

REQUEST FOR PROPOSAL

REQUEST FOR PROPOSAL

FOR

**SETTING UP OF FLYING
TRAINING INSTITUTE**

IN THE

**KALABURAGI AIRPORT,
KARNATAKA**

ON

**PRIVATE SECTOR
PARTICIPATION**



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GLOSSARY

Applicant(s) / Bidder	As defined in Clause 1.2.1
Bid	As defined in the Disclaimer
Bid Due Date	As defined in Clauses 1.2.4
Associate	As defined in Clause 2.2.9
Authority	As defined in Clause 1.1.9
Financial Bid	As defined in Clause 1.3
Bid Security	As defined in Clause 1.2.6
Bidders	As defined in Clause 1.1.1
RFP / Bid Documents	As defined in Clause 1.1.9
Bidding Process	As defined in Clause 1.2.1
Bid Stage	As defined in Clause 1.2.1
Concessionaire	As defined in Clause 1.1.6
Concession Agreement	As defined in Clause 1.1.6
Conflict of Interest	As defined in Clause 2.2.1(c)
Consortium	As defined in Clause 2.2.1(a)
DFBOT	As defined in Clause 1.1.1
Eligible Experience	As defined in Clause 7.2.1
Eligible Projects	As defined in Clause 7.2.2
Estimated Project Cost	As defined in Clause 1.1.4
Financial Capacity	As defined in Clause 2.2.2 (B)
Government	Government of Karnataka
Highest Bidder	As defined in Clause 1.2.9 (deleted)
Jt. Bidding Agreement	As defined in Clause 2.2.6 (g)
Lead Member	As defined in Clause 2.2.6 (c)
LOA	Letter of Award
Member	Member of a Consortium
Net Worth	As defined in Clause 2.2.4 (ii)
PPP	Public Private Partnership
Revenue Share	As defined in Clause 1.2.9 (deleted)
Project	As defined in Clause 1.1.1
Qualification	As defined in Clause 1.2.2
Qualification Stage	As defined in Clause 1.2.2
Re. or Rs. or INR	Indian Rupee
Request for Proposal (RFP)/Bidding Document	As defined in Clause 1.1.9
RFP	As defined in the Disclaimer
SPV	As defined in Clause 2.2.6
Technical Capacity	As defined in Clause 2.2.2 (A)
Threshold Technical Capacity	As defined in Clause 2.2.2 (A)

The words and expressions beginning with capital letters and defined in this document shall, unless repugnant to the context, have the meaning ascribed thereto herein.

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DISCLAIMER

The information contained in this document or subsequently provided to Applicant / Bidder(s), whether verbally or in documentary or any other form, by or on behalf of the Authority or any of its employees or advisors, is provided to Applicant / Bidder(s) on the terms and conditions set out in this document and such other terms and conditions subject to which such information is provided.

This document is not an agreement and is neither an offer nor invitation by the Authority to the prospective Applicants / Bidders or any other person. The purpose of this document is to provide interested parties with information that may be useful to them in the formulation of their Bid pursuant to this document (the “**Request for Proposal (RFP)**”). This document includes statements, which reflect various assumptions and assessments arrived at by the Authority in relation to the Project. Such assumptions, assessments and statements do not purport to contain all the information that each Applicant / Bidder may require. This document may not be appropriate for all persons, and it is not possible for the Authority, its employees or advisors to consider the investment objectives, financial situation and particular needs of each party who reads or uses this document. The assumptions, assessments, statements and information contained in this document may not be complete, accurate, adequate or correct. Each Applicant / Bidder should therefore, conduct its own investigations and analysis and should check the accuracy, adequacy, correctness, reliability and completeness of the assumptions, assessments, statements and information contained in this document and obtain independent advice from appropriate sources.

Information provided in this document to the Applicant / Bidder(s) is on a wide range of matters, some of which may depend upon interpretation of law. The information given is not an exhaustive account of statutory requirements and should not be regarded as a complete or authoritative statement of law. The Authority accepts no responsibility for the accuracy or otherwise for any interpretation or opinion on law expressed herein.

The Authority, its employees and advisors make no representation or warranty and shall have no liability to any person, including any Applicant or Bidder, under any law, statute, rules or regulations or tort, principles of restitution or unjust enrichment or otherwise for any loss, damages, cost or expense which may arise from or be incurred or suffered on account of anything contained in this document or otherwise, including the accuracy, adequacy, correctness, completeness or reliability of the document and any assessment, assumption, statement or information contained therein or deemed to form part of this document or arising in any way in the Bidding Process.

The Authority also accepts no liability of any nature whether resulting from negligence or otherwise howsoever caused arising from reliance of any Applicant / Bidder upon the statements contained in this document.

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The Authority may, in its absolute discretion but without being under any obligation to do so, update, amend or supplement the information, assessment or assumptions contained in this document.

The issue of this document does not imply that the Authority is bound to select a bidder or to appoint the selected Bidder or Concessionaire, as the case may be, for the Project and the Authority reserves the right to reject all or any of the Bids without assigning any reasons whatsoever.

The Applicant / Bidder shall bear all its costs associated with or relating to the preparation and submission of its Bid including but not limited to preparation, copying, postage, delivery fees, expenses associated with any demonstrations or presentations which may be required by the Authority or any other costs incurred in connection with or relating to its Bid. All such costs and expenses will remain with the Applicant / Bidder and the Authority shall not be liable in any manner whatsoever for the same or for any other costs or other expenses incurred by an Applicant / Bidder in preparation or submission of the Bid, regardless of the conduct or outcome of the Bidding Process.

PART – I

INTRODUCTION & GENERAL INSTRUCTIONS

1. INTRODUCTION

1.1 Background

1.1.1 The Government of Karnataka (GOK) owns the Airport at Kalaburagi District, Karnataka. GOK intends to utilize the Airport and related infrastructure for training of Pilots also. The Managing Director, KSIIDC Limited invites offers from applicants to set up Flying Training Institute at Kalaburgi airport.

The Authority invites proposals from Applicants / Bidders (the “**Bidders**”) for the development of the Project on Public Private Partnership basis and intends to select a Bidder through a transparent and competitive Bid process, for awarding the Project in accordance with the procedure set out herein.

1.1.2 The following facilities will be provided to the applicant:

- a) Allow the training institute to utilize the Airport runway.
- b) Allow to build necessary structures / facilities needed for training and Maintenance purposes in the leased land.

1.1.3 The Airport can be shared by more than one applicant on sharing basis.

1.1.4 The applicant will ensure all the necessary clearances / licenses / approvals / permissions from the respective regulatory bodies including Director General of Civil Aviation, Government of India.

1.1.5 The runway and other specific facilities at the airport will be allowed to be utilized by the Flying Training Institute for the said purposes.

1.1.6 The selected Bidder, who is either a company incorporated under the Companies Act, 1956 or undertakes to incorporate as such prior to execution of the concession agreement (the “**Concessionaire**”) shall be responsible for designing, engineering, financing, procurement, construction, operation and maintenance of the Project under and in accordance with the provisions of a concession agreement (the “**Concession Agreement**”) to be entered into between the Concessionaire and the Authority in the form provided by the Authority as part of the Bidding Documents pursuant hereto.

1.1.7 The scope of work will broadly include (i) design, finance, development, construction, implementation, commissioning, operation and maintenance of the Project at the Project Site(s) earmarked and (iv) the transfer of the Project by the Concessionaire to the Authority or its authorized representative upon the expiry of the term of the concession agreement as per terms and conditions of the Agreement.

1.1.8 Deleted

1.1.9 The Authority shall receive the Bids in accordance with the terms set forth in this **RFP / Bidding Document** and other documents provided by the Authority

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(collectively the "Bidding Documents"), as modified, altered, amended and clarified from time to time by the Authority, and all Bids shall be prepared and submitted in accordance with such terms, on or before the date specified in Clause 1.3 for submission of Bids (the "Bid Due Date").

1.2 Brief description of Bidding Process

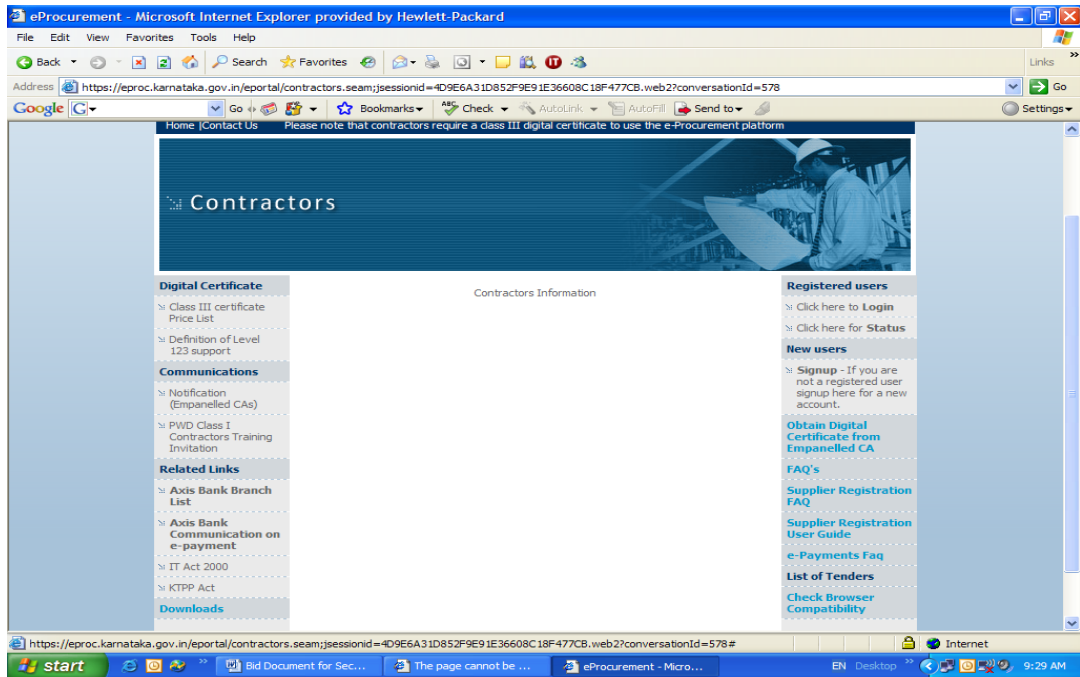
1.2.1 The complete document containing the terms and conditions of the proposal and qualification criteria can be downloaded from the e-Procurement website at <http://www.eproc.karnataka.gov.in>

The applicants who have not registered in e-procurement portal should register before participating through the website <http://www.eproc.karnataka.gov.in>.



After login to Contractors, Please scroll down to the right side bottom to see List of Tenders, Please click there to find the details of NIT and download copy of the tender. The tender can be downloaded in the portal as per prescribed date and time published in the portal. Only Interested bidders who wish to participate should remit online transaction fee for tender after registering in the portal. The transaction fee is non-refundable if you wish to participate.

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Tenders must be accompanied by earnest money deposit which will be paid online through e-Procurement portal as mentioned

Tenders must be electronically submitted (on-line through internet) within the date and time published in e-procurement portal.

Other details can be seen in the tender documents.

Before submission of the bid on-line, the applicants shall ensure that the scanned copies of all the necessary documents have been attached with the bid.

For details on registration, e-payment, user manual for bid submission, visit GoK e-procurement website <http://www.eproc.karnataka.gov.in> or contract e-procurement Help Desk No.080-25501216/227.

Interested applicants have to pay Rs.25,000/- as Processing Fee by way of Demand Draft drawn in favour of 'MANAGING DIRECTOR, KSIIDC LIMITED'

The Bids / Proposals are to be submitted through e-procurement portal only. The applicants shall upload all the documents as per the tender document through online only along with a Xerox copy of the above Demand Draft. Failing to remit the Processing Fee, the tender will be rejected. The Qualification, Technical and Financial proposals shall be uploaded on or before 7th February 2019, up to 16.30 hrs.

The selected applicant shall be required to start the Training within 3 months of signing of Agreement.

- 1.2.2 The Authority has adopted a single-stage three envelope Bid process (collectively referred to as the "**Bidding Process**") for selection of the bidder for award of the Project.

The first envelope (the "**Qualification Stage**") of the process involves qualification (the "**Qualification**") of interested parties / consortia who make a Bid in accordance with the provisions of this RFP / Bidding Document (the "**Applicant / Bidder**", which expression shall, unless repugnant to the context, include the Members of the Consortium).

In the Qualification Stage, Applicants / Bidders would be required to furnish all the information specified in this RFP / Bidding Document.

At the end of this qualification stage, the Authority expects to announce a short-list of qualified Applicants / Bidders who fulfil the minimum qualification criteria and shall be eligible for continued participation in the further stages of Bidding Process (the "**Bid Stage**") comprising of Technical Proposals (the "**Technical Proposals**") and subsequently Financial Bids (the "**Financial Bids**"). Technical Proposals of only those Applicants / Bidders that are qualified and short-listed by the Authority shall be opened for evaluation.

Government of India has issued guidelines (see Appendix-VIII) for qualification of Applicants / Bidders seeking to acquire stakes in any public sector enterprise through the process of disinvestment. These guidelines shall apply *mutatis mutandis* to this Bidding Process. The Authority shall be entitled to disqualify an Applicant / Bidder in accordance with the aforesaid guidelines at any stage of the Bidding Process. Applicants / Bidders must satisfy themselves that they are qualified to bid, and should give an undertaking to this effect in the form at Appendix-I.

Applicants / Bidders are invited to examine the Project in greater detail, and to carry out, at their cost, such studies as may be required for submitting their respective Bids for award of the Concession including implementation of the Project.

- 1.2.3 The qualified Applicants / Bidders will be called upon to be present during the opening of their Technical proposals in accordance with the RFP / Bidding Documents and other documents provided by the Authority (collectively the "**RFP / Bid Documents**"). At the end of the technical proposal stage, the Authority after evaluation of the Technical proposals on the basis of the evaluation criteria as in Part III of this RFP, expects to announce the shortlist of applicants / Bidders who score equal to or more than the threshold of 70 marks.

- 1.2.4 The Applicants / Bidders who have been shortlisted on the basis of the evaluation of their technical proposals, will be called upon to be present during the **opening of the Financial Bids** (the "**Financial Bid**").

The Bid shall be valid for a period of not less than 180 days from the date specified in Clause 1.3 for submission of bids (the "**Bid Due Date**").

- 1.2.5 The Bidding Document includes the draft Concession Agreement and Project Information Memorandum for the Project prepared by the Authority / consultants of the Authority. Subject to the provisions of Clause 2.1.4, the aforesaid documents and any addenda issued subsequent to this RFP / Bidding Document, but before the Bid Due Date, will be deemed to form part of the Bidding Document.
- 1.2.6 In terms of the RFP / Bidding Document, an Applicant / Bidder will be required to deposit, along with its Bid, a bid security of INR. 1,50,000,- (Rupees one lakh fifty thousand only) (the "**Bid Security / EMD**"), refundable not later than 180 (one hundred and eighty) days from the Bid Due Date, except in the case of the selected Applicant / Bidder whose Bid Security / EMD shall be retained till it has provided a Performance Security under the Concession Agreement. **The Applicants / Bidders will have to submit Bid Security / EMD only through e-procurement portal.**
- 1.2.7 The Highest Bidder amongst those whose financial Bid have been opened shall be the selected Bidder. The remaining Applicants / Bidders shall be kept in reserve and may, in accordance with the process specified in this RFP / Bidding Document, be invited to match the Bid submitted by the Highest Bidder in case such Highest Bidder withdraws or is not selected for any reason. In the event that none of the other Applicants / Bidders match the Bid of the Highest Bidder, the Authority may, in its discretion, invite fresh Bids from the remaining Applicants / Bidders or annul the Bidding Process, as the case may be.
- 1.2.8 Applicants / Bidders are invited to examine the Project in greater detail, and to carry out, at their cost, such studies as may be required for submitting their respective Bids for award of the concession including implementation of the Project.
- 1.2.9 Deleted
- 1.2.10 Bids are invited for the Project in the form of highest Lease rental to the Authority for award of the concession., and is indicated in the draft Concession Agreement forming part of the Bidding Documents. The lease rental shall constitute the sole criteria for evaluation of Bids. The Project shall be awarded to the Applicant / Bidder quoting the highest Lease rental.
- 1.2.11 **Base Price**
The base / reserve lease rental is fixed at Rs.620/- per Sqm per annum. and is escalated on 1st of April every year by 7.5% compounded annually. This escalation will get revised as & when Airports Authority of India revises the same.
- In this document, the term "**Highest Bidder**" shall mean the Applicant / Bidder who is offering the Highest bid of annual lease rental, above the fixed base annual lease rent price of Rs.620 Sqm.
- 1.2.12 The Concessionaire shall be entitled to levy, charge and collect a fees from trainees of the Project.
- 1.2.13 Other details of the process being followed and the terms thereof are as spelt out in this Bidding Document.

