

REPLIES TO QUERIES (SET – 2)

DEVELOPMENT OF DISTRICT COOLING SYSTEM (DCS) FOR ZONE-3 AREA WITHIN HYDERABAD PHARMA CITY, TELANGANA ON PPP MODE

Ref: RFP no. 002/TSIIC/HPC/2021-22 dated 01.02.2022

Sl. No.	Clause Reference	Queries or clarifications sought	Response
1.	General	We request TSIIC to please clarify the relevant Indian or Telangana State procurement legislation on which the Concession Agreement has been drafted.	The Concession Agreement is prepared based on the Model Concession Agreement for PPP projects in India and other PPP projects bid out by TSIIC.
2.	General Vol 3, 6.1 (b) (xiv) and (xv)	We request TSIIC to please clarify (in detail) the various enforcing mechanisms that it will be adopted in Hyderabad Pharma City to ensure that units allotted plots in the project sign the Cooling Services Agreement with the concessionaire for their cooling demand. Please share complete draft(s) of any development rules or guidelines that will be issued or are already issued by TSIIC to which occupiers will be bound. The concession agreement states that TSIIC will only make 'reasonable efforts' to mandate cooling connections and adherence to DCS design parameters. Exclusivity must be 'enforced' by TSIIC strictly as it is a key basis of the transaction.	The end-users will be offered the land in the Hyderabad Pharma City through an application and evaluation process. During the application stage, the end-users will be required to provide the details of services requirement including the cooling requirement and same shall be made available to the DCS Concessionaire. Subsequently, prior to signing of the land sale agreement, TSIIC shall ensure that the Tripartite Cooling Service Agreement is signed by end-user (Plot applicant) with the DCS Concessionaire.
3.	General, multiple sections	The concession term is prescribed to be a maximum of 40 years under certain investment and minimum capital recovery-based timelines. However, the concession also provides for extensions to concession term under scenarios of TSIIC breach, force majeure etc. Such extensions, if available, should not be capped under 40 years term and extensions must be granted beyond the specified capped term. We request TSIIC to please clarify and include such revisions in the concession agreement.	It is to clarify that the extension shall apply to the particular module for which breach is occurred. In such cases, the concession term may exceed 40 years with the extension.
4.	Vol 1, 2.2.5 (footnote) Vol 3, 5.7	We request TSIIC to please clarify the requirement of furnishing a Letter of	RFP condition holds good.

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		<p>Guarantee from the Holding / Parent Company to its Associate during the entire concession tenure, if an Associate is considered while computing the Financial Capacity and Technical Capacity of the Bidder. Volume 1 states that Bidder is required to hold minimum 51% equity in Project SPC. We believe if Holding/Parent company participates directly in the bid and subsequently incorporates a SPC through an associate or subsidiary company, satisfying the >51% holding requirement, a Letter of Guarantee appears excessive. TSIIC will be amply protected by its rights under the concession agreement (including the right to terminate for default). Please clarify.</p>	<p>It is clarified that when Holding/Parent company participates directly in the bid, there is no requirement for submitting letter of guarantee.</p>
5.	Vol 3, 9.1, 9.2	<p>With regards to the SPC's requirement to furnish Performance Securities (as bank guarantee), please clarify or consider request to modify:</p> <p>(a) Do all type of Performance Securities mentioned in Sections 9.1 and 9.2 (Volume 3) allow Bank Guarantees to be furnished as per terms explained in Volume 1?</p> <p>(b) Why does TSIIC require 5% of future module investment as Construction Performance Security when it is not providing any minimum demand guarantee support for such future investments? Construction Performance Security to TSIIC should be furnished only for Phase 1 (2500RT) investment where TSIIC is willing to support investments and providing minimum demand guarantee.</p> <p>(c) The demand for an Operations Performance Security of Rs. 4,48,00,000/- seems significantly high. TSIIC should</p>	<p>(a) Yes (b) The Construction Performance Security for additional module is to ensure the development as exclusivity conditions are provided in the agreement (c) RFP condition prevails (d) The replenishment of performance security shall be done within 30 days as per clause no.9.2(c) (e) RFP condition prevails</p>

