 (a) and 4.2 (b), .

## Section IV. Application Forms

### Application Submission Form

Date: *[insert day, month, year]*

TENDER No. and title: *[insert TENDER number and title]*

To: *NMC [insert full name of NMC]\_\_*

We, the undersigned, apply to be prequalified for the referenced TENDER and declare that:

- (a) we have examined and have no reservations to the Prequalification Documents, including Addendum(s) No(s)..., issued in accordance with Instructions to Applicants (ITA) Clause 8.
- (b) we, including any subcontractors or suppliers for any part of the contract resulting from this prequalification process, have nationalities from eligible countries, in accordance with ITA Sub-Clause 4.3: *[insert the nationality of the Applicant, including that of all partners in case of a Joint Venture, and the nationality of each already identified subcontractor and supplier of related Services, if applicable];*
- (c) we, including any subcontractors or suppliers for any part of the contract resulting from this prequalification, have not been declared ineligible by the Bank, or under India laws, official regulations, or under execution of a Bid Securing Declaration in India, or by an act of compliance with a decision of the United Nations Security Council, in accordance with ITA Sub-Clauses 4.6, 4.8 and 4.10;
- (d) *we are not a Government owned entity, and we meet the requirements of ITA Sub-Clause 4.7];*
- (e) we, in accordance with ITA Sub-Clause 24.1, plan to subcontract the following key activities and/or Services:  
  
*[insert any of the key activities identified in Section III- 4.2 (b) which the Applicant intends to subcontract]*
- (f) we declare that the following commissions, gratuities, or fees have been paid or are to be paid with respect to the prequalification process, the corresponding bidding process or execution of the Contract:

<u>Name of Recipient</u> <i>[insert full name for each occurrence]</i>	<u>Address</u> <i>[insert street/number /city/country]</i>	<u>Reason</u> <i>[indicate reason]</i>	<u>Amount</u> <i>[specify amount in Rs equivalent]</i>
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____

*[If none has been paid or is to be paid, indicate “none”.]*

- (g) we understand that you may cancel the prequalification process at any time and that you are neither bound to accept any application that you may receive nor to invite the prequalified applicants to bid for the contract subject of this prequalification, without incurring any liability to the Applicants, in accordance with ITA Clause 26.
- (h) the NMC and its authorized representatives are hereby authorized to conduct any inquiries or investigations to verify the statements, documents, and information submitted in connection with this application, and to seek clarification from our bankers and clients regarding any financial and technical aspects. This Application Submission Form will also serve as authorization to any individual or authorized representative of any institution referred to in the supporting information to provide such information deemed necessary and as requested by yourselves to verify statements and information provided in this application, such as the resources, experience, and competence of the Applicant.
- (i) the NMC and its authorized representatives may contact the following persons for further information<sup>5</sup>

General and managerial inquiries	
Contact 1	Address and communication facilities
Contact 2	Address and communication facilities

<sup>5</sup> Applications by joint ventures should provide on a separate sheet equivalent information for each joint venture participant.

Technical inquiries	
Contact 1	Address and communication facilities
Contact 2	Address and communication facilities

Financial inquiries	
Contact 1	Address and communication facilities
Contact 2	Address and communication facilities

Signed *[insert signature(s) of an authorized representative(s) of the Applicant]*

Name *[insert full name of person signing the application]*

In the Capacity of *[insert capacity of person signing the application]*

Duly authorized to sign the application for and on behalf of *(to join attached corresponding Power of Attorney):*

Applicant's Name *[insert full name of Applicant]*

Address *[insert street number/town or city/country address]*

Dated on *[insert day number]* day of *[insert month]*, *[insert year]*

## Form ELI – 1.1

### Applicant Information Form

Date: *[insert day, month, year]*  
TENDER No. and title: *[insert TENDER number and title]*  
Page *[insert page number]* of *[insert total number]* pages