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- 1.2.14 Any queries or request for additional information concerning this RFP shall be submitted either in writing or by fax and e-mail to the contact details in Clause 2.9 below. The last date for receipt of such queries / request for additional information shall be as in clause 1.3

The envelopes / communications shall clearly bear the following identification/ title:

“Queries/ Request for Additional Information: RFP for Setting up Flying Training Institute in Kalaburagi Airport on Public Private Partnership Basis

1.3 Schedule of Bidding Process

The Authority shall endeavour to adhere to the following schedule:

1	Date of Issue of Advertisement in newspapers	21st January 2019
2	Date of upload of Request for Proposal (RFP) on to the E-Procurement portal	23rd January 2019
3	Pre-proposal meeting	30th January 2019
4	Authority response to queries	6th February 2019
5	Last date / time for upload of Bid (Qualification, Technical & Financial) Proposals	18th February 2019

Qualification

- 1 Opening of Envelope-1 20th February
2. Announcement of Qualified Bidders To be notified

Technical Proposal

1. Opening of Technical Proposals of qualified bidders 27th February
- 2 Announcement of shortlist of Applicants To be notified

Financial Bid

1. Opening of Financial Bids of shortlisted Applicants / Bidders will be notified.
2. Validity of Bids 180 days of Bid Due Date
3. Signing of Concession Agreement Within 60 days of award of LOA

2. INSTRUCTIONS TO APPLICANTS / BIDDERS

A. GENERAL

Role of Private Sector Partner (Selected bidder)

- a. The applicant is required to establish Flying Training Institute and / or Aircraft at Kalaburagi Airport.
- b. The applicant has to comply with the Civil Aviation Requirements (CAR) for Flying Training Institute relating to infrastructure, procedures and manpower issued from DGCA, New Delhi.
- c. The applicant should get all the necessary clearances / licenses / approvals / permissions from the respective regulatory bodies including Director General of Civil Aviations, Government of India.
- d. The runway and other specific facilities at the airport will be allowed to be utilized by the Training Institute for the said purposes.
- e. The applicant shall get insurance coverage for all of the facilities and the staff working with them for the adequate amount. The Managing Director, KSIIDC Limited shall not be responsible for any claim for loss or damage of property or life in any way.
- f. The applicant has to pay an amount equal to the yearly rental as security deposit in the form of Bank Guarantee in favour of the Managing Director, KSIIDC Limited, Bangalore.
- g. The earnest money deposit of the successful Consultant will be discharged when the Consultant has furnished the required Performance Security and signed the Agreement. The selected applicant shall submit the performance in the form of Bank Guarantee or Demand Draft. The performance security is Rs. 70 lakhs; which shall be submitted in the name Managing Director, KSIIDC, Bengaluru.
- h. The Airport and other specific infrastructure facilities will be allowed to be utilized by the applicant for a period of 10 years but the initial permission shall be limited to 5 years which shall be renewed after 5 years.

Role of Public Sector - KSIIDC

KSIIDC Limited / or the representative shall provide the following facilities to the successful applicant. :

- a) Allow the training institute to utilize the Airport for the period and manner prescribed herein above.

b) Allow to build necessary structures / facilities needed for training and maintenance purposes for the period and manner prescribed herein above. The structures / facilities built by the applicant shall vest into the Government of Karnataka on the date of completion of period of ten years. If the Agreement is terminated before the period of ten years due to fault of applicant, in that case too the above said structures / facilities built by applicant shall vest into the Government of Karnataka.

KSIIDC Limited / or the representative or the operator appointed by GOK / AAI / DGCA / BIAS, etc., shall inspect the Airport and the hangars / buildings annexed therein at any time and shall require the applicant to make good any of the structure / installations.

2.1 Scope of Bid

2.1.1 The Authority wishes to receive Bids comprising of qualification, technical proposals and financial bids for the Project.

2.1.2 Qualified Applicants / Bidders will be invited to the opening of technical proposal. The shortlisted Applicants / Bidders on the basis of the evaluation of the technical proposals will be invited for opening of the financial bids for the Project. The Highest Applicant / Bidder whose financial bid has been opened would be awarded the Project.

2.1.3 Unless the context otherwise requires, the terms defined in this RFP / Bidding Document shall have the meaning assigned thereto in the RFP/Bidding Document.

2.1.4 The Project Information Memorandum for the Project is being provided only as a preliminary reference document by way of assistance to the Applicants / Bidders who are expected to carry out their own surveys, investigations and other detailed examination before submitting their Bids. Nothing contained in the Project Information Memorandum shall be binding on the Authority nor confer any right on the Applicants / Bidders, and the Authority shall have no liability whatsoever in relation to or arising out of any or all contents of the Project Information Memorandum.

2.1.5 The Concession Agreement of the RFP / Bidding Document sets forth the detailed terms and conditions for grant of the concession to the Concessionaire, including the scope of the Concessionaire's services and obligations (the "Concession"). Notwithstanding anything to the contrary contained in this RFP Bidding Documents, the detailed Terms specified in the draft Concession Agreement shall have overriding effect; provided, however, that any conditions or obligations imposed on the Applicant / Bidder hereunder shall continue to have effect in addition to its obligations under the Concession Agreement.

2.1.6 Any condition or qualification or any other stipulation contained in the Bid shall render the Bid liable to rejection as a non-responsive Bid.

2.1.7 The Bidding Documents including this RFP and all attached documents are and shall remain the property of the Authority and are transmitted to the Applicants / Bidders

solely for the purpose of preparation and the submission of a Bid in accordance herewith. Applicants / Bidders are to treat all information as strictly confidential and shall not use it for any purpose other than for preparation and submission of their Bid. The Authority will not return any Bid or any information provided along therewith.

2.1.8 Any award of Concession pursuant to this RFP / Bid Document shall be subject to the terms of RFP / Bidding Documents.

2.2 Eligibility of Applicants / Bidders

2.2.1 For determining the eligibility of Applicants / Bidders for their qualification hereunder, the following shall apply:

- (a) The Applicant / Bidder may be a single entity or a group of entities (the “**Consortium**”), coming together to implement the Project. However, no applicant / Bidder applying individually or as a member of a Consortium, as the case may be, can be member of another Applicant / Bidder. The term Applicant / Bidder used herein would apply to both a single entity and a Consortium.
- (b) An Applicant / Bidder may be a natural person, private entity or any combination of them with a formal intent to enter into an agreement or under an existing agreement to form a Consortium. A Consortium shall be eligible for consideration subject to the conditions set out in Clause 2.2.6 below.
- (c) An Applicant / Bidder shall not have a conflict of interest (the “**Conflict of Interest**”) that affects the Bidding Process. Any Applicant / Bidder found to have a Conflict of Interest shall be disqualified. An Applicant / Bidder shall be deemed to have a Conflict of Interest affecting the Bidding Process, if:
 - (i) the Applicant / Bidder, its Member or Associate (or any constituent thereof) and any other Applicant / Bidder, its Member or any Associate thereof (or any constituent thereof) have common controlling shareholders or other ownership interest; provided that this disqualification shall not apply in cases where the direct or indirect shareholding of an Applicant / Bidder, its Member or an Associate thereof (or any shareholder thereof having a shareholding of more than 5 per cent of the paid up and subscribed share capital of such Applicant / Bidder, Member or Associate, as the case may be) in the other Applicant / Bidder, its Member or Associate is less than 5 per cent of the subscribed and paid up equity share capital thereof; provided further that this disqualification shall not apply to any ownership by a bank, insurance company, pension fund or a public financial institution referred to in section 4A of the Companies Act, 1956. For the purposes of this Clause 2.2.1(c), indirect shareholding held through one or more intermediate persons shall be computed as follows: (aa) where any intermediary is controlled by a person through management control or otherwise, the entire shareholding held by such controlled intermediary in any other person (the “**Subject Person**”) shall be taken into account for computing the shareholding of such controlling person in the Subject Person; and (bb) subject always to sub-clause (aa) above, where a person does not exercise control over an intermediary, which has shareholding in the Subject

Person, the computation of indirect shareholding of such person in the Subject Person shall be undertaken on a proportionate basis; provided, however, that no such shareholding shall be reckoned under this sub-clause (bb) if the shareholding of such person in the intermediary is less than 26% of the subscribed and paid up equity shareholding of such intermediary; or

- (ii) a constituent of such Applicant / Bidder is also a constituent of another Applicant / Bidder; or
 - (iii) such Applicant / Bidder, or any Associate thereof receives or has received any direct or indirect subsidy, grant, concessional loan or subordinated debt from any other Applicant / Bidder, or any Associate thereof or has provided any such subsidy, grant, concessional loan or subordinated debt to any other Applicant / Bidder, its Member or any Associate thereof; or
 - (iv) such Applicant / Bidder has the same legal representative for purposes of this Bid as any other Applicant / Bidder; or
 - (v) such Applicant / Bidder, or any Associate thereof has a relationship with another Applicant / Bidder, or any Associate thereof, 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 Bid of either or each other; or
 - (vi) such Applicant / Bidder, or any Associate thereof has participated as a consultant to the Authority in the preparation of any documents, design or technical specifications of the Project.
- (d) An Applicant / Bidder shall be liable for disqualification if any legal, financial or technical adviser of the Authority in relation to the Project is engaged by the Applicant / Bidder, its Member or any Associate thereof, as the case may be, in any manner for matters related to or incidental to the Project. For the avoidance of doubt, this disqualification shall not apply where such adviser was engaged by the Applicant / Bidder, its Member or Associate in the past but its assignment expired or was terminated 6 (six) months prior to the date of issue of this RFP. Nor will this disqualification apply where such adviser is engaged after a period of 3 (three) years from the date of commercial operation of the Project.

In case an Applicant / Bidder is a Consortium, then the term Applicant / Bidder as used in this Clause 2.2.1, shall include each Member of such Consortium.

2.2.2 To be eligible for qualification, an Applicant / Bidder shall fulfil the following conditions of eligibility:

- (A) **Technical Capacity:** For demonstrating technical capacity and experience (the “**Technical Capacity**”), the Applicant / Bidder shall, over the past 5 (five) financial years preceding the Application Due Date, have:
 - (i) paid for, or received payments for, construction of Eligible Project(s); or

- (ii) paid for development of Eligible Project(s) in Category 1 and/or Category 2 specified in Clause 7.2.1;

such that the sum total of the above is more than Rs. 1 Crore (Rupees One Crore) (the “**Threshold Technical Capacity**”).

Provided that at least one fourth of the Threshold Technical Capacity shall be from the Eligible Projects in Category 1 and/ or Category 3 specified in Clause 7.2.1.

- (B) **Financial Capacity:** The Applicant / Bidder shall have (the “**Financial Capacity**”):

- (i) A minimum Net Worth of Rs. 2.5 Crore (Rupees Two Crore Fifty Lakhs) at the close of the preceding financial year, and

And

- (ii) An average annual turnover of Rs. 10 Crore (Rupees ten Crore) for the preceding 5 (Five) financial years

In case of a Consortium, the combined technical capacity, average annual turnover and net worth of those Members, who have and shall continue to have an equity share of at least 26% (twenty six per cent) each in the SPV, would be considered for satisfying the above conditions of eligibility; provided that each such Member shall, for the Concession Agreement.

2.2.3 (Deleted)

2.2.4 The Applicants / Bidders shall enclose with its Bid, to be submitted as per the format at Appendix-I, complete with its Annexes, the following:

- (i) Certificate(s) from its statutory auditors or the concerned client(s) stating the payments made/ received or works commissioned, as the case may be, during the past 5 years in respect of the projects specified in paragraph 2.2.2 (A) above. In case a particular job/ contract has been jointly executed by the Applicant / Bidder (as part of a consortium), it should further support its claim for the share in work done for that particular job/ contract by producing a certificate from its statutory auditor or the client; and
- (ii) certificate(s) from its statutory auditors specifying the net worth of the Applicant / Bidder, as at the close of the preceding financial year, and also specifying that the methodology adopted for calculating such net worth conforms to the provisions of this Clause 2.2.4 (ii). For the purposes of this RFP / Bidding Document, net worth (the “**Net Worth**”) shall mean the sum of subscribed and paid up equity and reserves from which shall be deducted the sum of revaluation reserves, miscellaneous expenditure not written off and reserves not available for distribution to equity share holders.

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(In case duly certified audited annual financial statements containing explicitly the requisite details are provided by each Consortium member, a separate certification by statutory auditors would not be necessary in respect of Clause 2.2.4 (i). In jurisdictions that do not have statutory auditors, the firm of auditors which audits the annual accounts of the Applicant may provide the certificates required).

- 2.2.5 The Applicant / Bidder should submit a Power of Attorney as per the format at Appendix-II, authorising the signatory of the Bid to commit the Applicant / Bidder. In the case of a Consortium, the Members should submit a Power of Attorney in favour of the Lead Member as per format at Appendix-III.
- 2.2.6 Where the Applicant / Bidder is a single entity, it may be required to form an appropriate Special Purpose Vehicle, incorporated under the Indian Companies Act, 1956 (the “**SPV**”), to execute the Concession Agreement and implement the Project. In case the Applicant / Bidder is a Consortium, it shall, in addition to forming an SPV, comply with the following additional requirements:
- (a) Number of members in a consortium shall not exceed 6 (six);
 - (b) subject to the provisions of sub-clause (a) above, the Bid should contain the information required for each member of the Consortium;
 - (c) members of the Consortium shall nominate one member as the lead member (the “**Lead Member**”), who shall have an equity share holding of at least 26% (twenty six per cent) of the paid up and subscribed equity of the SPV. The nomination(s) shall be supported by a Power of Attorney, as per the format at Appendix-III, signed by all the other members of the Consortium;
 - (d) the Bid should include a brief description of the roles and responsibilities of individual members, particularly with reference to financial, technical and O&M obligations;
 - (e) an individual Applicant / Bidder cannot at the same time be member of a Consortium applying for pre-qualification. Further, a member of a particular Applicant / Bidder Consortium cannot be member of any other Applicant / Bidder Consortium applying for pre-qualification;
 - (f) the members of a Consortium shall form an appropriate SPV to execute the Project, if awarded to the Consortium;
 - (g) members of the Consortium shall enter into a binding Joint Bidding Agreement, substantially in the form specified at Appendix-IV (the “**Jt. Bidding Agreement**”), for the purpose of making the Bid and submitting a Bid in the event of being short-listed. The Jt. Bidding Agreement, to be submitted along with the Bid, shall, *inter alia*:
 - (i) convey the intent to form an SPV with shareholding/ ownership equity commitment(s) in accordance with this RFP / Bidding Document, which would enter into the Concession Agreement and subsequently perform all the obligations of the Concessionaire in terms of the Concession Agreement, in case the concession to undertake the Project is awarded to the Consortium;

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- (ii) clearly outline the proposed roles and responsibilities, if any, of each member;
- (iii) commit the minimum equity stake to be held by each member;
- (iv) commit that each of the members, whose experience will be evaluated for the purposes of this RFP / Bidding Document, shall subscribe to 26% (twenty six per cent) or more of the paid up and subscribed equity of the SPV and shall further commit that each such member shall, for a period of 2 (two) years from the date of commercial operation of the Project, hold equity share capital not less than: (i) 26% (twenty six per cent) of the subscribed and paid up equity share capital of the SPV; and (ii) 5% (five per cent) of the Total Project Cost specified in the Concession Agreement;
- (v) members of the Consortium undertake that they shall collectively hold at least 51% (fifty one per cent) of the subscribed and paid up equity of the SPV at all times until the second anniversary of the commercial operation date of the Project; and
- (vi) include a statement to the effect that all members of the Consortium shall be liable jointly and severally for all obligations of the Concessionaire in relation to the Project until the Financial Close of the Project is achieved in accordance with the Concession Agreement; and
- (vii) commit to include atleast one consortium member who is an Indian / Indian entity having office in India, who shall hold a minimum of 10% of the subscribed and paid up equity share capital of the SPV at all times
- (h) except as provided under this RFP / the Bidding Documents, there shall not be any amendment to the Jt. Bidding Agreement without the prior written consent of the Authority.

2.2.7 Any entity which has been barred by the Government of India / Any State Government, or any entity controlled by it, or the Authority from participating in any project (BOT Projects or otherwise), and the bar subsists as on the date of Bid, would not be eligible to submit the Bid, either individually or as member of a Consortium.

2.2.8 An Applicant / Bidder including any Consortium Member or Associate should, in the last 3 (three) years, have neither failed to perform on any contract, as evidenced by imposition of a penalty by an arbitral or judicial authority or a judicial pronouncement or arbitration award against the Applicant / Bidder, Consortium Member or Associate, as the case may be, nor has been expelled from any project or contract by any public entity nor have had any contract terminated any public entity for breach by such Applicant / Bidder, Consortium Member or Associate .

2.2.9 In computing the Technical Capacity, Average Annual Turnover and Net Worth of the Applicant / Bidder/ Consortium Members under Clauses 2.2.2, 2.2.4, 7.2 and 7.4, the Technical Capacity, Annual Turnover and Net Worth of their respective Associates would also be eligible hereunder.

For purposes of this RFP / Bidding Document, Associate means, in relation to the Applicant / Bidder/ Consortium Member, a person who controls, is controlled by, or is under the common control with such Applicant / Bidder/ Consortium Member (the “**Associate**”). As used in this definition, the expression “control” means, with respect to a person which is a company or corporation, the ownership, directly or indirectly, of more than 50% (fifty per cent) of the voting shares of such person, and with respect to a person which is not a company or corporation, the power to direct the management and policies of such person by operation of law.

2.2.10 The following conditions shall be adhered to while submitting a Bid:

- (a) Applicants / Bidders should attach clearly marked and referenced continuation sheets in the event that the space provided in the prescribed forms in the Annexes is insufficient. Alternatively, Applicants / Bidders may format the prescribed forms making due provision for incorporation of the requested information;
- (b) information supplied by an Applicant / Bidder (or other constituent Member if the Applicant / Bidder is a Consortium) must apply to the Applicant / Bidder, Member or Associate named in the Bid and not, unless specifically requested, to other associated companies or firms. Invitation to submit Bids will be issued only to Applicants / Bidders whose identity and/ or constitution is identical to that at pre-qualification;
- (c) in responding to the qualification submissions, Applicants / Bidders should demonstrate their capabilities in accordance with Clause 7.1 below; and
- (d) in case the Applicant / Bidder is a Consortium, each Member should substantially satisfy the pre-qualification requirements to the extent specified herein.

2.2.11 While Qualification is open to persons from any country, the following provisions shall apply:

- (a) Where, on the date of the Bid, not less than 15% (fifteen per cent) of the aggregate issued, subscribed and paid up equity share capital in an Applicant / Bidder or its Member is held by persons resident outside India or where an Applicant / Bidder or its Member is controlled by persons resident outside India; or
- (b) if at any subsequent stage after the date of the Bid, there is an acquisition of not less than 15% (fifteen per cent) of the aggregate issued, subscribed and paid up equity share capital or control, by persons resident outside India, in or of the Applicant / Bidder or its Member;

then the Qualification of such Applicant / Bidder or in the event described in sub clause (b) above, the continued Qualification of the Applicant / Bidder shall be subject to approval of the Authority from national security and public interest perspective. The decision of the Authority in this behalf shall be final and conclusive and binding on the Applicant / Bidder.