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		<p>consider pegging this security amount to a maximum of 3-months prevailing fixed operational budget, which can be renewed every 3 years as proposed in the concession to ensure adequate security is provided for each period.</p> <p>(d) With reference to Section 9.2 (a), please confirm that TSIIC will notify and prove to the concessionaire its claim before it calls in, encashes and appropriates any amounts from the Performance Securities? What time period will TSIIC allow to concessionaire after such notice to clarify its position?</p> <p>(e) With reference to Section 9.2 (c), the requirement to refresh the performance security after draw is unlimited and therefore appears excessive. TSIIC is amply protected by other mechanisms in the contract (e.g. right to terminate for default).</p>	
6.	Vol 3, 44.1	<p>If concessionaire fails to implement expansion as requested by TSIIC, it is proposed that TSIIC may at its own discretion, invoke substitution of the concessionaire. We feel that this is significantly punitive for the concessionaire considering the investments already made and operational expertise gathered by the concessionaire at the project. Further, the substitution does not elaborate on rights of the concessionaire during such an event. As such, we propose TSIIC should consider a mechanism where the exclusivity of certain areas be ceded by the concessionaire to alternative modes of cooling, if a failure to implement expansion were to happen.</p>	<p>The project is an important element for functioning of the Pharma City and Concessionaire is given exclusivity, demand guarantee etc. If the Concessionaire fails to implement any part of the project, it may affect the entire operations of the Pharma City. To avoid any such scenario, even after having rights to exclusive rights for the project, the Concessionaire fails implement expansion and supply to end-user, the Authority shall have right to take stringent actions against non-performance. In case of the substitution, there is no right for the Concessionaire except the settlement of things as per termination clause no. 31 and 32 of Concession Agreement</p>

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7.	Vol 3, 6.3.1 and 44.2	Any cooling services supply related issues should be addressed under the terms of the Cooling Services Agreement (once signed) between the concessionaire and end users, including penalty, damages, cure periods and remedies. Concession agreement should not prescribe independent penalties, damages and/or remedies with respect to the provision of cooling services agreed between end-users and the concessionaire. As such, could TSIIC please confirm it will amend or remove Sections 6.3.1, 44.2 and related sections from the concession agreement and address these in the CSAs exclusively.	Please refer Corrigendum 4 Sr no. 4. It is to be noted that the items addressed in the Customer Cooling Service Agreements shall be dealt as per the approved CCSA. And the items note covered under the CCSA shall be addressed through Concession Agreement. However, in case of denial of the services etc. shall be dealt through the Concession Agreement.
8.	Vol 3, 34.1	The concession agreement prescribes maintaining the district cooling assets as per good utility practice and lays out minimum maintenance requirements. While Bidder can accept a prescribed handover regime (including review through independent experts) on or before termination to ensure those standards have been met, it cannot be liable for "defects" in the DCS (including assets which may be possibly at the end of their useful life). Can TSIIC please confirm the removal of section 34.1 and related sections from the concession agreement.	As the project is expected to be in running condition till the end of the Concession Period, it is expected to be in working condition even after the termination of the concession Period. The project is expected to work without interruption and hence RFP conditions prevail.
9.	Vol 3, 34.2	In continuation of the above, the retention of gross revenue as proposed by TSIIC (before termination) for meeting the liabilities, if any, is prejudiced against the concessionaire. Once the assessment against good utility practice has been established for the concessionaire at handover, TSIIC to its disposal will have the entire replacement reserve fund (1% of the entire Variable Charges collected for	RFP conditions prevail.

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		major maintenance and replacements of the assets). which can be used for maintenance, replacement etc. and does not need to retain further revenue from the Concessionaire.	
10.	Vol 3, Schedule J - Clause 3; Vol 3 - 32.6, 33.1.1	a) Lease term should be clarified either to be 33 years or entirely co-terminus with concession agreement. Further, we propose TSIIC to consider that the lease term must be valid till all concession related termination payments have been made by TSIIC to the concessionaire. TSIIC should not take ownership of the DCS until it has paid for it. This shall be a proper safeguard of the rights of the concessionaire and access to the assets can be granted for a limited time to allow TSIIC to operate pending payment. (b) Pursuant to sections 32.6 and 33.1.1, TSIIC's rights on the assets and to make concessionaire comply with divestment requirements must not arise until it has paid termination payment in full. Mere termination must not give these rights to TSIIC. We request TSIIC to consider modifying the concession accordingly.	(a) The lease period is co-terminus with the Concession Period and hence any early termination or extension may be applicable on the Lease Agreement. (b) RFP Clause 32.6 holds good
11.	Vol 3, 37.6	We request TSIIC to reconsider Section 37.6 position to limit liability to 3 to 6 months of fixed tariffs instead of Total Project Cost, which is a more standard amount for a utility entity. This limit must include any or all liabilities in respect of third parties as well.	RFP conditions prevail.
12.	Vol 3, 30.2	TSIIC's liability for default or breach excludes covering loss of revenue of the concessionaire which is very unusual (Section 30.2). Further, there is no clear mechanism proposed to compensate the loss of revenue in cases of continued	RFP Conditions Prevail.