Applicant's legal name ___ <i>[insert full legal name]</i> ___
In case of Joint Venture (JV), legal name of each partner: ___ <i>[insert full legal name of each partner in JV]</i> ___
Applicant's Actual or Intended country of constitution: ___ <i>[indicate country of Constitution]</i> __
Applicant's actual or Intended year of constitution: ___ <i>[indicate year of Constitution]</i> __
Applicant's legal address in country of constitution: ___ <i>[insert street/ number/ town or city/ country]</i> ___
Applicant's authorized representative information Name: ___ <i>[insert full legal name]</i> ___ Address: ___ <i>[insert street/ number/ town or city/ country]</i> ___ Telephone/Fax numbers: <i>[insert telephone/fax numbers, including country and city codes]</i> E-mail address: ___ <i>[indicate e-mail address]</i> ___
Attached are copies of original documents of: <input type="checkbox"/> Articles of Incorporation or Documents of Constitution, or documents of registration of the legal entity named above, in accordance with ITA 4.1. <input type="checkbox"/> In case of JV, letter of intent to form JV or JV agreement, in accordance with ITA 4.1. <input type="checkbox"/> In case of Government owned entity, documents establishing legal and financial autonomy and compliance with commercial law, in accordance with ITA 4.7.

## Form ELI – 1.2

### Applicant's Party Information Form

*[The following form shall be filled in for the Applicant's parties including partner(s) of a joint venture, subcontractors, suppliers and other parties]*

Date: *[insert day, month, year]*

TENDER No. and title: *[insert TENDER number and title]*

Page *[insert page number]* of *[insert total number]* pages

JV Applicant legal name: __ <i>[insert full legal name]</i> __
Applicant's Party legal name: __ <i>[insert full legal name of Applicant's Party]</i> __
Applicant's Party country of registration: __ <i>[indicate country of registration]</i> __
Applicant Party's year of constitution: __ <i>[indicate year of constitution]</i> __
Applicant Party's legal address in country of constitution: __ <i>[insert street/ number/ town or city/ country]</i> __
Applicant Party's authorized representative information Name: __ <i>[insert full legal name]</i> __ Address: __ <i>[insert street/ number/ town or city/ country]</i> __ Telephone/Fax numbers: <i>[insert telephone/fax numbers, including country and city codes]</i> E-mail address: <i>[indicate e-mail address]</i>
Attached are copies of original documents of: <input type="checkbox"/> Articles of Incorporation or Documents of Constitution, or Registration Documents of the legal entity named above, in accordance with ITA 4.1 and 4.2. <input type="checkbox"/> In case of a Government owned entity, documents establishing legal and financial autonomy and compliance with commercial law, in accordance with ITA 4.7.

## Form CON – 2

### Historical Contract Non-Performance

*[The following table shall be filled in for the Applicant and for each partner of a Joint Venture ]*

Applicant’s Legal Name: *[insert full name]*

Date: *[insert day, month, year]*

Joint Venture Party Legal Name: *[insert full name]*

TENDER No. and title: *[insert TENDER number and title]*

Page *[insert page number]* of *[insert total number]* pages

Non-Performing Contracts in accordance with Section III, Qualification Criteria and Requirements			
<input type="checkbox"/> Contract non-performance did not occur during the <i>[number]</i> years specified in Section III, Qualification Criteria and Requirements, Sub-Factor 2.1. <input type="checkbox"/> Contract(s) not performed during the <i>[number]</i> years specified in Section III, Qualification Criteria and Requirements, requirement 2.1			
Year	Non performed portion of contract	Contract Identification	Total Contract Amount (current value, US\$ equivalent)
<i>[insert year]</i>	<i>[insert amount and percentage]</i>	Contract Identification: <i>[indicate complete contract name/ number, and any other identification]</i> Name of NMC: <i>[insert full name]</i> Address of NMC: <i>[insert street/city/country]</i> Reason(s) for non performance: <i>[indicate main reason(s)]</i>	<i>[insert amount]</i>
Pending Litigation, in accordance with Section III, Qualification Criteria and Requirements			
<input type="checkbox"/> No pending litigation in accordance with Section III, Qualification Criteria and Requirements, Sub-Factor 2.2.. <input type="checkbox"/> Pending litigation in accordance with Section III, Qualification Criteria and Requirements, Sub-Factor 2.2 as indicated below.			