The holding or acquisition of equity or control, as above, shall include direct or indirect holding/ acquisition, including by transfer, of the direct or indirect legal or beneficial ownership or control, by persons acting for themselves or in concert and in determining such holding or acquisition, the Authority shall be guided by the principles, precedents and definitions contained in the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 1997, or any substitute thereof, as in force on the date of such acquisition.

The Applicant / Bidder shall promptly inform the Authority of any change in the shareholding, as above, and failure to do so shall render the Applicant / Bidder liable for disqualification from the Bidding Process.

- 2.2.12 Notwithstanding anything to the contrary contained herein, in the event that the Application Due Date falls within three months of the closing of the latest financial year of an Applicant / Bidder, it shall ignore such financial year for the purposes of its Bid and furnish all its information and certification with reference to the 5 (five) years or 1 (one) year, as the case may be, preceding its latest financial year. For the avoidance of doubt, financial year shall, for the purposes of a Bid hereunder, mean the accounting year followed by the Applicant / Bidder in the course of its normal business.

2.3 Change in composition of the Consortium

- 2.3.1 Change in the composition of a Consortium will not be permitted by the Authority during the Bid Stage.
- 2.3.2 Deleted
- 2.3.3 Deleted
- 2.3.4 Deleted

2.4 Number of Bids and costs thereof

- 2.4.1 No Applicant / Bidder shall submit more than one Bid for the Project. An Applicant / Bidder applying individually or as a member of a Consortium shall not be entitled to submit another Bid either individually or as a member of any Consortium, as the case may be.
- 2.4.2 The Applicants / Bidders shall be responsible for all of the costs associated with the preparation of their Bids and their participation in the Bid Process. The Authority will not be responsible or in any way liable for such costs, regardless of the conduct or outcome of the Bidding Process.

2.5 Site visit and verification of information

2.5.1 Applicants / Bidders are encouraged to submit their respective Bids after visiting the Project Site(s) and ascertaining for themselves the site conditions, traffic, location, surroundings, climate, availability of power, water and other utilities for construction, access to site, handling and storage of materials, weather data, applicable laws and regulations, and any other matter considered relevant by them. Authority can be made for the Applicants / Bidders for the visit to the Project Site(s) on a mutually convenient date and time on all working days, subject to prior written request.

2.5.2 It shall be deemed that by submitting a Bid, the Bidder has:

- (a) made a complete and careful examination of the Bidding Documents;
- (b) received all relevant information requested from the Authority;
- (c) acknowledged and accepted the risk of inadequacy, error or mistake in the information provided in the Bidding Documents or furnished by or on behalf of the Authority relating to any of the matters referred to in Clause 2.5.1 above;
- (d) satisfied itself about all matters, things and information including matters referred to in Clause 2.5.1 herein above necessary and required for submitting an informed Bid, execution of the Project in accordance with the Bidding Documents and performance of all of its obligations there under;
- (e) acknowledged and agreed that inadequacy, lack of completeness or Incorrectness of information provided in the Bidding Documents or ignorance of any of the matters referred to in Clause 2.5.1 hereinabove shall not be a basis for any claim for compensation, damages, extension of time for performance of its obligations, loss of profits etc. from the Authority, or a ground for termination of the Concession Agreement; and
- (f) agreed to be bound by the undertakings provided by it under and in terms hereof.

2.6 Acknowledgement by Applicant / Bidder

2.6.1 It shall be deemed that by submitting the Bid, the Applicant / Bidder has:

- (a) made a complete and careful examination of the RFP / Bidding Document;
- (b) received all relevant information requested from the Authority;
- (c) accepted the risk of inadequacy, error or mistake in the information provided in the RFP / Bidding Document or furnished by or on behalf of the Authority relating to any of the matters referred to in Clause 2.5 above; and

- (d) Agreed to be bound by the undertakings provided by it under and in terms hereof.

2.6.2 The Authority shall not be liable for any omission, mistake or error in respect of any of the above or on account of any matter or thing arising out of or concerning or relating to the RFP / Bidding Document or the Bidding Process, including any error or mistake therein or in any information or data given by the Authority.

2.7 Right to accept or reject any or all Bids

2.7.1 Notwithstanding anything contained in this RFP / Bidding Document, the Authority reserves the right to accept or reject any Bid and to annul the Bidding Process and reject all Bids, at any time without any liability or any obligation for such acceptance, rejection or annulment, and without assigning any reasons therefor. In the event that the Authority rejects or annuls all the Bids, it may, in its discretion, invite all eligible Applicants / Bidders to submit fresh Bids hereunder.

2.7.2 The Authority reserves the right to reject any Bid if:

- (a) at any time, a material misrepresentation is made or uncovered, or
- (b) the Applicant / Bidder does not provide, within the time specified by the Authority, the supplemental information sought by the Authority for evaluation of the Bid.

If the Applicant / Bidder is a Consortium, then the entire Consortium may be disqualified/ rejected. If such disqualification/ rejection occurs after the Bids have been opened and the Highest Bidder gets disqualified/ rejected, then the Authority reserves the right to:

- (i) invite the remaining Applicants / Bidders to match the Highest Bidder/ submit their Bids in accordance with the RFP / Bidding Document; or
- (ii) take any such measure as may be deemed fit in the sole discretion of the Authority, including annulment of the Bidding Process.

2.7.3 In case it is found during the evaluation or at any time before signing of the Concession Agreement or after its execution and during the period of subsistence thereof, including the concession thereby granted by the Authority, that one or more of the pre-qualification conditions have not been met by the Applicant / Bidder, or the Applicant / Bidder has made material misrepresentation or has given any materially incorrect or false information, the Applicant / Bidder shall be disqualified forthwith if not yet appointed as the Concessionaire either by issue of the LOA or entering into of the Concession Agreement, and if the Applicant / Bidder / SPV has already been issued the LOA or has entered into the Concession Agreement, as the case may be, the same shall, notwithstanding anything to the contrary contained therein or in this RFP / Bidding Document, be liable to be terminated, by a communication in writing by the Authority to the Applicant / Bidder , without the Authority being liable in any manner whatsoever to the Applicant / Bidder or Concessionaire, as the case may be. In such an event, the Authority shall forfeit and appropriate the Bid Security or

Performance Security, as the case may be, as mutually agreed genuine pre-estimated compensation and damages payable to the Authority for, inter alia, time, cost and effort of the Authority, without prejudice to any other right or remedy that may be available to the Authority.

- 2.7.4 The Authority reserves the right to verify all statements, information and documents submitted by the Applicant / Bidder in response to the RFP / Bidding Document. Any such verification or lack of such verification by the Authority shall not relieve the Applicant / Bidder of its obligations or liabilities hereunder nor will it affect any rights of the Authority thereunder.

B. DOCUMENTS

2.8 Contents of the RFP / Bidding Document

This RFP / Bidding Document comprises the disclaimer set forth herein above, the contents as listed below, and will additionally include any Addenda issued in accordance with Clause 2.10.

Part I: Introduction & General Instructions

- Section 1: Introduction
- Section 2: Instructions to Applicants / Bidders
- Section 3: Fraud & Corrupt Practices
- Section 4: Pre Application Conference
- Section 5: Miscellaneous
- Section 6: Project Terms and Role of Selected Bidder

Part II: Qualification Proposal

- Section 7: Qualification Criteria for Applicants / Bidders
Criteria for evaluation of Qualification proposal

Part III: Technical Proposal

- Section 8: Criteria and Evaluation of Technical Proposal

Part IV: Financial Bid

- Section 9: Evaluation of Financial Bid

Part V: Appendices

- I. Letter comprising the Bid
- II. Power of Attorney for signing of Bid
- III. Power of Attorney for Lead Member of Consortium
- IV. Joint Bidding Agreement for Consortium
- V. Bank Guarantee for Bid Security
- VI. Letter Comprising of Technical Proposal
- VII. Letter Comprising Bid
- VIII. Guidelines of the Department of Disinvestment

2.9 Clarifications

2.9.1 Applicants / Bidders requiring any clarification on the RFP / Bidding Document may notify the Authority in writing or by fax and e-mail in accordance with Clause 1.2.12. They should send in their queries before the date specified in the schedule of Bidding Process contained in Clause 1.3.

All queries shall be addressed to KSIIDC at contact details as below:

To:	KSIIDC
Fax	+91-80-22255740
email	bic3@ksiidc.com , dgmipd3@ksiidc.com
Mail	Managing Director, Karnataka State Industrial and Infrastructure Development Corporation Limited. 4 th Floor, East Wing, “Khanija Bhavan, No.49, Race Course Road, Bengaluru – 560001.

The Authority shall post the replies to the queries on the website of the authority alongwith the response to the queries raised during the Pre-Bid Conference. In addition, the authority at its discretion may also choose to send the responses to all parties who have purchased the RFP through fax and/or e-mail. The Authority will forward all the queries and its responses thereto, to all purchasers of the RFP / Bidding Document without identifying the source of queries.

2.9.2 The Authority shall endeavour to respond to the questions raised or clarifications sought by the Applicants / Bidders. However, the Authority reserves the right not to respond to any question or provide any clarification, in its sole discretion, and nothing in this Clause shall be taken or read as compelling or requiring the Authority to respond to any question or to provide any clarification.

2.9.3 The Authority may also on its own motion, if deemed necessary, issue interpretations and clarifications to all Applicants / Bidders. All clarifications and interpretations issued by the Authority shall be deemed to be part of the RFP / Bidding document. Verbal clarifications and information given by Authority or its employees or representatives shall not in any way or manner be binding on the Authority.

2.10 Amendment of RFP / Bidding document

2.10.1 At any time prior to the deadline for submission of Bid, the Authority may, for any reason, whether at its own initiative or in response to clarifications requested by an Applicant / Bidder, modify the RFP / Bidding Document by the issuance of Addenda.

2.10.2 Any Addendum thus issued will be sent in writing to all those who have purchased the RFP / Bidding Document.

2.10.3 In order to afford the Applicants / Bidders a reasonable time for taking an Addendum into account, or for any other reason, the Authority may, in its sole discretion, extend the Application Due Date.

C. PREPARATION AND SUBMISSION OF BID

2.11 Language

The Bid and all related correspondence and documents in relation to the Bidding Process shall be in English language. Supporting documents and printed literature furnished by the Applicant / Bidder with the Bid may be in any other language provided that they are accompanied by translations of all the pertinent passages in the English language, duly authenticated and certified by the Applicant / Bidder. Supporting materials, which are not translated into English, may not be considered. For the purpose of interpretation and evaluation of the Bid, the English language translation shall prevail.

2.12 Format and signing of Bid

2.12.1 The Applicant / Bidder shall provide all the information sought under this RFP / Bidding Document. The Authority will evaluate only those Bids that are received in the required formats and complete in all respects. Incomplete and /or conditional Bids shall be liable to rejection.

2.12.2 The Applicant / Bidder shall prepare 1 (one) original set of the Bid (together with originals/ copies of documents required to be submitted along therewith pursuant to this RFP / Bidding Document) and clearly marked "ORIGINAL". In addition, the Applicant / Bidder shall submit 2 (two) copies of the Bid, alongwith documents required to be submitted along therewith pursuant to this RFP / Bidding Document, marked "COPY". In the event of any discrepancy between the original and the copy, the original shall prevail.

2.12.3 The Bid and its copy shall be typed or written in indelible ink and signed by the authorised signatory of the Applicant / Bidder who shall also initial each page in blue ink. In case of printed and published documents, only the cover shall be initialled. All the alterations, omissions, additions or any other amendments made to the Bid shall be initialled by the person(s) signing the Bid. The Bid shall contain page numbers and shall be bound together in hard cover.

2.13 Sealing and Marking of Bids

2.13.1 The Applicant / Bidder shall submit the Bid in the formats specified at Volume – VII Appendices, together with the documents specified in Clause 2.13.2, and seal it in an envelope and mark the envelope as **"Bid for Setting up Flying Training Institute in Kalaburagi Airport on Public Private Partnership Basis"**.

The Applicant / Bidder shall seal the original and the copy of the Bid, together with their respective enclosures, in separate envelopes duly marking the envelopes as "ORIGINAL" and "COPY". The envelopes shall then be sealed in an outer envelope which shall also be marked in accordance with Clauses 2.13.2 and 2.13.3.

2.13.1.1 Eligibility Criteria

The applicant should meet the following eligibility criteria :

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2.13.1.2 **GENERAL :**

- a. A citizen of India; or
- b. A group of individuals of Indian nationality or a trust formed under any law of India or States of India or society registered under the Societies Registration Act, 1860; or
- c. A company registered under the Companies Act, 2013, having its principal place of business within India ; or
- d. The Central Government or a State Government Undertaking owned or controlled by either of the said Governments.

2.13.1.3 **TECHINCAL**

- a) The applicant should own / hire an aircraft and a simulator.
- b) The applicant should have trained at least 50 members (CPL holder) in the last 5 years.
- c) The applicant should have run a Training Institute (minimum 1) in the last 3 years.
- d) Minimum intake of training students should be atleast 10 members per year.

2.13.1.4 **FINANCIAL**

- a) The applicant should have an authorized / paid up capital of more than Rs.1 Crore.
- b) Certificate of Net worth of Rs.2.5 Cr
- c) An average annual turnover of the applicant must be Rs. 2 cr. during each of previous 3 years.
- d) Average annual turnover of the applicant in aviation / training sector must be atleast Rs 1 Crore during each of previous 3 years

2.13.2 All proposal (Qualification, Technical & Financial) should be submitted through e-procurement portal and should also submit hard copies of the same in a sealed envelope as prescribed in clause 2.13.1 and shall comprise of the following:

Envelope - I: Qualification documents

- (i) Information in the prescribed format (Appendix-I) along with Annexes and supporting documents;
- (ii) Power of Attorney for signing the Bid as per the format at Appendix-II;
- (iii) if applicable, the Power of Attorney for Lead Member of Consortium as per the format at Appendix-III;
- (iv) copy of the Jt. Bidding Agreement, in case of a Consortium, substantially in the format at Appendix-IV;
- (v) copy of Memorandum and Articles of Association, if the Applicant / Bidder is a body corporate, and if a partnership then a copy of its partnership deed;
- (vi) copies of Applicant / Bidder's duly audited balance sheet and profit and loss account for the preceding three years;
- (vii) Bid processing fees in the form of Demand Draft.

- (viii) A copy of the Concession Agreement with each page initialled by the Bid signatory in pursuance of the Power of Attorney referred to in Clause 2.13.2 (iii)

The envelopes shall clearly bear the following identification:

“ENVELOPE–I: Qualification Documents for for Setting up Flying Training Institute in Kalaburagi Airport on Public Private Partnership Basis”

Envelope - II: Technical Proposal

- (i) Project Concept Note
- (ii) Preliminary Master Plan
- (iii) Indicative Phase wise development Plan
- (iv) Indicative Investment & Revenue Plan
- (v) Return on investment analysis report
- (vi) Experience - in the aviation sector.
- (vii) Approach & Methodology of the applicant for setting up flying training institute (flying / aircraft maintenance)
- (viii) Plans
 - a) Proposed Organizational structure
 - b) Manpower to be employed and no. of instructors for each type of training
 - c) Training Plan i.e. types of training to be provided, batch size, number of batches to be conducted for each type of course.
 - d) Proposed infrastructure to be developed
- (ix) Qualification & experience of key personal
 - a) Principal
 - b) Head of Training (VP Training/ Director Training)
 - c) Chief Flight Instructor
 - d) Chief Ground Instructor

The envelopes shall clearly bear the following identification:

“ENVELOPE – II : Technical Proposal “Bid for Setting up Flying Training Institute in Kalaburagi Airport on Public Private Partnership Basis”.

Envelope - III: Financial Bid

- i) Financial Bid in the prescribed format (Appendix VII)

The envelopes shall clearly bear the following identification:

“ENVELOPE–III : Financial Bid “Bid for Setting up Flying Training Institute in Kalaburagi Airport on Public Private Partnership Basis”.

Each of the Envelopes shall clearly indicate the name and address of the Applicant / Bidder. In addition, the Application Due Date should be indicated on the right hand corner of each of the envelopes.

2.13.3 All the envelopes shall be placed in an outer envelope and addressed to:

ATTN. OF:

DESIGNATION: **Managing Director**

ADDRESS: Karnataka State Industrial and Infrastructure
Development Corporation Limited.
4th Floor, East Wing, "Khanija Bhavan," No.49,
Race Course Road, Bengaluru – 560001.

This outer envelope shall clearly bear the following identification: **"Bid for "Bid for Setting up Flying Training Institute in Kalaburagi Airport on Public Private Partnership Basis"**.

2.13.4 If the envelopes are not sealed and marked as instructed above, the Authority assumes no responsibility for the misplacement or premature opening of the contents of the Bid and consequent losses, if any, suffered by the Applicant / Bidder.

2.13.5 Bids submitted by fax, telex, telegram or e-mail shall not be entertained and shall be rejected.

2.14 Application Due Date

2.14.1 Bids should be submitted before 16.00 hours IST on the Application Due Date, at the address provided in Clause 2.13.3 in the manner and form as detailed in this RFP / Bidding Document. A receipt thereof should be obtained from the person specified in Clause 2.13.3.

2.14.2 The Authority may, in its sole discretion, extend the Application Due Date by issuing an Addendum in accordance with Clause 2.10 uniformly for all Applicants / Bidders.

2.15 Late Bids

Bids received by the Authority after the specified time on the Application Due Date shall not be eligible for consideration and shall be summarily rejected.

2.16 Modifications/ substitution/ withdrawal of Bids

2.16.1 The Applicant / Bidder may modify, substitute or withdraw its Bid after submission, provided that written notice of the modification, substitution or withdrawal is received by the Authority prior to the Application Due Date. No Bid shall be modified, substituted or withdrawn by the Applicant / Bidder on or after the Application Due Date.

2.16.2 The modification, substitution or withdrawal notice shall be prepared, sealed, marked, and delivered in accordance with Clause 2.13, with the envelopes being additionally

marked “MODIFICATION”, “SUBSTITUTION” or “WITHDRAWAL”, as appropriate.

- 2.16.3 Any alteration/ modification in the Bid or additional information supplied subsequent to the Application Due Date, unless the same has been expressly sought for by the Authority, shall be disregarded.