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		breach or default by TSIIC. In a scenario where TSIIC breach or default causes the cooling services to be interrupted, the end users (cooling service agreement counterparties) will not want to compensate/pay their cooling tariffs for TSIIC breach, so this is a significant gap in liability. We propose that TSIIC should compensate loss of revenue as its liability for its own default or breach.	
13.	General (multiple) Vol 3 Referenced sections - 16.2.2(c), 24.2, 28.1.1, 29.6.2(b), 30.3, 34.2	We request TSIIC to please clarify the multiple definitions of "Revenue" as: Gross Revenue and Revenue which are cross-referenced across multiple sections of the concession. (a) We propose TSIIC to consider a standard definition of revenue which can be used by the concession parties across the various sections. (b) Further, TSIIC has proposed items like security deposit, advances, compensation, insurance etc. as part of revenue definition which should not to be considered as revenue items and as such must be revised appropriately.	Please refer Corrigendum 4 Sr no. 4.
14.	Vol 3 - 4.3, 5.1, 5.2, 5.3, 5.4, 5.14, 5.15	Regarding obligations of the concessionaire: (a) In sections 4.3, 5.1, 5.2, 5.3, 5.14 and 5.15, you are proposing there are substantial controls to be imposed by TSIIC on the concessionaire which does not reflect the concession nature of the transaction (such controls are adopted in more simple O&M agreements). While Bidder accepts it must meet certain performance levels, the way it chooses to do this should be a matter for it alone. Please confirm that TSIIC will exercise an objective level of information flow and accountability, with minimal interference	TSIIC/HPC is responsible for entire operation of the HPC. Some of the conditions are stipulated to ensure the aforementioned vision of the project hence RFP conditions prevails.

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		<p>on the concessionaire is approach to implementation of the project.</p> <p>(b) TSIIC's prescribed control relating to management of the concessionaire (Section 5.4) is highly unusual. It is not appropriate to seek TSIIC's approval for concessionaire's corporate actions/management as TSIIC is not a shareholder. TSIIC to please reconsider and remove this section 5.4.</p>	
15.	General	<p>The concession grants various rights and decision powers to Tariff Committee even outside the purview of cooling tariffs. We presume that Tariff Committee will always be acting in good faith for its decisions, as owing to the method of appointment of members of the committee, the concessionaire will have a minority representation and can always be outvoted by other members. As such, we request clarification from TSIIC that will the decision of Tariff Committee remain open to appeal to a full arbitration and not be final and binding for the concessionaire? We further request TSIIC to include the necessary clarifications in the concession agreement as well.</p>	RFP conditions prevail.
16.	Vol 3, 29	<p>Regarding force majeure provisions: (a) While the concession prescribes a defined list of events that could be a force majeure event (Sections 29.2 to 29.4), we request TSIIC to make FM a generic definition (i.e. any event outside the reasonable control of the concessionaire event). (b) We believe the notice period of 7 days to report a force majeure event pursuant to section 29.5 is very short and must be considered to be at least 30 days or more (Bidder accepts the concept of a time</p>	<p>(a) RFP conditions prevails</p> <p>(b) It is 15 days as per Corrigendum 2 Sr No. 23</p> <p>(c) RFP conditions prevails</p>