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Year	Outcome as Percent of Total Assets	Contract Identification	Total Contract Amount (current value, Rs. equivalent)
<i>[insert year]</i> _____	<i>[insert percentage]</i> _____	Contract Identification: <i>[indicate complete contract name, number, and any other identification]</i> Name of NMC: <i>[insert full name]</i> Address of NMC: <i>[insert street/city/country]</i> Matter in dispute: <i>[indicate main issues in dispute]</i>	<i>[insert amount]</i> _____
_____	_____	Contract Identification: NMC: Address of NMC: Matter in dispute:	_____

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## Form FIN – 3.1

### Financial Situation

*[The following table shall be filled in for the Applicant and for each partner of a Joint Venture]*

Applicant’s Legal Name: *[insert full name]*

Date: *[insert day, month, year]*

Applicant’s Party Legal Name: *[insert full name]*

TENDER No. and title: *[insert TENDER number and title]*

Page *[insert page number]* of *[insert total number]* pages

#### 1. Financial data

Financial information in (US\$ equivalent in 000s)	Historic information for previous <i>_[insert number] years,</i> <i>[insert in words]</i> (US\$ equivalent in 000s)				
	Year 1	Year 2	Year 3	Year ...	Year n
Information from Balance Sheet					
Total Assets (TA)					
Total Liabilities (TL)					
Net Worth (NW)					
Current Assets (CA)					
Current Liabilities (CL)					
Information from Income Statement					
Total Revenue (TR)					
Profits Before Taxes (PBT)					
Profits After Taxes (PAT)					

## **2. Financial documents**

The Applicant and its parties shall provide copies of the balance sheets, annual audit report, and/or financial statements for [number] years pursuant Section III, Qualifications Criteria and Requirements, Sub-Factor 3.1. The financial statements shall:

- (a) Reflect the financial situation of the Applicant or partner to a JV, and not sister or parent companies.
- (b) be audited by a certified accountant.
- (c) be complete, including all notes to the financial statements.
- (d) correspond to accounting periods already completed and audited (no statements for partial periods shall be requested or accepted).

Attached are copies of financial statements (balance sheets, including all related notes, and income statements, or audit certificates) for the *five* years required above; and complying with the requirements

## Form FIN – 3.2

### Financial Qualification

*[The following table shall be filled in for the Applicant and for each partner of a Joint Venture]*

Applicant's/Joint Venture Partner's Legal Name: *[insert full name]*

Date: *[insert day, month, year]*

Applicant's Party Legal Name: *[insert full name]*

TENDER No. and title: *[insert TENDER number and title]*

Page *[insert page number]* of *[insert total number]* pages

*(Refer to Clauses 3.2 of the RFQ)*

**(In Rs. croress)**

Applicant	Member Code <sup>£</sup>	Net Cash Accruals					Net type
		Year	Year	Year	Year	Year	Worth
		1	2	3	4	5	1
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Single entity Applicant							
Consortium Member 1							
Consortium Member 2							
Consortium Member 3							
Consortium Member 4							
TOTAL							

**Name & address of Applicant's Bankers:**

**Instructions:**

1. The Applicant/ its constituent Consortium Members shall attach copies of the balance sheets, financial statements, Annual Audit Reports and/or certificates acceptable by NMC for 5 (five) years preceding the Application Due Date. The financial statements shall:
  - (a) reflect the financial situation of the Applicant and its Associates where the Applicant is relying on its Associate's financials;
  - (b) be audited by a certified auditor;
  - (c) be complete, including all notes to the financial statements; and
  - (d) correspond to accounting periods already completed and audited (no statements for partial periods shall be requested or accepted).
2. Net Cash Accruals shall mean Profit After Tax + Depreciation.
3. Net Worth shall mean (Subscribed and Paid-up Equity + Reserves) less (Revaluation reserves + miscellaneous expenditure not written off + accrued liabilities).
4. Year 1 will be the latest completed financial year, preceding the bidding. Year 2 shall be the year immediately preceding Year 1 and so on. In case the Application Due Date falls within three months of the close of the latest financial year,
5. The applicant shall also provide the name and address of the Bankers to the Applicant.
6. The Applicant shall provide an Auditor's Certificate specifying the net worth of the Applicant and also specifying the methodology adopted for calculating such net worth.