D. EVALUATION PROCESS

2.17 Opening and Evaluation of Bids

- 2.17.1 The Authority shall open the Bids (Outer Envelope and Envelope I – Qualification Stage) at 1500 hours (IST) on the Qualification bid opening Date, at the place specified in Clause 2.13.3 and in the presence of the Applicants / Bidders who choose to attend.
- 2.17.2 Bids for which a notice of withdrawal has been submitted in accordance with Clause 2.16 shall not be opened.
- 2.17.3 The Authority will subsequently examine and evaluate the submissions in Qualification (Envelope-I) & Technical (Envelope II) in accordance with the provisions set out in Sections 7 & 8.
- 2.17.4 Applicants / Bidders are advised that qualification of Applicants / Bidders will be entirely at the discretion of the Authority. Applicants / Bidders will be deemed to have understood and agreed that no explanation or justification on any aspect of the Bidding Process or selection will be given.
- 2.17.5 Any information contained in the Bid shall not in any way be construed as binding on the Authority, its agents, successors or assigns, but shall be binding against the Applicant / Bidder if the Project is subsequently awarded to it on the basis of such information.
- 2.17.6 The Authority reserves the right not to proceed with the Bidding Process at any time without notice or liability and to reject any or all Bid(s) without assigning any reasons.
- 2.17.7 If any information furnished by the Applicant / Bidder is found to be incomplete, or contained in formats other than those specified herein, the Authority may, in its sole discretion, exclude the relevant project from computation of the Eligible Score of the Applicant / Bidder.
- 2.17.8 In the event that an Applicant / Bidder claims credit for an Eligible Project, and such claim is determined by the Authority as incorrect or erroneous, the Authority shall reject such claim and exclude the same from the Eligible Projects considered for evaluation. Where any information is found to be patently false or amounting to a material misrepresentation, the Authority reserves the right to reject the Bid and/ or Bid in accordance with the provisions of Clauses 2.7.2, 2.7.3 and 2.7.4.

2.18 Confidentiality

Information relating to the examination, clarification, evaluation, and recommendation for the short-listed pre-qualified Applicants / Bidders shall not be disclosed to any person who is not officially concerned with the process or is not a retained professional advisor advising the Authority in relation to, or matters arising out of, or concerning the Bidding Process. The Authority will treat all information, submitted as part of Bid, in confidence and will require all those who have access to such material to treat the same in confidence. The Authority may not divulge any such information unless it is directed to do so by any statutory entity that has the power under law to require its disclosure or is to enforce or assert any right or privilege of the statutory entity and/ or the Authority or as may be required by law or in connection with any legal process.

2.19 Deleted

2.20 Deleted

E. Deleted

2.21 Deleted

2.22 Submission of Bids

The Applicants / Bidders are advised to visit the site and familiarise themselves with the Project by the time of submission of the Bid. No extension of time is likely to be considered for submission of Bids pursuant to this invitation issued by the Authority.

2.23 Proprietary data

All documents and other information supplied by the Authority or submitted by an Applicant / Bidder to the Authority shall remain or become the property of the Authority. Applicants / Bidders are to treat all information as strictly confidential and shall not use it for any purpose other than for preparation and submission of their Bid. The Authority will not return any Bid or any information provided along therewith.

2.24 Correspondence with the Applicant / Bidder

Save and except as provided in this RFP / Bidding Document, the Authority shall not entertain any correspondence with any Applicant / Bidder in relation to the acceptance or rejection of any Bid.

F. BID SECURITY

2.25 Bid Security / EMD

2.25.1 The Applicant / Bidder shall furnish as part of its Bid, a Bid Security/ EMD referred to in Clauses 1.2.5 and 2.13.2 hereinabove shall be paid through e-procurement portal only.

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- 2.25.2 Deleted.
- 2.25.3 Any Bid / document not accompanied by the Bid Security / EMD shall be rejected by the Authority as non-responsive.
- 2.25.4 As provided in Clauses 1.2.5 and 1.2.6 above, the Bid Security of unsuccessful Applicants / Bidders will be returned by the Authority, without any interest, as promptly as possible on acceptance of the Bid of the Selected Applicant / Bidder or when the Bidding process is cancelled by the Authority. Where Bid Security has been paid by deposit, the refund thereof shall be in the form of an account payee demand draft in favour of the unsuccessful Applicant / Bidder(s). Applicants / Bidders may by specific instructions in writing to the Authority give the name and address of the person in whose favour the said demand draft shall be drawn by the Authority for refund, failing which it shall be drawn in the name of the Applicant / Bidder and shall be mailed to the address given on the Bid.
- 2.25.5 The Selected Applicant / Bidder's Bid Security / EMD will be returned, without any interest, upon the Applicant / Bidder signing the Concession Agreement and furnishing the Performance Security in accordance with the provisions thereof. The Authority may, at the Selected Applicant / Bidder's option, adjust the amount of Bid Security in the amount of Performance Security to be provided by him in accordance with the provisions of the Concession Agreement.
- 2.25.6 The Authority shall be entitled to forfeit and appropriate the Bid Security as mutually agreed genuine pre-estimated compensation / damages to the Authority in any of the events specified in Clause 2.25.7 herein below. The Applicant / Bidder, by submitting its Bid pursuant to this RFP / Bidding Document, shall be deemed to have acknowledged and confirmed that the Authority will suffer loss and damage on account of withdrawal of its Bid or for any other default by the Applicant / Bidder during the Bid validity period. No relaxation of any kind on Bid Security shall be given to any Applicant / Bidder.
- 2.25.7 The Bid Security shall be forfeited and appropriated by the Authority as mutually agreed genuine pre-estimated compensation and damages payable to the Authority for, inter alia, time, cost and effort of the Authority without prejudice to any other right or remedy that may be available to the Authority hereunder or otherwise, under the following conditions:
- a) If an Applicant / Bidder submits a non-responsive Bid;
 - b) If an Applicant / Bidder engages in a corrupt practice, fraudulent practice, coercive practice, undesirable practice or restrictive practice as specified in Clause 3 of this RFP / Bidding Document;
 - c) If an Applicant / Bidder withdraws its Bid during the period of Bid validity as specified in this RFP / Bidding Document and as extended by the Applicant / Bidder from time to time;
 - d) In the case of Selected Applicant / Bidder, if it fails within the specified time limit
 - i) to sign the Concession Agreement and/or

- ii) to furnish the Performance Security within the period prescribed therefor in the Concession Agreement; or
- e) In case the Selected Applicant / Bidder, having signed the Concession Agreement, commits any breach thereof prior to furnishing the Performance Security.

G. OTHER INSTRUCTIONS

2.26 Instructions

- 2.26.1 The statements and explanations contained in this RFP / Bidding Document are intended to provide a Proper understanding to the Applicants / Bidders about the subject matter of this RFP / Bidding Document and should not be construed or interpreted as limiting in any way or manner the scope of services and obligations of the Concessionaire set forth in the Concession Agreement or the Authority's rights to amend, alter, change, supplement or clarify the scope of work, the concession to be awarded pursuant to this RFP / Bidding Document or the terms thereof or herein contained. Consequently, any omissions, conflicts or contradictions in the Bidding Documents including this RFP / Bidding Document are to be noted, interpreted and applied appropriately to give effect to this intent, and no claims on that account shall be entertained by Authority.
- 2.26.2 The proposed Concession Agreement shall be deemed to be part of the Bid.
- 2.26.3 The Concession Agreement sets forth the detailed terms and conditions for grant of the concession to the Concessionaire, including the scope of the Concessionaire's services and obligations (the "Concession").

2.27 Change in Ownership

- 2.27.1 By submitting the Bid, the Applicant / Bidder shall be deemed to have acknowledged that it may be pre-qualified and short-listed on the basis of Technical Capacity and Financial Capacity of those of its Consortium Members who will own at least 26% each of the equity of the Concessionaire. The Applicant / Bidder further acknowledges and undertakes that each of such Consortium Members shall continue to hold at least 26% of the equity of the Concessionaire until 3 (three) years from the MDO Completion Date of the Project is achieved under and in accordance with the provisions of the Concession Agreement. The Applicant / Bidder further acknowledges and agrees that the aforesaid obligation shall be the minimum, and shall be in addition to such other obligations as may be contained in the Concession Agreement, and a breach hereof shall, notwithstanding anything to the contrary contained in the Concession Agreement, be deemed to be a breach of the Concession Agreement and dealt with as such thereunder. For the avoidance of doubt, the provisions of this Clause 2.3.1 shall apply only when the Applicant / Bidder is a Consortium.
- 2.27.2 By submitting the Bid, the Applicant / Bidder shall also be deemed to have

acknowledged and agreed that in the event of a change in control of a Consortium Member or an Associate whose Technical Capacity and/ or Financial Capacity was taken into consideration for the purposes of short-listing and pre-qualification, the Applicant / Bidder shall inform the Authority forthwith along with all relevant particulars about the same and the Authority may, in its sole discretion, disqualify the Applicant / Bidder or withdraw the LOA from the Selected Applicant / Bidder, as the case may be. In the event such change in control occurs after signing of the Concession Agreement but prior to Financial Close of the Project, it would, notwithstanding anything to the contrary contained in the Concession Agreement, be deemed to be a breach thereof, and the Concession Agreement shall be liable to be terminated without the Authority being liable in any manner whatsoever to the Concessionaire. In such an event, notwithstanding anything to the contrary contained in the Concession Agreement, the Authority shall forfeit and appropriate the Bid Security and or Performance Security, as the case may be, as mutually agreed genuine pre-estimated compensation and damages payable to the Authority for, inter alia, time, cost and effort of the Authority, without prejudice to any other right or remedy that may be available to the Authority hereunder or otherwise.

2.27.3 Change in the composition of Consortium 3 (three) years from the MDO completion date:

By submitting the Bid, the Applicant / Bidder shall also be deemed to have acknowledged and agreed that in the event of a change in control of a Consortium Member or an Associate whose Technical Capacity and/ or Financial Capacity was taken into consideration for the purposes of short-listing and pre-qualification, the selected Bidder shall inform the Authority forthwith along with all relevant particulars about the same and the Authority may, in its sole discretion consider the same if:

- (a) the substitute is at least equal, in terms of Financial and Technical Capacity, to the Consortium Member who is sought to be substituted and the modified Consortium shall continue to meet the qualification and short-listing criteria for the bidding process; and
- (b) the new Member(s) expressly adopt(s) the Application already made on behalf of the Consortium as if it were a party to it originally

3. FRAUD AND CORRUPT PRACTICES

- 3.1 The Applicants / Bidders and their respective officers, employees, agents and advisers shall observe the highest standard of ethics during the Bidding Process. Notwithstanding anything to the contrary contained herein, the Authority may reject an Bid without being liable in any manner whatsoever to the Applicant / Bidder if it determines that the Applicant / Bidder has, directly or indirectly or through an agent, engaged in corrupt practice, fraudulent practice, coercive practice, undesirable practice or restrictive practice in the Bidding Process.
- 3.2 Without prejudice to the rights of the Authority under Clause 3.1 hereinabove, if an Applicant / Bidder is found by the Authority to have directly or indirectly or through an agent, engaged or indulged in any corrupt practice, fraudulent practice, coercive practice, undesirable practice or restrictive practice during the Bidding Process, such Applicant / Bidder shall not be eligible to participate in any tender or RFP / Bidding Document issued by the Authority during a period of 2 (two) years from the date such Applicant / Bidder is found by the Authority to have directly or indirectly or through an agent, engaged or indulged in any corrupt practice, fraudulent practice, coercive practice, undesirable practice or restrictive practice, as the case may be.
- 3.3 For the purposes of this Clause 3, the following terms shall have the meaning hereinafter respectively assigned to them:
- (a) “**corrupt practice**” means (i) the offering, giving, receiving, or soliciting, directly or indirectly, of anything of value to influence the actions of any person connected with the Bidding Process (for avoidance of doubt, offering of employment to, or employing, or engaging in any manner whatsoever, directly or indirectly, any official of the Authority who is or has been associated in any manner, directly or indirectly, with the Bidding Process or the LOA or has dealt with matters concerning the Concession Agreement or arising therefrom, before or after the execution thereof, at any time prior to the expiry of one year from the date such official resigns or retires from or otherwise ceases to be in the service of the Authority, shall be deemed to constitute influencing the actions of a person connected with the Bidding Process); or (ii) save and except as permitted under sub clause (d) of Clause 2.2.1, engaging in any manner whatsoever, whether during the Bidding Process or after the issue of the LOA or after the execution of the Concession Agreement, as the case may be, any person in respect of any matter relating to the Project or the LOA or the Concession Agreement, who at any time has been or is a legal, financial or technical adviser of the Authority in relation to any matter concerning the Project;
 - (b) “**fraudulent practice**” means a misrepresentation or omission of facts or suppression of facts or disclosure of incomplete facts, in order to influence the Bidding Process;
 - (c) “**coercive practice**” means impairing or harming or threatening to impair or harm, directly or indirectly, any person or property to influence any person’s participation or action in the Bidding Process;

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- (d) **“undesirable practice”** means (i) establishing contact with any person connected with or employed or engaged by the Authority with the objective of canvassing, lobbying or in any manner influencing or attempting to influence the Bidding Process; or (ii) having a Conflict of Interest; and

- (e) **“restrictive practice”** means forming a cartel or arriving at any understanding or arrangement among Applicants / Bidders with the objective of restricting or manipulating a full and fair competition in the Bidding Process.

4. PRE-BID CONFERENCE

- 4.1** A Pre-Bid conference of the interested parties shall be convened at the designated date and time at the following venue:

Karnataka State Industrial and Infrastructure Development Corporation Limited.
4th Floor, East Wing, “Khanija Bhavan,”
No.49, Race Course Road,
Bengaluru – 560001.

Only authorized representatives of each Applicant / Bidder who purchase the RFP document would be eligible to participate in the meeting on intimation in writing by the designated date.

Information regarding any change in date and/or time and/or the venue of the Pre-bid meeting will be posted on the website of the authority.

- 4.2** During the course of Pre-Bid conference, the Applicants / Bidders will be free to seek clarifications and make suggestions for consideration of the Authority. The Authority shall endeavour to provide clarifications and such further information as it may, in its sole discretion, consider appropriate for facilitating a fair, transparent and competitive Bidding Process.

5. MISCELLANEOUS

- 5.1** The Bidding Process shall be governed by, and construed in accordance with, the laws of India and the Courts at Bangalore shall have exclusive jurisdiction over all disputes arising under, pursuant to and/ or in connection with the Bidding Process.
- 5.2** The Authority, in its sole discretion and without incurring any obligation or liability, reserves the right, at any time, to;
- (a) suspend and/ or cancel the Bidding Process and/ or amend and/ or supplement the Bidding Process or modify the dates or other terms and conditions relating thereto;
 - (b) consult with any Applicant / Bidder in order to receive clarification or further information;
 - (c) qualify or not to qualify any Applicant / Bidder and/ or to consult with any Applicant / Bidder in order to receive clarification or further information;
 - (d) retain any information and/ or evidence submitted to the Authority by, on behalf of, and/ or in relation to any Applicant / Bidder; and/ or
 - (e) independently verify, disqualify, reject and/ or accept any and all submissions or other information and/ or evidence submitted by or on behalf of any Applicant / Bidder.
- 5.3** It shall be deemed that by submitting the Bid, the Applicant / Bidder agrees and releases the Authority, its employees, agents and advisers, irrevocably, unconditionally, fully and finally from any and all liability for claims, losses, damages, costs, expenses or liabilities in any way related to or arising from the exercise of any rights and/ or performance of any obligations hereunder and the Bidding Documents, pursuant hereto, and/ or in connection with the Bidding Process, to the fullest extent permitted by applicable law, and waives any and all rights and/ or claims it may have in this respect, whether actual or contingent, whether present or in future.

6. Project Terms and Role of Selected Bidder

6.1 Role of Private Sector Partner (Selected bidder)

- a. The applicant is required to establish Flying Training Institute and / or Aircraft at Kalaburagi Airport.
- b. The applicant has to comply with the Civil Aviation Requirements (CAR) for Flying Training Institute relating to infrastructure, procedures and manpower issued from DGCA, New Delhi.
- c. The applicant should get all the necessary clearances / licenses / approvals / permissions from the respective regulatory bodies including Director General of Civil Aviations, Government of India.
- d. The runway and other specific facilities at the airport will be allowed to be utilized by the Training Institute for the said purposes.
- e. The applicant shall get insurance coverage for all of the facilities and the staff working with them for the adequate amount. The Managing Director, KSIIDC Limited shall not be responsible for any claim for loss or damage of property or life in any way.
- f. The applicant has to pay an amount equal to the yearly rental as security deposit in the form of Bank Guarantee in favour of the Managing Director, KSIIDC Limited, Bangalore.
- g. The earnest money deposit of the successful Consultant will be discharged when the Consultant has furnished the required Performance Security and signed the Agreement. The selected applicant shall submit the performance in the form of Bank Guarantee or Demand Draft. The performance security is Rs. 70 lakhs; which shall be submitted in the name Managing Director, KSIIDC, Bengaluru.
- h. The Airport and other specific infrastructure facilities will be allowed to be utilized by the applicant for a period of 10 years, but the initial permission shall be limited to 5 years which shall be renewed.

PART – II

QUALIFICATION PROPOSAL

7. QUALIFICATION CRITERIA

7.1 Evaluation parameters

Thereafter the Qualification Bids / proposals of the qualified bidders will be opened for evaluation. The Committee members will take up evaluation of those bidders who meet the requirement / criteria as mentioned in the bid document. The Committee members shall examine the qualification criteria Bids to confirm that all the documents have been provided, and to determine the completeness of each document submitted.

At the end of the evaluation of the Qualification Bids, the Committee will invite only those bidders who have been determined as being qualified for opening of the Technical Bids / Proposals.