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		restriction but this must not arbitrarily prevent justifiable claims). (c) Pursuant to section 29.6.2(b), any partial suspension of services leading to any decline in revenue must be considered for extension of concession term, rather than only allowing events where revenue dips below 75% of daily average	
17.	Vol 3, 36	Pursuant to section 36, we presume that Change in Law should include changes to any mandatory regulations applicable to occupiers of Zone 3 instituted by TSIIC or any other authority. We request TSIIC to please clarify this.	RFP conditions prevail.
18.	General	The issue of utility supply interruption (electricity, water etc.) at the project has not been adequately addressed in the concession agreement. It is unclear how this would be dealt with under the provisions of the contract and what rights will accrue to the concessionaire from the same. As insurance will not cover this risk, the Authority or end users must provide the appropriate financial protection.	Kindly refer to "Replies to the queries Sr no. 56" towards redundant power Supply. Also refer "Replies to the queries Sr no. 100" clearly defining the design requirement of raw water reservoir for storage and contingency purpose.
19.	Vol 3, 32.8	Early Closure: TSIIC's intent is to develop a world class district cooling utility in its project for which it is inviting proposals from experienced district cooling developers under a PPP model. Bidder will invest significant time and capital in the project. As such, we feel section 32.8 is against the spirit of a partnership and unfair on the concessionaire. In any scenario whatsoever, TSIIC must not propose a termination for convenience by TSIIC and we request this section be removed.	Please refer Replies to Pre-bid Queries Sr no. 137 and Sl. No. 5 of Corrigendum V.
20.	Vol 3, 26	(a) Pursuant to section 26.2 on deposits into escrow account: We request TSIIC to	RFP conditions prevail.

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		<p>clarify that capital receipts and insurance claims do not have to be deposited into the escrow account. We request TSIIC to waive off the requirement of depositing any such proceeds into the escrow account as they will be received by the concessionaire in exceptional circumstances and are not revenue in the ordinary course;</p> <p>(b) Pursuant to sections 26.3 and 26.4 on withdrawals, we request TSIIC to allow withdrawals at the discretion of the Concessionaire directly after payment of any statutory obligations, O&M expenses and debt obligations.</p>	
21.	Vol 3, 26	<p>Bidder is considering the financing or refinancing of the capital cost from international lending sources. Bidder believes that the following aspects of the concession agreement will not be acceptable to those lenders:</p> <ol style="list-style-type: none"> 1. Prioritization of amounts due and owing to the Authority over debt service obligations. Ordinarily, only O&M expenses and statutory obligations would be prioritized to debt service. Please confirm this would be acceptable. 	RFP conditions prevail.
22.	26.2	<ol style="list-style-type: none"> 2. Payment of compensation and insurance proceeds into the escrow arrangement – again, lenders would ordinarily expect to have priority over those funds. Please confirm this would be acceptable. 	RFP conditions prevails.
23.		<ol style="list-style-type: none"> 3. The payment of any termination payment which does not meet in 	RFP Conditions prevail.

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		full all amounts owing under the financing documents regardless of cause of termination (noting the Authority will receive ownership of the DCS in return so this is not unreasonable) – see separate table we have provided along with this query list (Query List Annexure 1) setting out what Bidder believes is a reasonable and balanced position which would ensure lenders' approval. Please confirm a termination payment regime along these lines would be workable.	
24.	35.5	4. A moratorium on exercise of security under a mortgage for 180 days. Please confirm this can be removed.	RFP conditions prevails.
25.		5. Effective cap on the financing tenor at 20 years (mortgage cannot extend beyond this). Please confirm this can be removed. 6. Further, TSIIC has not factored in continued expansions of the district cooling plant capacity from 2500RT to 25000RT in the future and such expansion requiring financing through continuing mortgage over the concession term.	Please refer Corrigendum 4 Sr no. 6
26.		7. Absence of revenue protection by way of continued tariff payments from the Authority in cases of FM events which are not insurable (political type events and Authority default). Please confirm tariffs will continue to be paid during continuance of such events so that	RFP conditions prevail.