## Form EXP – 4.1

### General Sector Experience

*[The following table shall be filled in for the Applicant, and each partner of a Joint Venture, <<<<<<<]*

Wholly owned Company  
Applicant's/Joint Venture Partner's Legal Name: *[insert full name]*  
Date: *[insert day, month, year]*  
Applicant JV Party Legal Name: *[insert full name]*  
TENDER No. and title: *[insert TENDER number]*  
Page *[insert page number]* of *[insert total number]* pages

*[Identify contracts that demonstrate work over the past Five] years pursuant to Section III, Qualification Criteria and Requirements, Sub-Factor 4.1. List contracts chronologically, according to their commencement (starting) dates.]*

<b>Starting Month / Year</b>	<b>Ending Month / Year</b>	<b>Contract Identification</b>	<b>Role of Applicant</b>
<i>[indicate month/ year]</i> _____	<i>[indicate month/ year]</i> _____	Contract name: <i>[insert full name]</i> Brief Description of the Services performed by the Applicant: <i>[describe Services performed briefly]</i> Amount of contract: <i>[insert amount in US\$ equivalent]</i> Name of employer: <i>[indicate full name]</i> Address: <i>[indicate street/number/town or city/country address]</i>	<i>[insert "Contractor", or "Subcontractor", or "Contract Manager"]</i> _____

## Form EXP – 4.2(a)

### Similar Sector Experience

*[The following table shall be filled in for contracts performed by the Applicant, each partner of a Joint Venture, and Specialist Subcontractors]*

Applicant's/Joint Venture Partner's Legal Name: *[insert full name]*  
 Date: *[insert day, month, year]*  
 JV Party Name: *[insert full name]*  
 TENDER No. and title: *[insert TENDER number and title]*  
 Page *[insert page number]* of *[insert total number]* pages

*[Identify contracts that demonstrate work over the past [number] years pursuant to Section III, Qualification Criteria and Requirements, Sub-Factor 4.2. List contracts chronologically, according to their commencement (starting) dates.]*

<b>Similar Contract No.</b> <i>__[insert number] of [insert number of similar contracts required]</i>	<b>Information</b>		
Contract Identification	<i>__[insert contract name and number, if applicable]__</i>		
Award date	<i>__[insert day, month, year, i.e., 15 June, 2015]__</i>		
Completion date	<i>__[insert day, month, year, i.e., 03 October, 2017]__</i>		
Role in Contract <i>[check the appropriate box]</i>	Leading shareholder  <input type="checkbox"/>	Key PPP JV qualified member  <input type="checkbox"/>	Key PPP Subcontractor  <input type="checkbox"/>
Total Contract Amount	<i>__[insert total contract amount in local currency]__</i>		US\$ <i>__[insert total contract amount in US\$ equivalent]</i>
If partner in a JV, or subcontractor, specify participation in total contract amount	<i>[insert a percentage amount]</i> _____	<i>[insert total contract amount in local currency]</i> _____	<i>[insert total contract amount in US\$ equivalent]</i>

<b>Similar Contract No.</b> <i>__[insert number] of [insert number of similar contracts required]</i>	<b>Information</b>
Employer's's Name:	<i>__[insert full name]__</i>
Address:	<i>[indicate street / number / town or city / country]</i>
Telephone/fax number	<i>[insert telephone/fax numbers, including country and city area codes]</i>
E-mail:	<i>[insert e-mail address, if available]</i>

**Form EXP – 4.2(a) (cont.)**

**Similar Sector Experience (cont.)**

<b>Similar Contract No. ___</b> <i>[insert number] of [ number of similar contracts required] ___</i>	<b>Information</b>
Description of the similarity in accordance with Sub-Factor 4.2(a) of Section III:	
1. Amount	<i>___[insert amount in Indian Rupees (INR) or in Equivalent US\$ in words and in figures]___</i>
2. Physical size	<i>___[insert physical size of activities]___</i>
3. Complexity	<i>___[insert description of complexity]___</i>
4. Methods/Technology	<i>___[insert specific aspects of the methods/technology involved in the contract]___</i>
5. Other Characteristics	<i>___[insert other characteristics as described in Section VI, Scope of Services]___</i>



**Form EXP – 4.2(b) (cont.)**

**Similar Experience in Key Activities (cont.)**

	<b>Information</b>
Description of the key activities in accordance with Sub-Factor 4.2(b) of Section III:	
	<i>__[insert response to inquiry indicated in left column]__</i>

## Section V – Eligible Countries

Not specified

## **Part-2 Service Requirements**

## Section VI. Scope of Services

Nagpur a second capital of Maharashtra has population over 2.5 million spread in 217 sq km. Pursuant the Constitutive Act of Nagpur Municipal Corporation (NMC), this institution is responsible of providing water supply services to the city of Nagpur. The total water supply to city is over 500 mld per day through nearly 225 thousand connection. The distribution network consists of over 2100 km of pipe line network. Nagpur City Development Plan states that NMC mission includes achieving “Water for all and 24 x 7 supplies with focus on safety, equity, and reliability”.