The Committee will notify who have been rejected on the grounds of their Qualification / Technical Bids / Proposals and return the Financial Bids / Proposals unopened, who are determined as being qualified, to attend the opening of Financial Bids / Proposals

7.1.1 Tests of responsiveness

Prior to evaluation of submissions in Envelope-I, the Authority shall determine whether each submission in Envelope-I is responsive to the requirements of the RFP / Bidding Document and shall be considered responsive only if:

- (a) it is received as per format at Appendix-I.
- (b) it is received by the Application Due Date including any extension thereof pursuant to Clause 2.14.2;
- (c) it is signed, sealed, bound together in hard cover, and marked as stipulated in Clauses 2.12 and 2.13;
- (d) it is accompanied by the Power of Attorney as specified in Clause 2.2.5, and in the case of a Consortium, the Power of Attorney as specified in Clause 2.2.6 (c);
- (e) it contains all the information and documents (complete in all respects) as requested in this document;
- (f) it contains information in formats same as those specified in this document;
- (g) it contains certificates from its statutory auditors in the formats specified at Appendix-I of the document for each Eligible Project;

- (h) it is accompanied by the Jt. Bidding Agreement (for Consortium), specific to the Project, as stipulated in Clause 2.2.6(g);
- (i) it does not contain any condition or qualification; and
- (j) it is not non-responsive in terms hereof.
- (k) it should be accompanied by an amount of Rs. 1,50,000/- (Rupees One Lakhs Fifty Thousands only) as bid security / EMD through e-procurement portal.

7.1.2 The Authority reserves the right to reject any Bid which is non-responsive and no request for alteration, modification, substitution or withdrawal shall be entertained by the Authority in respect of such Bid.

7.1.3 Clarifications

To facilitate evaluation of submissions in Envelope-I, the Authority may, at its sole discretion, seek clarifications from any Applicant / Bidder regarding its submissions in Envelope-I. Such clarification(s) shall be provided within the time specified by the Authority for this purpose. Any request for clarification(s) and all clarification(s) in response thereto shall be in writing.

If an Applicant / Bidder does not provide clarifications sought under Clause 2.20.1 above within the prescribed time, its Bid shall be liable to be rejected. In case the Bid is not rejected, the Authority may proceed to evaluate the submissions in Envelope-I by construing the particulars requiring clarification to the best of its understanding, and the Applicant / Bidder shall be barred from subsequently questioning such interpretation of the Authority.

Only those Applicants / Bidders who meet the eligibility criteria specified in Clause 2.2.2 above shall qualify for evaluation under this Section 3. Bids of firms/ consortia who do not meet these criteria shall be rejected.

7.1.4 The Applicant / Bidder's competence and capability is proposed to be established by the following parameters:

- (a) Technical Capacity; and
- (b) Financial Capacity

7.2 Technical Capacity for purposes of evaluation

7.2.1 Subject to the provisions of Clause 2.2, the following categories of experience would qualify as Technical Capacity and eligible experience (the "**Eligible Experience**") in relation to eligible projects as stipulated in Clauses 7.2.3 and 7.2.4 (the "**Eligible Projects**"):

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Category 1: Project experience in development / construction of Eligible Projects including Flying Training Institute, Maintenance Repair & Overhaul (MRO) Training Institute, Aeronautical Education Institutes etc. that qualify under Clause 7.2.3

Category 2: Project experience on Eligible Projects in core sector Educational Institution / Training Institute / Skill Development Centre / Industrial Training Institute that qualify under Clause 7.2.3

Category 3: Project experience in operation of training of Eligible Projects including Flying Training Institute, Maintenance Repair & Overhaul (MRO) Training Institute, Aeronautical Education Institutes etc that qualify under Clause 7.2.4

Category 4: Project experience in operation of training of Eligible Projects including in core sector Educational Institution / Training Institute / Skill Development Centre / Industrial Training Institute that qualify under Clause 7.2.4

7.2.2. Eligible Experience in respect of each category shall be measured only for Eligible Projects.

7.2.3 For a project to qualify as an Eligible Project under Categories 1 and 2:

- (a) It should have been undertaken as a PPP project on BOT, BOLT, BOO, BOOT, EPC or other similar basis for providing its output or services to a public sector entity or for providing non-discriminatory access to users in pursuance of its charter, concession or contract, as the case may be. For the avoidance of doubt, a project which constitutes a natural monopoly such as an airport or port should normally be included in this category even if it is not based on a long-term agreement with a public entity;
- (b) the entity claiming experience should have held, in the company owning the Eligible Project, a minimum of 26% (twenty six per cent) equity during the entire year for which Eligible Experience is being claimed;
- (c) the capital cost of each project should be more than Rs. 25,00,000/- (Rupees Twenty Five Lakhs); and
- (d) the entity claiming experience shall, during the last 3 (three) financial years preceding the Application Due Date, have paid for development of the project (excluding the cost of land) .

7.2.4 For a project to qualify as an Eligible Project under Categories 3 and 4, the Applicant / Bidder should have paid for execution of its construction works or received payments from its client(s) for construction works executed, fully or

partially, during the 3 (three) financial years immediately preceding the Application Due Date, and only the payments (gross) actually made or received, as the case may be, during such 3 (three) financial years shall qualify for purposes of computing the Threshold Technical Capacity. However, payments/receipts of not less than Rs.25,00,000/- (Rupees Twenty Five Lakhs) shall not be reckoned as payments/receipts for Eligible Projects. For the avoidance of doubt, construction works shall not include supply of goods or equipment except when such goods or equipment form part of a turn-key construction contract/ EPC contract for the project. Further, the cost of land shall not be included hereunder.

7.2.5 The Applicant / Bidder shall quote experience in respect of a particular Eligible Project under any one category only, even though the Applicant / Bidder (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.

7.2.6 Deleted

7.2.7 Deleted

7.2.8 Experience for any activity relating to an Eligible Project shall not be claimed by two or more Members of the Consortium. In other words, no double counting by a Consortium in respect of the same experience shall be permitted in any manner whatsoever.

7.3 Details of Experience

7.3.1 The Applicant / Bidder should furnish the details of Eligible Experience for the last 3 (three) financial years immediately preceding the Application Due Date.

7.3.2. The Applicants / Bidders must provide the necessary information relating to Technical Capacity as per format at Annex-II of Appendix-I.

7.3.3. The Applicant / Bidder should furnish the required Project-specific information and evidence in support of its claim of Technical Capacity, as per format at Annex-IV of Appendix-I.

7.4 Financial information for purposes of evaluation

7.4.1 The submissions in Envelope-I must be accompanied by the Audited Annual Reports of the Applicant / Bidder (of each Member in case of a Consortium) for the last 5 (five) financial years, preceding the year in which the Bid is made.

7.4.2 In case the annual accounts for the latest financial year are not audited and therefore the Applicant / Bidder cannot make it available, the Applicant / Bidder shall give an undertaking to this effect and the statutory auditor shall certify the same. In such a case, the Applicant / Bidder shall provide the

Audited Annual Reports for 5 (five) years preceding the year for which the Audited Annual Report is not being provided.

- 7.4.3 The Applicant / Bidder must establish the minimum Net Worth specified in Clause 2.2.2 (B), and provide details as per format at Annex-III of Appendix-I.

7.5 Short-listing of Applicants / Bidders for opening of Technical Proposal

- 7.5.1 The credentials of eligible Applicants / Bidders shall be measured in terms of their fulfillment of the Technical Capacity and Financial Capacity.
- 7.5.2 The Authority shall shortlist all the Applicants / Bidders who fulfill the stipulated Technical and Financial Capacity, for the opening of the Technical Proposals.
- 7.5.3 The Authority would notify the other Applicants / Bidders who do not fulfill either or both of the Technical and Financial Capacity and hence have not been short-listed. The Authority will not entertain any query or clarification from Applicants / Bidders who fail to qualify.

PART – III

TECHNICAL PROPOSAL

8. CRITERIA AND EVALUATION OF TECHNICAL PROPOSAL

A. CRITERIA

- 8.1** The Project Information Memorandum for the Project provides only a preliminary Reference by way of assistance to the Applicants / Bidders who are expected to carry out their own surveys, investigations and other detailed examination before submitting their Bids. Nothing contained in the Project Information Memorandum shall be binding on the Authority nor confer any right on the Applicants / Bidders, and the Authority shall have no liability whatsoever in relation to or arising out of any or all contents of the Project Information Memorandum.
- 8.2** Notwithstanding anything to the contrary contained in this RFP / Bidding Document, the detailed Terms specified in the draft Concession Agreement shall have overriding effect; provided, however, that any conditions or obligations imposed on the Applicant / Bidder hereunder shall continue to have effect in addition to its obligations under the Concession Agreement.
- 8.3 Site visit and verification of information**
- 8.3.1** Applicants / Bidders are encouraged to submit their respective Bids after visiting the Project site and ascertaining for themselves the site conditions, traffic, location, surroundings, climate, availability of power, water and other utilities for construction, access to site, handling and storage of materials, weather data, applicable laws and regulations, and any other matter considered relevant by them.

B. EVALUATION OF TECHNICAL PROPOSALS

8.4 Opening and Evaluation of Technical Proposals

8.4.1 The Authority shall intimate the Date & Time of the opening of the Technical Proposals to the qualified Bidders and the same shall be opened in the presence of the Applicant / Bidders who choose to attend.

8.4.2 The Authority will subsequently examine and evaluate the technical Bids in accordance with the provisions set out in this Section 8.

8.4.3 To facilitate evaluation of Bids, the Authority may, at its sole discretion, seek clarifications in writing from any Applicant / Bidder regarding its Bid.

8.5 Tests of responsiveness

8.5.1 Prior to evaluation of Technical proposals, the Authority shall determine whether each Technical Proposal is responsive to the requirements of the RFP / Bidding Document. A Technical Proposal shall be considered responsive only if the following are submitted:

- (i) Project Concept Note
- (ii) Preliminary Master Plan
- (iii) Indicative Phase wise development Plan
- (iv) Indicative Investment & Revenue Plan
- (v) Return on investment analysis report
- (vi) Experience - Experience of the applicant in the aviation industry
- (vii) Approach & Methodology of the applicant for setting up flying training institute (flying / aircraft maintenance)
- (viii) Plans - Flying training institute having
- (ix) Principle - Qualification & experience of key personal

8.6 Proprietary Data

All documents and other information supplied by the Authority or submitted by an Applicant/Bidder to the Authority shall remain or become the property of the Authority. Applicants/Bidder are to treat all information as strictly confidential and shall not use it for any purpose other than for preparation and submission of their Application. The Authority will not return any Application or any information provided along therewith

8.7 Detailed Evaluation of the Technical Proposals

8.7.1 For the Purpose of evaluation of the Technical Proposals, the Authority shall constitute a Technical Proposal Evaluation Committee. The Technical Proposal Evaluation Committee shall evaluate all the Technical Proposals previously determined to be qualified and responsive. The final marks of each of the Technical Proposals shall be the average of the marks given by each member of the Technical Proposal Evaluation Committee. The Marking of the Committee / Authority shall be final

8.7.2 Deleted

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8.7.3 In the second stage, the technical proposal will be evaluated on the basis of Applicant's existing business, experience in aviation industry, methodology for setting up of Flying Training Institute schedule for utilization of airport (number of hours), and the experience of Key Personnel. Only those Applicants whose technical marks as per the Qualification proposal evaluation criteria mentioned below is 70 marks or more out of 100 shall be declared as qualified for evaluation of their technical Proposals. Applicants who have secured less than 70 marks shall be rejected.

8.7.4 The detailed evaluation of the Technical Proposals will be carried out on the basis of the evaluation criteria mentioned below:

Sl. No.		Criteria	Max Marks	Supporting Documents
1. Technical Capacity of the applicant – 60 Marks				
A	Experience	Experience of the applicant in the aviation industry in terms of years	10	
B	Approach & Methodology of the applicant for setting up flying training institute	<ul style="list-style-type: none"> • Proposed Organizational structure 	5	
		<ul style="list-style-type: none"> • Manpower to be employed and no. of instructors for each type of training 	5	
		<ul style="list-style-type: none"> • Training Plan <ul style="list-style-type: none"> –types of training –batch size, –number of batches –for each type of course. 	5	
		<ul style="list-style-type: none"> • Proposed infrastructure to be developed <ul style="list-style-type: none"> > Class room, > Office & Library > Hangars for Aircraft parking > Date of purchase 	5	
C	Facilities available	<ul style="list-style-type: none"> • No. of Aircrafts available with bidder 	10	
		<ul style="list-style-type: none"> • Types of Aircrafts 	10	
		<ul style="list-style-type: none"> • No. of Simulators 	10	
2. Key Personnel – 40 Marks				
2A	Principal	Qualification & relevant experience	10	
2B	Head of Training (VP Training/ Director Training)	Qualification & relevant experience	10	

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Sl. No.		Criteria	Max Marks	Supporting Documents
2D	Chief Flight Instructor	Qualification & relevant experience	10	
2C	Chief Ground Instructor	Qualification & relevant experience	10	

8.7.5 The Authority reserves the right to reject any Technical Proposal which is non-responsive and no request for alteration, modification, substitution or withdrawal shall be entertained by the Authority in respect of such Bid.

PART IV

Financial Bid

9. EVALUATION OF FINANCIAL BID

A. General

9.1 The financial Bid should be furnished in the format at Appendix – VII, clearly indicating the Bid amount / figures in both figures and words and in Indian Rupees wherever applicable, and signed by the Applicant / Bidder's authorised signatory. In the event of any difference between figures and words, the amount indicated in words shall be taken into account.

9.2 The Financial Bid shall consist of a Percentage share of Project Revenue to be quoted by the Applicant / Bidder. The Revenue share shall be payable by the Concessionaire to the Authority, as per the terms and conditions of this RFP / Bidding Document and the provisions of the Concession Agreement.

9.3 Contents of the Financial Bid

9.3.1 The Bid shall be furnished in the format at Appendix – VII and shall consist of the Percentage share of Project Revenue to be quoted by the Applicant / Bidder. The Applicant / Bidder shall specify (in Indian Rupees) the, to undertake the Project in accordance with this RFP / Bidding Document and the provisions of the Concession Agreement.

9.3.2 The Project will be awarded to the Applicant / Bidder quoting the highest percentage share of Project Revenue from the Project.

9.3.3 The opening of Bids and acceptance thereof shall be substantially in accordance with this RFP / Bidding Document.

9.3.4 The proposed Concession Agreement shall be deemed to be part of the Bid.

B. EVALUATION OF FINANCIAL BIDS

9.4 Opening and Evaluation of Financial Bids

9.4.1 The Authority shall intimate the Date & Time of the opening of the Financial Bids to the Bidders shortlisted after evaluation of Technical Proposals and the same shall be opened in the presence of the Applicant / Bidders who choose to attend.

9.4.2 The Authority will subsequently examine and evaluate the Bids in accordance with the provisions set out in this Section 9.

9.4.3 To facilitate evaluation of Bids, the Authority may, at its sole discretion, seek clarifications in writing from any Applicant / Bidder regarding its Bid.

9.5 Tests of responsiveness

9.5.1 Prior to evaluation of Bids, the Authority shall determine whether each Bid is responsive to the requirements of the RFP / bid document. A Bid shall be considered responsive only if:

- (a) it is received as per the format at Appendix – VII;
- (b) it is signed, sealed and marked as stipulated in Clauses 2.10 and 2.11;
- (c) it does not contain any condition or qualification; and
- (d) it is not non-responsive in terms hereof.

9.5.2 The Authority reserves the right to reject any Bid which is non-responsive and no request for alteration, modification, substitution or withdrawal shall be entertained by the Authority in respect of such Bid.

9.6 Selection of Bidder

9.6.1 The Applicant / Bidder adjudged as responsive in terms of Clause 9.5.1 and quoting the highest lease rental (above the base price) offered to the Authority shall be declared as the selected Bidder (the “Successful Bidder”).

9.6.2 In the event that two or more Applicants / Bidders quote the same amount of (the "Tie Bidders"), the Authority shall identify the Selected Applicant / Bidder by draw of lots, which shall be conducted, with prior notice, in the presence of the Tie Bidders who choose to attend.

9.6.3 In the event that the highest Bidder withdraws or is not selected for any reason in the first instance (the “first round of bidding”), the Authority may invite all the remaining Applicants / Bidders to revalidate or extend their respective Bid Security, as necessary, and match the Bid of the aforesaid highest Bidder (the “second round of bidding”). If in the second round of bidding, only one Applicant / Bidder matches the highest Bidder, it shall be the Selected Applicant / Bidder. If two or more Applicants / Bidders match the said highest Bidder in the second round of bidding, then the Applicant / Bidder whose Bid was higher as compared to other Applicant / Bidder(s) in the first round of bidding shall be the Selected Applicant / Bidder. For example, if the third and fifth highest Bidders in the first round of bidding offer to match the said highest Bidder in the second round of bidding, the said third highest bidder shall be the Selected Applicant / Bidder.

9.6.4 In the event that no Applicant / Bidder offers to match the highest Bidder in the second round of bidding as specified in Clause 9.8.3, the Authority may, in its discretion, invite fresh Bids (the “third round of bidding”) from all Applicants / Bidders except highest Bidder of the first round of bidding, or annul the Bidding Process, as the case may be. In case the Applicants / Bidders are invited in the third round of bidding to revalidate or extend their Bid Security, as necessary, and offer fresh Bids, they shall be eligible for submission of fresh Bids provided, however, that in such third round of

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bidding only such bids shall be eligible for consideration which are higher than the Bid of the second highest bidder in the first round of bidding.

- 9.6.5 After selection, a Letter of Award (the “LOA”) shall be issued, in duplicate, by the Authority to the Selected Applicant / Bidder and the Selected Applicant / Bidder shall, within 7 (seven) days of the receipt of the LOA, sign and return the duplicate copy of the LOA in acknowledgement thereof. In the event the duplicate copy of the LOA duly signed by the Selected Applicant / Bidder is not received by the stipulated date, the Authority may, unless it consents to extension of time for submission thereof, appropriate the Bid Security of such Applicant / Bidder as mutually agreed genuine pre-estimated loss and damage suffered by the bidding.

Authority on account of failure of the Selected Applicant / Bidder to acknowledge the LOA, and the next eligible Applicant / Bidder may be considered.

- 9.6.6 After acknowledgement of the LOA as aforesaid by the Selected Applicant / Bidder, it shall execute the Concession Agreement within the period prescribed in Clause 1.3. The Selected Applicant / Bidder shall not be entitled to seek any deviation in the Concession Agreement.

PART V
APPENDICES

APPENDIX I
Letter Comprising the Bid

(Refer Clause 2.13.2)

Dated:

To,
The Managing Director,
Karnataka State Industrial and Infrastructure Development
Corporation Limited.
4th Floor, East Wing, “Khanija Bhavan,”
No.49, Race Course Road,
Bengaluru – 560001.

Sub: Bid for Setting up Flying Training Institute in Kalaburagi Airport on Public Private Partnership Basis

Dear Sir,

With reference to your RFP / Bidding Document dated, I/we, having examined the RFP / Bidding Document and understood its contents, hereby submit my/our Bid for the aforesaid project. The Bid is unconditional and unqualified.

2. I/ We acknowledge that the Authority will be relying on the information provided in the Bid and the documents accompanying such Bid of the Applicants / Bidders for the aforesaid project, and we certify that all information provided in the Bid and in Annexes I to IV is true and correct; nothing has been omitted which renders such information misleading; and all documents accompanying such Bid are true copies of their respective originals.

3. This statement is made for the express purpose of qualifying as an Applicant / Bidder for the development, construction, operation and maintenance of the aforesaid Project.

4. I/ We shall make available to the Authority any additional information it may find necessary or require to supplement or authenticate the statements in the Bid.

5. I/ We acknowledge the right of the Authority to reject our Bid without assigning any reason or otherwise and hereby waive, to the fullest extent permitted by applicable law, our right to challenge the same on any account whatsoever.

6. I/ We certify that in the last three years, we/ any of the Consortium Members or our/ their Associates have neither failed to perform on any contract, as evidenced by imposition of a penalty by an arbitral or judicial authority or a judicial pronouncement or arbitration award, nor been expelled from any project or contract by any public authority nor have had any contract terminated by any public authority for breach on our part.

7. I/ We declare that:

- (a) I/ We have examined and have no reservations to the RFP / Bidding Document, including any Addendum issued by the Authority;

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- (b) I/ We do not have any conflict of interest in accordance with Clauses 2.2.1(c) and 2.2.1(d) of the RFP / Bidding Document;
- (c) I/We have not directly or indirectly or through an agent engaged or indulged in any corrupt practice, fraudulent practice, coercive practice, undesirable practice or restrictive practice, as defined in Clause 3.3 of the RFP / Bidding Document, in respect of any tender or request for proposal issued by or any agreement entered into with the Authority or any other public sector enterprise or any government, Central or State; and
- (d) I/ We hereby certify that we have taken steps to ensure that in conformity with the provisions of Section 3 of the RFP / Bidding Document, no person acting for us or on our behalf has engaged or will engage in any corrupt practice, fraudulent practice, coercive practice, undesirable practice or restrictive practice.
8. I/ We understand that you may cancel the Bidding Process at any time and that you are neither bound to accept any Bid that you may receive nor to invite the Applicants / Bidders to Bid for the Project, without incurring any liability to the Applicants / Bidders, in accordance with Clause 2.17.6 of the RFP / Bidding Document.
9. I/ We believe that we/ our Consortium/ proposed Consortium satisfy(s) the Net Worth and Average Annual Turnover criteria and meet(s) all the requirements as specified in the RFP / Bidding Document and are/ is qualified to submit a Bid.
10. I/ We declare that we/ any Member of the Consortium, or our/ its Associates are not a Member of a/ any other Consortium submitting their Bid for the Project.
11. I/ We certify that in regard to matters other than security and integrity of the country, we/ any Member of the Consortium or any of our/ their Associates have not been convicted by a Court of Law or indicted or adverse orders passed by a regulatory authority which could cast a doubt on our ability to undertake the Project or which relates to a grave offence that outrages the moral sense of the community.
12. I/ We further certify that in regard to matters relating to security and integrity of the country, we/ any Member of the Consortium or any of our/ their Associates have not been charge-sheeted by any agency of the Government or convicted by a Court of Law.
13. I/ We further certify that no investigation by a regulatory authority is pending either against us/ any Member of the Consortium or against our/ their Associates or against our CEO or any of our directors/ managers/ employees.
14. [I/ We further certify that we are qualified to submit a Bid in accordance with the guidelines for qualification of Applicants / Bidders seeking to acquire stakes in Public Sector Enterprises through the process of disinvestment issued by the GOI vide Department of Disinvestment OM No. 6/4/2001-DD-II dated 13th July, 2001 which guidelines apply *mutatis mutandis* to the Bidding Process. A copy of the aforesaid guidelines forms part of the Bidding Document at Appendix-VIII thereof.]

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15. I/ We undertake that in case due to any change in facts or circumstances during the Bidding Process, we are attracted by the provisions of disqualification in terms of the provisions of this Bidding Document, we shall intimate the Authority of the same immediately.

16. The Statement of Legal Capacity as per format provided at Annex-V in Appendix-I of the Bidding Document, and duly signed, is enclosed. The power of attorney for signing of Bid and the power of attorney for Lead Member of consortium, as per format provided at Appendix II and III respectively of the Bidding Document, are also enclosed.

17. I/ We understand that the selected Applicant / Bidder shall either be an existing Company incorporated under the Indian Companies Act, 1956, or shall incorporate as such prior to execution of the Concession Agreement.

18. I/ We hereby irrevocably waive any right or remedy which we may have at any stage at law or howsoever otherwise arising to challenge or question any decision taken by the Authority in connection with the selection of Applicants / Bidders, selection of the Applicant / Bidder, or in connection with the selection/ Bidding Process itself, in respect of the above mentioned Project and the terms and implementation thereof.

19. I/ We agree and undertake to abide by all the terms and conditions of the Bidding Document.

20. I/ We certify that in terms of the document, my/our Networth and Average Annual Turnover are Rs. (Rs. in words) and Rs. (Rs. in words), respectively.

21. I/We offer a Bid Security / EMD of Rs. _____ (Rupees _____ only) to the Authority in accordance with the RFP / Bidding Document.

{22. We agree and undertake to be jointly and severally liable for all the obligations of the Concessionaire under the Concession Agreement till occurrence of Financial Close in accordance with the Concession Agreement.} ^{\$}

In witness thereof, I/ we submit this Bid under and in accordance with the terms of the Bidding Document.

Yours faithfully,

Date: _____ (Signature, name and designation of the Authorised Signatory)

Place: _____ Name and seal of the Applicant / Bidder/ Lead Member

Note: Paragraphs in square parenthesis may be omitted, if not applicable, or modified as necessary.

_____ ^{\$} Omit if the Applicant is not a Consortium.

ANNEX-I
Details of Applicant / Bidder

1.
 - (a) Name:
 - (b) Country of incorporation:
 - (c) Address of the corporate headquarters and its branch office(s), if any, in India:
 - (d) Date of incorporation and/ or commencement of business:

2. Brief description of the Company including details of its main lines of business and proposed role and responsibilities in this Project:

3. Details of individual(s) who will serve as the point of contact/ communication for the Authority:
 - (a) Name:
 - (b) Designation:
 - (c) Company:
 - (d) Address:
 - (e) Telephone Number:
 - (f) E-Mail Address:
 - (g) Fax Number:

4. Particulars of the Authorised Signatory of the Applicant / Bidder:
 - (a) Name:
 - (b) Designation:
 - (c) Address:
 - (d) Phone Number:
 - (e) Fax Number:

5. In case of a Consortium:
 - (a) The information above (1-4) should be provided for all the Members of the Consortium.
 - (b) A copy of the Jt. Bidding Agreement, as envisaged in Clause 2.2.6(g) should be attached to the Bid.
 - (c) Information regarding the role of each Member should be provided as per table below:

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Sl. No.	Name of Member	Role* {Refer Clause 2.2.6(d)} [§]	Percentage of equity in the Consortium {Refer Clauses 2.2.6(a), (c) & (g)}
1.			
2.			
3.			
4.			

* The role of each Member, as may be determined by the Applicant / Bidder, should be indicated in accordance with instruction 4 at Annex-IV.

(d) The following information shall also be provided for each Member of the Consortium:

Name of Applicant / Bidder/ member of Consortium:

No.	Criteria	Yes	No
1.	Has the Applicant / Bidder/ constituent of the Consortium been barred by the [Central/ State] Government, or any entity controlled by it, from participating in any project (BOT or otherwise)?		
2.	If the answer to 1 is yes, does the bar subsist as on the date of Bid?		
3.	Has the Applicant / Bidder/ constituent of the Consortium paid liquidated damages of more than 5% of the contract value in a contract due to delay or has been penalized due to any other reason in relation to execution of a contract, in the last three years?		

6. A statement by the Applicant / Bidder and each of the Members of its Consortium (where applicable) or any of their Associates disclosing material non-performance or contractual non-compliance in past projects, contractual disputes and litigation/ arbitration in the recent past is given below (Attach extra sheets, if necessary):

[§] All provisions contained in curly parenthesis shall be suitably modified by the Applicant to reflect the particulars relating to such Applicant.

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Appendix I
Annex-II

ANNEX-II
Technical Capacity of the Applicant / Bidder @

(Refer to Clauses 2.2.2(A), 7.2 and 7.3 of the RFP/BIDDING DOCUMENT)

Applicant / Bidder type # (1)	Member Code* (2)	Project Code** (3)	Category\$ (4)	Experience [¥] (Equivalent Rs. crore)\$ ^{\$}	
				Payments made/ received for operation of training institutes of Eligible Projects in Categories 3 and 4 (5)	Payments made for development of Eligible Projects in Categories 1 and 2 (6)
Single entity Applicant / Bidder		a			
		b			
		c			
		d			
Consortium Member 1		1a			
		1b			
		1c			
		1d			
Consortium Member 2		2a			
		2b			
		2c			
		2d			
Consortium Member 3		3a			
		3b			
		3c			
		3d			
Consortium Member 4		4a			
		4b			
		4c			
		4d			
Aggregate Technical Capacity =					

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[@] Provide details of only those projects that have been undertaken by the Applicant / Bidder under its own name and/ or by an Associate specified in Clause 2.2.9 and/ or by a project company eligible under Clause 7.2.3(b). In case of Categories 1 and 2, include only those projects which have an estimated capital cost exceeding the amount specified in Clause 7.2.3(b) and for Categories 3 and 4, include only those projects where the payments made/received exceed the amount specified in Clause 7.2.4. In case the Application Due Date falls within 3 (three) months of the close of the latest financial year, refer to Clause 2.2.12.

[#] An Applicant / Bidder consisting of a single entity should fill in details as per the row titled Single entity Applicant / Bidder and ignore the rows titled Consortium Member. In case of a Consortium, the row titled Single entity Applicant / Bidder may be ignored. In case credit is claimed for an Associate, necessary evidence to establish the relationship of the Applicant / Bidder with such Associate, in terms of Clause 2.2.9, shall be provided.

^{*} Member Code shall indicate NA for Not Applicable in case of a single entity Applicant / Bidder. For other Members, the following abbreviations are suggested viz. LM means Lead Member, TM means Technical Member, FM means Financial Member, OMM means Operation & Maintenance Member, OM means Other Member.

^{**}Refer Annex-IV of this Appendix-I. Add more rows if necessary.

[§] Refer Clause 7.2.1.

[¥] In the case of Eligible Projects in Categories 1 and 2, the figures in columns 6 and 7 may be added for computing the Cost of the respective projects. In the case of Categories 3 and 4, construction shall not include supply of goods or equipment except when such goods or equipment form part of a turn-key construction contract/ EPC contract for the project. In no case shall the cost of land be included while computing the Cost of an Eligible Project.

^{\$\$} For conversion of US Dollars to Rupees, the rate of conversion shall be Rupees [50 (fifty)] to a US Dollar. In case of any other currency, the same shall first be converted to US Dollars as on the date 60 (sixty) days prior to the Application Due Date, and the amount so derived in US Dollars shall be converted into Rupees at the aforesaid rate. The conversion rate of such currencies shall be the daily representative exchange rates published by the International Monetary Fund for the relevant date.

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Appendix I
Annex-III

ANNEX-III
Financial Capacity of the Applicant / Bidder

(Refer to Clauses 2.2.2(B), 2.2.4 (ii) and 7.4 of the RFP/BIDDING DOCUMENT)

(In Rs. crore^{\$\$})

Applicant / Bidder type^{\$}	Member Code[£]	Net Worth[€]	Annual Turnover (Preceding Three Years)
		Year	
(1)	(2)	1	
		(8)	
Single entity Applicant / Bidder			
Consortium Member 1			
Consortium Member 2			
Consortium Member 3			
Consortium Member 4			
TOTAL			Average Annual Turnover

Name & address of Applicant / Bidder's Bankers:

^{\$} An Applicant / Bidder consisting of a single entity should fill in details as per the row titled Single entity Applicant / Bidder and ignore the rows titled Consortium Members. In case of a Consortium, row titled Single entity Applicant / Bidder may be ignored.

[£]For Member Code, see instruction 4 at Annex-IV of this Appendix-I.

[€]The Applicant / Bidder should provide details of its own Financial Capacity or of an Associate specified in Clause 2.2.9.

^{\$\$} For conversion of other currencies into rupees, see note below Annex-II of Appendix-I.

Instructions:

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1. The Applicant / Bidder/ its constituent Consortium Members shall attach copies of the balance sheets, financial statements and Annual Reports for 5 (five) years preceding the Application Due Date. The financial statements shall:
 - (a) reflect the financial situation of the Applicant / Bidder or Consortium Members and its/ their Associates where the Applicant / Bidder is relying on its Associate's financials;
 - (b) be audited by a statutory 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 + reserves not available for distribution to equity shareholders).
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 3 (three) months of the close of the latest financial year, refer to Clause 2.2.12.
5. In the case of a Consortium, a copy of the Jt. Bidding Agreement shall be submitted in accordance with Clause 2.2.6 (g) of the RFP/Bidding Document.
6. The Applicant / Bidder shall also provide the name and address of the Bankers to the Applicant / Bidder.
7. Each of the Applicant / Bidder shall provide an Auditor's Certificate specifying the Annual Turnover and net worth of each of the Applicant / Bidder and also specifying the methodology adopted for calculating such net worth in accordance with Clause 2.2.4 (ii) of the RFP/Bidding Document.

Annex-IV
Details of Eligible Projects

(Refer to Clauses 2.2.2(A), 8.2 and 8.3 of the RFP/BIDDING DOCUMENT)

Project Code:

Member Code:

Item	Refer Instruction	Particulars of the Project
(1)	(2)	(3)
Title & nature of the project		
Category	5	
Year-wise (a) payments received/ made for construction, (b) payments made for development of PPP projects and/ or (c) revenues appropriated	6	
Entity for which the project was constructed/ developed	7	
Location		
Project cost	8	
Date of commencement of project/ contract		
Date of completion/ commissioning	9	
Equity shareholding (with period during which equity was held)	10	
Whether credit is being taken for the Eligible Experience of an Associate (Yes/ No)	15	

Instructions:

- Applicants / Bidders are expected to provide information in respect of each Eligible Projects in this Annex. The projects cited must comply with the eligibility criteria specified in Clause 7.2.3 and 7.2.4 of the RFP/Bidding Document, as the case may be. Information provided in this section is intended to serve as a backup for information provided in the Bid. Applicants / Bidders should also refer to the Instructions below.

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2. For a single entity Applicant / Bidder, the Project Codes would be a, b, c, d etc. In case the Applicant / Bidder is a Consortium then for Member 1, the Project Codes would be 1a, 1b, 1c, 1d etc., for Member 2 the Project Codes shall be 2a, 2b, 2c, 2d etc., and so on.
3. A separate sheet should be filled for each Eligible Project.
4. Member Code shall indicate NA for Not Applicable in case of a single entity Applicant / Bidder. For other Members, the following abbreviations are suggested viz. LM means Lead Member, TM means Technical Member, FM means Financial Member, OMM means Operation & Maintenance Member; and OM means Other Member. In case the Eligible Project relates to an Associate of the Applicant / Bidder or its Member, write "Associate" along with Member Code.
5. Refer to Clause 7.2.1 of the RFP/Bidding Document for category number.
6. The total payments received/ made and/or revenues appropriated for each Eligible Project are to be stated in Annex-II of this Appendix-I. The figures to be provided here should indicate the break-up for the past 3 (three) financial years. Year 1 refers to the financial year immediately preceding the Application Due Date; Year 2 refers to the year before Year 1, Year 3 refers to the year before Year 2, and so on (Refer Clause 2.2.12). For Categories 1 and 2, expenditure on development of the project and/or revenues appropriated, as the case may be, should be provided, but only in respect of projects having an estimated capital cost exceeding the amount specified in Clause 7.2.3(c). In case of Categories 3 and 4, payments made/ received only in respect of construction should be provided, but only if the amount paid/received exceeds the minimum specified in Clause 7.2.4. Payment for construction works should only include capital expenditure, and should not include expenditure on repairs and maintenance.
7. In case of projects in Categories 1 and 2, particulars such as name, address and contact details of owner/ Authority/ Agency (i.e. concession grantor, counter party to PPA, etc.) may be provided. In case of projects in Categories 3 and 4, similar particulars of the client need to be provided.
8. Provide the estimated capital cost of Eligible Project. Refer to Clauses 7.2.3 and 7.2.4
9. For Categories 1 and 2, the date of commissioning of the project, upon completion, should be indicated. In case of Categories 3 and 4, date of completion of construction should be indicated. In the case of projects under construction, the likely date of completion or commissioning, as the case may be, shall be indicated.
10. For Categories 1 and 2, the equity shareholding of the Applicant / Bidder, in the company owning the Eligible Project, held continuously during the period for which Eligible Experience is claimed, needs to be given (Refer Clause 7.2.3).
11. Experience for any activity relating to an Eligible Project shall not be claimed by two or more Members of the Consortium. In other words, no double counting by a consortium in respect of the same experience shall be permitted in any manner whatsoever.
12. Certificate from the Applicant / Bidder's statutory auditor[§] or its respective clients must be furnished as per formats below for each Eligible Project. In jurisdictions that do not have statutory auditors, the auditors who audit the annual accounts of the Applicant / Bidder/ Member/Associate may provide the requisite certification.