Nagpur Municipal Corporation intends to achieve uninterrupted water supply to city on 24x7 basis. In this context, NMC has received the JNNURM sanctions for about Rs. 615 crore for expansion of water supply systems and will apply to get JNNURM grant for rehabilitation of distribution network for this project of appx Rs. 350 crore. NMC envisages to collect full user charges for assets created under JNNURM. To this end, NMC established new tariff setting, with a view to collecting full cost of operation and maintenance.

NMC intends to entrust the realization of Full-City uninterrupted 24x7 water supply in Nagpur to a private operator, which will be required to finance the capital expenditure required to rehabilitate, repair, maintain and to provide for appropriate refurbishing and replacement of water supply infrastructure as required to achieve the objectives of this project.

To this end NMC intends to grant 25-year exclusive rights of operating of water supply services, under which the private operator shall be granted, for a period of 25 years, exclusive rights to operate, maintain, refurbish water supply infrastructure owned by NMC, to deliver water supply services and to collect corresponding water charges on behalf of NMC, and to retain an Operator’s fee in proportion of the volume of water produced and sold. The Operator’s fee shall be intended to cover eligible expenditure incurred by the Operator for running the system. The operator’s fee will depend on factors designed to reward performance in maintaining physical and commercial losses below certain levels and in providing for adequate collection efficiency.

In order to support the initial investment program, this is required to meet NMC objectives in respect to 24x7 uninterrupted water supply service in the entire city by 2012, NMC will arrange for financing the Initial Investment Program with grants under JNNURM arrangements. For this purpose, NMC undertake identifying required improvement works and developed then corresponding engineering design activities in order to ensure access to JNNURM grants. This program shall be revised by the selected Operator during the Transition Period. The Operator shall submit proposed adjustment to the works program within 6 months after the Commencement

Date. NMC,, will make all reasonable effort to provide that these changes in the works program will be accepted by the funding institutions involved in JNNURM financing Memorandum.

Whichever will be the final decision of JNNURM in regards to proposed changes, it shall not release any of the Operator's obligations to meet service levels objectives under the Contract.

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***Nagpur Municipal Corporation***  
**EXPRESION OF INTEREST**  
**For Prequalification**  
**24x7 Water Supply Project for Nagpur City**  
**A PPP project**

Nagpur a second capital of Maharashtra has population over 2.5 million spread in 217 sq km. Pursuant the Constitutive Act of Nagpur Municipal Corporation (NMC), this institution is responsible of providing water supply services to the city of Nagpur. The total water supply to city is over 500 mld per day through nearly 225 thousand connection. The distribution network consists of over 2100 km of pipe line network. Nagpur City Development Plan states that NMC mission includes achieving “Water for all and 24 x 7 supplies with focus on safety, equity, and reliability”.

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NMC intends to pre qualify experienced and financially sound water operator for above project. It is expected that invitations to bid will be made in *October, 2008*.

Prequalification will be conducted through prequalification procedures as per RFQ,

Interested eligible applicants may obtain further information from and inspect the prequalification document at the office of The Executive Engineer, Water works department, near Dik dispensary, East high court road, Nagpur 440010 (contact number +91 9823128270). A complete set of the prequalification document in *English* may be purchased by interested applicants on the submission of a written application to the address above and upon payment of a non refundable fees of Rs. 10000, from August 10,2008 at *11 am to 4 pm up to September,10,2008* The method of payment will be through DD/Cash payable to Executive Engineer Water Works Department, NMC Nagpur. Alternatively RFQ can be downloaded from [www.nmctenders.com](http://www.nmctenders.com) and payment can be made while submission of RFQ. The last date submission of RFQ is up to September,20.2008.

Aseem Gupta

Municipal Commissioner

Nagpur Municipal Corporation