[§] In case duly certified audited annual financial statements containing the requisite details are provided, a separate certification by statutory auditors would not be necessary.

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13. If the Applicant / Bidder is claiming experience under Categories 1 & 2[‡], it should provide a certificate from its statutory auditor in the format below:
14. If the Applicant / Bidder is claiming experience under Category 3 & 4^{*}, it should provide a certificate from its statutory auditors or the client in the format below:

Certificate from the Statutory Auditor/ Client regarding construction works^Φ

Based on its books of accounts and other published information authenticated by it, {this is to certify that (*name of the Applicant / Bidder/Member/Associate*) was engaged by (*title of the project company*) to execute (*name of project*) for (*nature of project*)}^Ψ. The construction of the project commenced on (*date*) and the project was/ is likely to be commissioned on (*date, if any*). It is certified that (*name of the Applicant / Bidder/ Member/ Associate*) received/paid Rs. cr. (Rupees crore) by way of payment for the aforesaid construction works.

We further certify that the total estimated capital cost of the project is Rs. cr. (Rupeescrore), of which the Applicant / Bidder/Member/Associate received/paid Rs. cr. (Rupees crore), in terms of Clauses 7.2.1 and 7.2.4 of the RFP/Bidding Document, during the past five financial years as per year-wise details noted below:

.....
.....

{It is further certified that the payments/ receipts indicated above are restricted to the share of the Applicant / Bidder who undertook these works as a partner or a member of joint venture/ consortium.}[▲]

Name of the audit firm:

Seal of the audit firm: (Signature, name and designation of the

Date: authorised signatory).

[‡] Refer Clause 7.2.1 of the RFP / Bidding Document.

^{*} Refer Clauses 7.2.1 and 7.2.4 of the RFP / Bidding Document.

^Φ Provide Certificate as per this format only. Attach Explanatory Notes to the Certificate, if necessary. Statutory auditor means the entity that audits and certifies the annual accounts of the company.

^Ψ In case the Applicant owned the Eligible Project and engaged a contractor for undertaking the construction works, this language may be modified to read: “ this is to certify that (name of Applicant/ Member/ Associate) held 26% or more of the paid up and subscribed share capital in the..... (name of Project company) when it undertook construction of the (name of Project) through (name of the contractor).

[▲] This certification should only be provided in case of jobs/ contracts, which are executed as part of a partnership/ joint venture/ consortium. The payments indicated in the certificate should be restricted to the share of Applicant in such partnership/ joint venture/ consortium. This portion may be omitted if the contract did not involve a partnership/ joint venture/ consortium. In case where work is not executed by partnership/ joint venture/ consortium, this paragraph may be deleted.

15. In the event that credit is being taken for the Eligible Experience of an Associate, as defined in Clause 2.2.9, the Applicant / Bidder should also provide a certificate in the format below:

Certificate from Statutory Auditor/ Company Secretary regarding Associate[§]

Based on the authenticated record of the Company, this is to certify that more than 50% (fifty per cent) of the subscribed and paid up voting equity of (name of the Applicant/ Consortium Member/ Associate) is held, directly or indirectly[£], by (name of Associate/ Applicant/ Consortium Member). By virtue of the aforesaid share-holding, the latter exercises control over the former, who is an Associate in terms of Clause 2.2.9 of the RFP / Bidding Document.

A brief description of the said equity held, directly or indirectly, is given below:

{Describe the share-holding of the Applicant/ Consortium Member and the Associate. In the event the Associate is under common control with the Applicant/ Consortium Member, the relationship may be suitably described and similarly certified herein }

Name of the audit firm:

Seal of the audit firm:

Date:

(Signature, name and designation of the authorised signatory)

[§] In the event that the Applicant / Bidder/ Consortium Member exercises control over an Associate by operation of law, this certificate may be suitably modified and copies of the relevant law may be enclosed and referred to.

[£] In the case of indirect share-holding, the intervening companies in the chain of ownership should also be Associates i.e., the share-holding in each such company should be more than 50% in order to establish that the chain of “control” is not broken.

16. It may be noted that in the absence of any detail in the above certificates, the information would be considered inadequate and could lead to exclusion of the relevant project in computation of Experience.

Setting Up of Flying Training Institute
Request for Proposal

ANNEX-V
Statement of Legal Capacity

(To be forwarded on the letterhead of the Applicant / Bidder/ Lead Member of Consortium)

Ref. Date:

To,

The Managing Director,
Karnataka State Industrial and Infrastructure Development
Corporation Limited.
4th Floor, East Wing, “Khanija Bhavan,”
No.49, Race Course Road,
Bengaluru – 560001.

Sub: Bid for Setting up of Flying Training Institute in Kalaburagi Airport on Public Private Partnership Basis

Dear Sir,

We hereby confirm that we/ our members in the Consortium (constitution of which has been described in the Bid) satisfy the terms and conditions laid out in the RFP/Bidding Document.

We have agreed that (insert member’s name) will act as the Lead Member of our consortium.*

We have agreed that (insert individual’s name) will act as our representative/ will act as the representative of the consortium on its behalf* and has been duly authorized to submit the RFP/Bidding Document. Further, the authorised signatory is vested with requisite powers to furnish such letter and authenticate the same.

Thanking you,

Yours faithfully,

(Signature, name and designation of the authorised signatory)

For and on behalf of.....

**Please strike out whichever is not applicable.*

Appendix II
Power of Attorney for signing of Bid

(Refer Clause 2.2.5)

Know all men by these presents, We, _____ (name of the firm and address of the registered office) do hereby irrevocably constitute, nominate, appoint and authorise Mr. / Ms (Name), son/daughter/wife of _____ and presently residing at _____, who is [presently employed with us/ the Lead Member of our Consortium and holding the position of _____], as our true and lawful attorney (hereinafter referred to as the “Attorney”) to do in our name and on our behalf, all such acts, deeds and things as are necessary or required in connection with or incidental to submission of our bid / Bid for the prequalification and submission of our bid for the Setting up of Flying Training Institute in Kalaburagi Airport on Public Private Partnership Basis Project proposed or being developed by KSIIDC (the “Authority”) including but not limited to signing and submission of all Bids, bids and other documents and writings, participate in bidders' and other conferences and providing information / responses to the Authority, representing us in all matters before the Authority, signing and execution of all contracts including the Concession Agreement and undertakings consequent to acceptance of our bid, and generally dealing with the Authority in all matters in connection with or relating to or arising out of our bid for the said Project and/or upon award thereof to us and/or till the entering into of the Concession Agreement with the Authority.

AND we hereby agree to ratify and confirm and do hereby ratify and confirm all acts, deeds and things lawfully done or caused to be done by our said Attorney pursuant to and in exercise of the powers conferred by this Power of Attorney and that all acts, deeds and things done by our said Attorney in exercise of the powers hereby conferred shall and shall always be deemed to have been done by us.

IN WITNESS WHEREOF WE, _____, THE ABOVE NAMED PRINCIPAL HAVE EXECUTED THIS POWER OF ATTORNEY ON THIS _____ DAY OF _____, 2019.

For _____

(Signature)

(Name, Title and Address)

Witnesses:

- 1.
- 2.

Accepted

[Notarised]

Setting Up of Flying Training Institute
Request for Proposal

.....

(Signature)

(Name, Title and Address of the Attorney)

Notes:

- *The mode of execution of the Power of Attorney should be in accordance with the procedure, if any, laid down by the applicable law and the charter documents of the executant(s) and when it is so required, the same should be under common seal affixed in accordance with the required procedure.*
- *Wherever required, the Applicant / Bidder should submit for verification the extract of the charter documents and documents such as a board or shareholders' resolution/ power of attorney in favour of the person executing this Power of Attorney for the delegation of power hereunder on behalf of the Applicant / Bidder.*
- *For a Power of Attorney executed and issued overseas, the document will also have to be legalised by the Indian Embassy and notarised in the jurisdiction where the Power of Attorney is being issued. However, the Power of Attorney provided by Applicant / Bidders from countries that have signed the Hague Legislation Convention 1961 are not required to be legalised by the Indian Embassy if it carries a conforming Appostille certificate.*

Appendix III
Power of Attorney for Lead Member of Consortium

(Refer Clause 2.2.5)

Whereas the Setting up of Flying Training Institute in Kalaburagi Airport on Public Private Partnership Basis Project.

Whereas, _____, _____ and _____ (collectively the “Consortium”) being Members of the Consortium are interested in bidding for the Project in accordance with the terms and conditions of the Request for Proposal / Bidding Document and other connected documents in respect of the Project, and Whereas, it is necessary for the Members of the Consortium to designate one of them as the Lead Member with all necessary power and authority to do for and on behalf of the Consortium, all acts, deeds and things as may be necessary in connection with the Consortium’s bid for the Project and its execution.

NOW THEREFORE KNOW ALL MEN BY THESE PRESENTS

We, _____ having our registered office at _____, M/s. _____, having our registered office at _____, and M/s. _____, having our registered office at _____, [the respective names and addresses of the registered office] (hereinafter collectively referred to as the “Principals”) do hereby irrevocably designate, nominate, constitute, appoint and authorise M/s _____, having its registered office at _____, being one of the Members of the Consortium, as the Lead Member and true and lawful attorney of the Consortium (hereinafter referred to as the “Attorney”) and hereby irrevocably authorise the Attorney (with power to sub-delegate) to conduct all business for and on behalf of the Consortium and any one of us during the bidding process and, in the event the Consortium is awarded the Concession/ Contract, during the execution of the Project, and in this regard, to do on our behalf and on behalf of the Consortium, all or any of such acts, deeds or things as are necessary or required or incidental to the pre-qualification of the Consortium and submission of its bid for the Project, including but not limited to signing and submission of all Bids and other documents and writings, participate in bidders’ and other conferences, respond to queries, submit information/ documents, sign and execute contracts and undertakings consequent to acceptance of the bid of the Consortium and generally to represent the Consortium in all its dealings with the Authority, and/ or any other Government Agency or any person, in all matters in connection with or relating to or arising out of the Consortium’s bid for the Project and/ or upon award thereof till the Concession Agreement is entered into with the Authority.

AND hereby agree to ratify and confirm and do hereby ratify and confirm all acts, deeds and things lawfully done or caused to be done by our said Attorney pursuant to and in exercise of the powers conferred by this Power of Attorney and that all acts, deeds and things done by our said Attorney in exercise of the powers hereby conferred shall and shall always be deemed to have been done by us/ Consortium.

IN WITNESS WHEREOF WE THE PRINCIPALS ABOVE NAMED HAVE EXECUTED THIS POWER OF ATTORNEY ON THIS _____ DAY OF _____ 20**.

For

Setting Up of Flying Training Institute
Request for Proposal

(Signature)

.....
(Name & Title)

For

(Signature)

.....
(Name & Title)

For

(Signature)

.....
(Name & Title)

Witnesses:

1.

2.

.....

(Executants)

(To be executed by all the Members of the Consortium)

Notes:

- *The mode of execution of the Power of Attorney should be in accordance with the procedure, if any, laid down by the applicable law and the charter documents of the executant(s) and when it is so required, the same should be under common seal affixed in accordance with the required procedure.*
- *Also, wherever required, the Applicant / Bidder should submit for verification the extract of the charter documents and documents such as a board or shareholders' resolution/ power of attorney in favour of the person executing this Power of Attorney for the delegation of power hereunder on behalf of the Applicant / Bidder.*
- *For a Power of Attorney executed and issued overseas, the document will also have to be legalised by the Indian Embassy and notarised in the jurisdiction where the Power of Attorney is being issued. However, the Power of Attorney provided by Applicant / Bidders from countries that have signed the Hague Legislation Convention 1961 are not required to be legalised by the Indian Embassy if it carries a conforming Appostille certificate.*

APPENDIX IV
Joint Bidding Agreement

(Refer Clause 2.13.2)

(To be executed on Stamp paper of appropriate value)

THIS JOINT BIDDING AGREEMENT is entered into on this the day of 20...

AMONGST

1. {..... Limited, a company incorporated under the Companies Act, 1956} and having its registered office at (hereinafter referred to as the “**First Part**” which expression shall, unless repugnant to the context include its successors and permitted assigns)

AND

2. {..... Limited, a company incorporated under the Companies Act, 1956} and having its registered office at (hereinafter referred to as the “**Second Part**” which expression shall, unless repugnant to the context include its successors and permitted assigns)

AND

3. {..... Limited, a company incorporated under the Companies Act, 1956 and having its registered office at (hereinafter referred to as the “**Third Part**” which expression shall, unless repugnant to the context include its successors and permitted assigns)}

AND

4. {..... Limited, a company incorporated under the Companies Act, 1956 and having its registered office at (hereinafter referred to as the “**Fourth Part**” which expression shall, unless repugnant to the context include its successors and permitted assigns)}^s

The above mentioned parties of the FIRST, SECOND, {THIRD and FOURTH} PART are collectively referred to as the “**Parties**” and each is individually referred to as a “**Party**”

WHEREAS,

(A) Karnataka State Industrial and Infrastructure Development Corporation Limited, Bangalore having its Office at 4th Floor, East Wing, “Khanija Bhavan,” No.49, Race Course Road, Bengaluru – 560001.

^s The number of Parties will be shown here, as applicable, subject however to a maximum of 6 (six).

shall, unless repugnant to the context or meaning thereof, include its administrators, successors and assigns) has invited Bids (the “**Bids**”) by its Request for Qualification No. dated(the “**RFP/Bidding Document**”) for selection of bidders for Setting up of Flying Training Institute in Kalaburagi Airport on Public Private Partnership Basis Project.

(B) The Parties are interested in jointly bidding for the Project as members of a Consortium and in accordance with the terms and conditions of the RFP/Bidding Document and other bid documents in respect of the Project, and

(C) It is a necessary condition under the RFP/Bidding Document that the members of the Consortium shall enter into a Joint Bidding Agreement and furnish a copy thereof with the Bid.

NOW IT IS HEREBY AGREED as follows:

1. Definitions and Interpretations

In this Agreement, the capitalised terms shall, unless the context otherwise requires, have the meaning ascribed thereto under the RFP/Bidding Document.

2. Consortium

2.1 The Parties do hereby irrevocably constitute a consortium (the “**Consortium**”) for the purposes of jointly participating in the Bidding Process for the Project.

2.2 The Parties hereby undertake to further participate in the Bidding Process only through this Consortium and not individually and/ or through any other consortium constituted for this Project, either directly or indirectly or through any of their Associates.

3. Covenants

The Parties hereby undertake that in the event the Consortium is declared the selected Applicant / Bidder and awarded the Project, it shall incorporate a special purpose vehicle (the “**SPV**”) under the Indian Companies Act, 1956 for entering into a Concession Agreement with the Authority and for performing all its obligations as the Concessionaire in terms of the Concession Agreement for the Project.

4. Role of the Parties

The Parties hereby undertake to perform the roles and responsibilities as described below:

(a) Party of the First Part shall be the Lead member of the Consortium and shall have the power of attorney from all Parties for conducting all business for and on behalf of the Consortium during the Bidding Process and until the Appointed Date under the Concession Agreement when all the obligations of the SPV shall become effective;

(b) Party of the Second Part shall be {-----};

{(c) Party of the Third Part shall be -----; }

{(d) Party of the Fourth Part -----.}

5. Joint and Several Liability

The Parties do hereby undertake to be jointly and severally responsible for all obligations and liabilities relating to the Project and in accordance with the terms of the RFP/Bidding Document, RFP and the Concession Agreement, till such time as the Financial Close for the Project is achieved under and in accordance with the Concession Agreement.

6. Shareholding in the SPV

6.1 The Parties agree that the proportion of shareholding among the Parties in the SPV shall be as follows:

First Party:

Second Party:

{Third Party:}

{Fourth Party:}

6.2 The Parties undertake that a minimum of 26% (twenty six per cent) of the subscribed and paid up equity share capital of the SPV shall, at all times until 3 years from the MDO-1 Completion Date, be held by the Parties of the First, {Second and Third} Part whose experience and networth have been reckoned for the purposes of qualification and short-listing of Applicants / Bidders for the Project in terms of the RFP/Bidding Document.

6.3 The Parties undertake that each of the Parties specified in Clause 6.2 above shall, at all times hold subscribed and paid up equity share capital of SPV equivalent to at least 5% (five per cent) of the Total Project Cost.

6.4 The Parties undertake that they shall collectively hold at least 51% (fifty one per cent) of the subscribed and paid up equity share capital of the SPV at all times during the lease period.

7. Representation of the Parties

Each Party represents to the other Parties as of the date of this Agreement that:

(a) Such Party is duly organised, validly existing and in good standing under the laws of its incorporation and has all requisite power and authority to enter into this Agreement;

(b) The execution, delivery and performance by such Party of this Agreement has been authorised by all necessary and appropriate corporate or governmental action and a copy of the extract of the charter documents and board resolution/ power of attorney in favour of the person executing this Agreement for the delegation of power and authority to execute this Agreement on behalf of the Consortium Member is annexed to this Agreement, and will not, to the best of its knowledge:

(i) require any consent or approval not already obtained;

- (ii) violate any Applicable Law presently in effect and having applicability to it;
 - (iii) violate the memorandum and articles of association, by-laws or other applicable organisational documents thereof;
 - (iv) violate any clearance, permit, concession, grant, license or other governmental authorisation, approval, judgement, order or decree or any mortgage agreement, indenture or any other instrument to which such Party is a party or by which such Party or any of its properties or assets are bound or that is otherwise applicable to such Party; or
 - (v) create or impose any liens, mortgages, pledges, claims, security interests, charges or Encumbrances or obligations to create a lien, charge, pledge, security interest, encumbrances or mortgage in or on the property of such Party, except for encumbrances that would not, individually or in the aggregate, have a material adverse effect on the financial condition or prospects or business of such Party so as to prevent such Party from fulfilling its obligations under this Agreement;
- (c) this Agreement is the legal and binding obligation of such Party, enforceable in accordance with its terms against it; and
- (d) there is no litigation pending or, to the best of such Party's knowledge, threatened to which it or any of its Affiliates is a party that presently affects or which would have a material adverse effect on the financial condition or prospects or business of such Party in the fulfillment of its obligations under this Agreement.

8. Termination

This Agreement shall be effective from the date hereof and shall continue in full force and effect until the Financial Close of the Project is achieved under and in accordance with the Concession Agreement, in case the Project is awarded to the Consortium. However, in case the Consortium is either not pre-qualified for the Project or does not get selected for award of the Project, the Agreement will stand terminated in case the Applicant / Bidder is not pre-qualified or upon return of the Bid Security by the Authority to the Applicant / Bidder, as the case may be.

9. Miscellaneous

- 9.1 This Joint Bidding Agreement shall be governed by laws of India.
- 9.2 The Parties acknowledge and accept that this Agreement shall not be amended by the Parties without the prior written consent of the Authority.

IN WITNESS WHEREOF THE PARTIES ABOVE NAMED HAVE EXECUTED AND DELIVERED THIS AGREEMENT AS OF THE DATE FIRST ABOVE WRITTEN.

Setting Up of Flying Training Institute

Request for Proposal

SIGNED, SEALED AND DELIVERED

For and on behalf of

LEAD MEMBER by:

(Signature)
(Name)
(Designation)
(Address)

SIGNED, SEALED AND DELIVERED

SECOND PART

(Signature)
(Name)
(Designation)
(Address)

SIGNED, SEALED AND DELIVERED

For and on behalf of

THIRD PART

(Signature)
(Name)
(Designation)
(Address)

SIGNED, SEALED AND DELIVERED

For and on behalf of

FOURTH PART

(Signature)
(Name)
(Designation)
(Address)

Notes:

1. The mode of the execution of the Joint Bidding Agreement should be in accordance with the procedure, if any, laid down by the Applicable Law and the charter documents of the executant(s) and when it is so required, the same should be under common seal affixed in accordance with the required procedure.
2. Each Joint Bidding Agreement should attach a copy of the extract of the charter documents and documents such as resolution / power of attorney in favour of the person executing this Agreement for the delegation of power and authority to execute this Agreement on behalf of the Consortium Member.
3. For a Joint Bidding Agreement executed and issued overseas, the document shall be legalised by the Indian Embassy and notarized in the jurisdiction where the Power of Attorney has been executed.

APPENDIX – V
Bank Guarantee for Performance Security

(Refer Clauses 1.2.5 and 2.25.1)

B.G..No.

Dated:

1. In consideration of you, *****, having its office at *****, (hereinafter referred to as the “Authority”, which expression shall unless it be repugnant to the subject or context thereof include its, successors and assigns) having agreed to receive the Bid of _____ [a Company registered under provision of the Companies Act, 1956] and having its registered office at _____ [and acting on behalf of its Consortium] (hereinafter referred to as the “Applicant / Bidder” which expression shall unless it be repugnant to the subject or context thereof include its/their executors administrators, successors and assigns), for the ***** Project on [DFBOT] basis (hereinafter referred to as “the Project”) pursuant to the RFP / Bidding Document dated ***** issued in respect of the Project and other related documents (hereinafter collectively referred to as “Bidding Documents”), we [Name of the Bank] having our registered office at _____ and one of its branches at _____ (hereinafter referred to as the “Bank”), at the request of the Applicant / Bidder, do hereby in terms of Clause 1.2.5 read with Clause 2.13.2 of the RFP / Bidding Document, irrevocably, unconditionally and without reservation guarantee the due and faithful fulfilment and compliance of the terms and conditions of the Bidding Documents (including the RFP / Bidding Document) by the said Applicant / Bidder and unconditionally and irrevocably undertake to pay forthwith to the Authority an amount of Rs. ***** (Rupees ***** only) as bid security (hereinafter referred to as the “Bid Security”) as our primary obligation without any demur, reservation, recourse, contest or protest and without reference to the Applicant / Bidder if the Applicant / Bidder shall fail to fulfil or comply with all or any of the terms and conditions contained in the said Bidding Documents.
2. Any such written demand made by the Authority stating that the Applicant / Bidder is in default of the due and faithful fulfilment and compliance with the terms and conditions contained in the Bidding Documents shall be final, conclusive and binding on the Bank.
3. We, the Bank, do hereby unconditionally undertake to pay the amounts due and payable under this Guarantee without any demur, reservation, recourse, contest or protest and without any reference to the Applicant / Bidder or any other person and irrespective of whether the claim of the Authority is disputed by the Applicant / Bidder or not merely on the first demand from the Authority stating that the amount claimed is due to the Authority by reason of failure of the Applicant / Bidder to fulfil and comply with the terms and conditions contained in the Bidding Documents including failure of the said Applicant / Bidder to keep its Bid open during the Bid validity period as setforth in the said Bidding Documents for any reason whatsoever. Any such demand made on the Bank shall be conclusive as regards amount due and payable by the Bank under this Guarantee. However, our liability under this Guarantee shall be restricted to an amount not exceeding Rs. ***** (Rupees ***** only).
4. This Guarantee shall be irrevocable and remain in full force for a period of 240 (two hundred and forty) days from the Bid Due Date inclusive of a claim period of 60 (sixty)

Setting Up of Flying Training Institute

Request for Proposal

days or for such extended period as may be mutually agreed between the Authority and the Applicant / Bidder, and agreed to by the Bank, and shall continue to be enforceable till all amounts under this Guarantee have been paid.

5. We, the Bank, further agree that the Authority shall be the sole judge to decide as to whether the Applicant / Bidder is in default of due and faithful fulfilment and compliance with the terms and conditions contained in the Bidding Documents including, inter alia, the failure of the Applicant / Bidder to keep its Bid open during the Bid validity period set forth in the said Bidding Documents, and the decision of the Authority that the Applicant / Bidder is in default as aforesaid shall be final and binding on us, notwithstanding any differences between the Authority and the Applicant / Bidder or any dispute pending before any Court, Tribunal, Arbitrator or any other Authority.
6. The Guarantee shall not be affected by any change in the constitution or winding up of the Applicant / Bidder or the Bank or any absorption, merger or amalgamation of the Applicant / Bidder or the Bank with any other person.
7. In order to give full effect to this Guarantee, the Authority shall be entitled to treat the Bank as the principal debtor. The Authority shall have the fullest liberty without affecting in any way the liability of the Bank under this Guarantee from time to time to vary any of the terms and conditions contained in the said Bidding Documents or to extend time for submission of the Bids or the Bid validity period or the period for conveying acceptance of Letter of Award by the Applicant / Bidder or the period for fulfilment and compliance with all or any of the terms and conditions contained in the said Bidding Documents by the said Applicant / Bidder or to postpone for any time and from time to time any of the powers exercisable by it against the said Applicant / Bidder and either to enforce or forbear from enforcing any of the terms and conditions contained in the said Bidding Documents or the securities available to the Authority, and the Bank shall not be released from its liability under these presents by any exercise by the Authority of the liberty with reference to the matters aforesaid or by reason of time being given to the said Applicant / Bidder or any other forbearance, act or omission on the part of the Authority or any indulgence by the Authority to the said Applicant / Bidder or by any change in the constitution of the Authority or its absorption, merger or amalgamation with any other person or any other matter or thing whatsoever which under the law relating to sureties would but for this provision have the effect of releasing the Bank from its such liability.
8. Any notice by way of request, demand or otherwise hereunder shall be sufficiently given or made if addressed to the Bank and sent by courier or by registered mail to the Bank at the address set forth herein.
9. We undertake to make the payment on receipt of your notice of claim on us addressed to [name of Bank along with branch address] and delivered at our above branch who shall be deemed to have been duly authorised to receive the said notice of claim.
10. It shall not be necessary for the Authority to proceed against the said Applicant / Bidder before proceeding against the Bank and the guarantee herein contained shall be enforceable against the Bank, notwithstanding any other security which the Authority may have obtained from the said Applicant / Bidder or any other person and which shall, at the time when proceedings are taken against the Bank hereunder, be outstanding or unrealised.

Setting Up of Flying Training Institute

Request for Proposal

11. We, the Bank, further undertake not to revoke this Guarantee during its currency except with the previous express consent of the Authority in writing.
12. The Bank declares that it has power to issue this Guarantee and discharge the obligations contemplated herein, the undersigned is duly authorised and has full power to execute this Guarantee for and on behalf of the Bank.

Signed and Delivered by _____ Bank

By the hand of Mr./Ms _____, its _____ and authorised official.

(Signature of the Authorised Signatory)

(Official Seal)

APPENDIX – VI

Letter comprising the Technical Proposal

To,
The Managing Director,
Karnataka State Industrial and Infrastructure Development
Corporation Limited.
4th Floor, East Wing, “Khanija Bhavan,”
No.49, Race Course Road,
Bengaluru – 560001.

Sub: Bid for Setting up Flying Training Institute in Kalaburagi Airport on Public
Private Partnership Basis

Dear Sir,

With reference to your RFP / Bidding Document dated^s, I/we, having examined the RFP / Bidding Document and understood its contents, hereby submit my/our Technical Proposal for the aforesaid project.

2. I/ We acknowledge that the Authority/ Technical Proposal Committee will be relying on the information provided in the Technical Proposal and the documents accompanying such Bid of the Applicants / Bidders for the aforesaid project, and we certify that all information provided in the Technical Proposal is true and correct; nothing has been omitted which renders such information misleading; and all documents accompanying such Bid are true copies of their respective originals.

3. This statement is made for the express purpose of qualifying as an Applicant / Bidder for the development, construction, operation and maintenance of the aforesaid Project.

4. I/ We shall make available to the Authority/ Technical Proposal Committee any additional information it may find necessary or require to supplement or authenticate the statements in the Technical Proposal.

5. I/ We acknowledge the right of the Authority/ Technical Proposal Committee to reject our technical proposal without assigning any reason or otherwise and hereby waive, to the fullest extent permitted by applicable law, our right to challenge the same on any account whatsoever.

^s All blank spaces shall be suitably filled up by the Applicant to reflect the particulars relating to such Applicant.

Setting Up of Flying Training Institute

Request for Proposal

7. I/ We hereby irrevocably waive any right or remedy which we may have at any stage at law or howsoever otherwise arising to challenge or question any decision taken by the Authority/ Technical Proposal Committee in connection with the selection of Applicants / Bidders, or in connection with the selection/ Bidding Process itself, in respect of the above mentioned Project and the terms and implementation thereof.

8. In witness thereof, I/ we submit this Technical Proposal under and in accordance with the terms of the Bidding Document.

Yours faithfully,

Date:
Signatory)

(Signature, name and designation of the Authorised

Place:
Lead Member

Name and seal of the Applicant / Bidder/

APPENDIX – VII

Letter comprising the Financial Bid

Dated:

To,
The Managing Director,
Karnataka State Industrial and Infrastructure Development
Corporation Limited.
4th Floor, East Wing, “Khanija Bhavan,”
No.49, Race Course Road,
Bengaluru – 560001.

Sub: Financial Bid for Setting up Flying Training Institute in Kalaburagi Airport on
Public Private Partnership Basis

Dear Sir,

With reference to your RFP / Bidding Document dated *****, I/we, having examined the Bidding Documents and understood their contents, hereby submit my/our Financial Bid for the aforesaid Project. The Bid is unconditional and unqualified.

1. All information provided in the Financial Bid and in the Appendices is true and correct.
2. I/ We shall make available to the Authority any additional information if may find necessary or require to supplement or authenticate the Bid.
3. I/ We acknowledge the right of the Authority to reject our Bid without assigning any reason or otherwise and hereby waive our right to challenge the same on any account whatsoever.
4. I/ We understand that you may cancel the Bidding Process at any time and that you are neither bound to accept any Bid that you may receive nor to invite the Applicants / Bidders to Bid for the Project, without incurring any liability to the Applicants / Bidders, in accordance with Clause 2.7 of the RFP / Bidding Document.
5. I/ We undertake that in case due to any change in facts or circumstances during the Bidding Process, we are attracted by the provisions of disqualification in terms of the guidelines referred to above, we shall intimate the Authority of the same immediately.
6. [We acknowledge that our Consortium/ proposed Consortium was pre-qualified and short-listed on the basis of Technical Capacity and Financial Capacity of those of its Members who will own at least 26% of the equity of the Concessionaire and

undertake that each of such Consortium Members shall continue to hold at least 26% .

7. [I/We acknowledge and agree that in the event of a change in control of an Associate whose Technical Capacity and/ or Financial Capacity was taken into consideration for the purposes of short-listing and pre-qualification under and in accordance with the RFP/Bidding Document, I/We shall inform the Authority forthwith along with all relevant particulars and the Authority may, in its sole discretion, disqualify our Consortium or withdraw the Letter of Award, as the case may be. I/We further acknowledge and agree that in the event such change in control occurs after signing of the Concession Agreement but prior to Financial Close of the Project, it would, notwithstanding anything to the contrary contained in the Agreement, be deemed a breach thereof, and the Concession Agreement shall be liable to be terminated without the Authority being liable to us in any manner whatsoever.]

8. I/ We understand that the Selected Applicant / Bidder shall either be an existing Company incorporated under the Indian Companies Act, 1956, or shall incorporate itself as such prior to execution of the Concession Agreement.

9. I/We hereby irrevocably waive any right which we may have at any stage at law or howsoever otherwise arising to challenge or question any decision taken by the Authority in connection with the selection of the Applicant / Bidder, or in connection with the Bidding Process itself, in respect of the above mentioned Project and the terms and implementation thereof.

10. In the event of my/ our being declared as the Selected Applicant / Bidder, I/We agree to enter into a Concession Agreement in accordance with the draft that has been provided to me/us prior to the Bid Due Date. We agree not to seek any changes in the aforesaid draft and agree to abide by the same.

11. I/We have studied all the Bidding Documents carefully and also studied the Project details. We understand that except to the extent as expressly set forth in the Concession Agreement, we shall have no claim, right or title arising out of any documents or information provided to us by the Authority or in respect of any matter arising out of or concerning or relating to the Bidding Process including the award of Concession.

12. The percentage share of Project Revenue has been quoted by me/us after taking into consideration all the terms and conditions stated in the RFP / Bidding Document, draft Concession Agreement, our own estimates of costs& revenues and after a careful assessment of the site and all the conditions that may affect the Bid.

13. I/We agree and understand that the Bid is subject to the provisions of the Bidding Documents. In no case, I/We shall have any claim or right of whatsoever nature if the Project / Concession is not awarded to me/us or our Bid is not opened.

14. I/We hereby submit our Bid and offer a lease rent of Rs. _____ (which in month Rs_____, specified base value) share of the Authority for undertaking the aforesaid Project in accordance with the Bidding Documents and the Concession Agreement.

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15. I/We agree to keep this offer valid for 180 (one hundred and eighty) days from the Bid Due Date specified in the RFP / Bidding Document.

16. I/We agree and undertake to abide by all the terms and conditions of the RFP / Bidding Document. In witness thereof, I/we submit this Bid under and in accordance with the terms of the RFP / Bidding Document.

Yours faithfully,

Date:

(Signature of the Authorised signatory)

Place:

(Name and designation of the of the Authorised signatory)
Name and seal of Applicant / Bidder/Lead Firm

APPENDIX VIII
Guidelines of the Department of Disinvestment

(Refer Clause 1.2.1)

No. 6/4/2001-DD-II
Government of India
Department of Disinvestment

Block 14, CGO Complex
New Delhi.

Dated 13th July, 2001.

OFFICE MEMORANDUM

Sub: Guidelines for qualification of Applicants / Bidders seeking to acquire stakes in Public Sector Enterprises through the process of disinvestment

Government has examined the issue of framing comprehensive and transparent guidelines defining the criteria for Applicants / Bidders interested in PSE-disinvestment so that the parties selected through competitive bidding could inspire public confidence. Earlier, criteria like net worth, experience etc. used to be prescribed. Based on experience and in consultation with concerned departments, Government has decided to prescribe the following additional criteria for the qualification/ disqualification of the parties seeking to acquire stakes in public sector enterprises through disinvestment:

- (a) In regard to matters other than the security and integrity of the country, any conviction by a Court of Law or indictment/ adverse order by a regulatory authority that casts a doubt on the ability of the bidder to manage the public sector unit when it is disinvested, or which relates to a grave offence would constitute disqualification. Grave offence is defined to be of such a nature that it outrages the moral sense of the community. The decision in regard to the nature of the offence would be taken on case to case basis after considering the facts of the case and relevant legal principles, by the Government of India.
- (b) In regard to matters relating to the security and integrity of the country, any charge-sheet by an agency of the Government/ conviction by a Court of Law for an offence committed by the bidding party or by any sister concern of the bidding party would result in disqualification. The decision in regard to the relationship between the sister concerns would be taken, based on the relevant facts and after examining whether the two concerns are substantially controlled by the same person/ persons.
- (c) In both (a) and (b), disqualification shall continue for a period that Government deems appropriate.

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- 2 Any entity, which is disqualified from participating in the disinvestment process, would not be allowed to remain associated with it or get associated merely because it has preferred an appeal against the order based on which it has been disqualified. The mere pendency of appeal will have no effect on the disqualification.
- (d) The disqualification criteria would come into effect immediately and would apply to all Applicants / Bidders for various disinvestment transactions, which have not been completed as yet.
- (e) Before disqualifying a concern, a Show Cause Notice why it should not be disqualified would be issued to it and it would be given an opportunity to explain its position.
- (f) Henceforth, these criteria will be prescribed in the advertisements seeking Expression of Interest (EOI) from the interested parties. The interested parties would be required to provide the information on the above criteria, along with their Expressions of Interest (EOI). The Applicants / Bidders shall be required to provide with their EOI an undertaking to the effect that no investigation by a regulatory authority is pending against them. In case any investigation is pending against the concern or its sister concern or against its CEO or any of its Directors/ Managers/ employees, full details of such investigation including the name of the investigating agency, the charge/ offence for which the investigation has been launched, name and designation of persons against whom the investigation has been launched and other relevant information should be disclosed, to the satisfaction of the Government. For other criteria also, a similar undertaking shall be obtained along with EOI.

sd/-

(A.K. Tewari)

Under Secretary to the Government of India