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		debt service (including capital repayment) can continue.	
27.		8. Absence of termination payment if lenders exercise their security. The termination payment is key to lenders' security arrangements so should not become void. Please confirm this can be addressed.	RFP conditions prevail.
28.	Vol 3, 4.2.1, 4.6.1 and 2.3.1	Bidder has not yet determined whether it will procure third party financing to fund initial construction activities (as it may choose to fund such activities entirely with equity funding). The requirement to achieve financial close by a fixed date (and levy liquidated damages in the event of a delay) does not work in those circumstances. Please confirm that this mechanisms can be removed or satisfied by confirmation from Concessionaire's shareholders that they will make equity funding available.	In case of equity funding, the confirmation from the shareholders that they will make equity funding available by producing an additional bank guarantee equivalent to 5% of the amount for which the equity funding is being committed. This additional bank guarantee may be returned upon actual equity funding or upon producing documents of signing of the financing agreement with Lenders.
29.	Vol 3, 6.2.1	Bidder does not understand why the Authority must approve financing arrangements as it is not seeking an equity position in the Concessionaire or SPC. We request TSIIC to remove this approval requirement.	The financial closure documents are base documents and has significant impact in terms of substitution etc. Hence, the Authority's consent on re-financing document is essential from this perspective. RFP conditions prevail
30.	Vol 3, 32.6	On termination, TSIIC requires the right to assume Project Company's position under all project documents (EPC, O&M etc)). Bidder does not believe that those counterparties would necessarily agree to this (especially where the entity is an affiliate of the shareholders of the Concessionaire which has just been terminated). It requires them to continue performance even if they have not been	RFP conditions prevail

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		paid (and payment liability stays with Project Company). The position seems unrealistic. Please confirm that a reasonable endeavours obligation to novate agreements will be sufficient. This can be implemented upon the request of TSIIC so it can determine whether to proceed or not.	
31.	Vol 3, 31	It is not appropriate for the Authority to suspend the rights of the Concessionaire under the concession agreement and step-in to operate the DCS upon a Concessionaire default. The Concessionaire should have the right to cure the default before such a suspension and that such a suspension would therefore be an alternative to termination (i.e. not exercised before the termination right arises). It is likely that the Concessionaire is in the best position to remedy any issue (as the existing operator of the DCS) so the merits of a step-in at all are questionable.	Cure Period is already provided in the Agreement.
32.	General	We note that there are multiple dispute resolution mechanisms proposed in the various agreements (including ancillary agreements). This can result in a multiplicity of proceedings for connected disputes before various fora. We request TSIIC that the same institutional arbitration be adopted across the agreements, to prevent any duplicity of claims or the parties having to approach or constitute different arbitration panels to seek relief. Further, to provide comfort to an international bidder like ourselves we request TSIIC to consider adopting Singapore International Arbitration Centre	Please refer Corrigendum 4 Sr no. 8.

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		mechanism/rules for arbitration with a seat in Hyderabad.	
33.	General	We request TSIIC to provide clarification on the various taxes, charges, surcharges, levies payable by the SPC with respect to the municipal jurisdiction or TSIIC rules at the project.	Please refer to Pre-bid replies Sr No. 114 for clarification related to taxes. The other municipal taxes may include property taxes, maintenance charges, etc. as per the applicable laws.
34.	Vol 3, 37.2(e), 37.2(f), 37.6	<p>With respect to indemnity provisions:</p> <p>(a) We request TSIIC to remove provisions relating to 37.2(e) and 37.2(f) as it can be covered by TSIIC's own insurance in any event or any third party's insurance;</p> <p>(b) In 37.6, we request TSIIC must ensure that concessionaire is not obligated for providing any indemnity for any third party damage. We request TSIIC to consider this revision.</p>	<p>(a) RFP conditions prevails</p> <p>(b) RFP conditions prevails</p>
35.	Liquidated damages and related changes	One of the Bidder has requested to change some of the conditions of related to liquidated damaged as per earlier RFP issued by TSIIC and requested those conditions to be part of the District Cooling System Concession Agreement.	The RFP Conditions prevail as entire set of conditions may vary from project to project and can't be compared with other projects.
36.	RFP, Vol 1, Page 6, Sr No 5, Scope of PPP player: The District Cooling Plants (DCP) for production of chilled water can be developed at plots designated as DCP-5, DCP-6, DCP-7, DCP-8 and DCP9 in the Pharma City Zone 3 Master Plan	Please provide plot wise cooling demand to design network piping.	<p>The demand factors for plot-wise assessment of cooling load have been arrived based on the stakeholder consultation workshop and survey responses.</p> <p>The demand basis considered in District Cooling Plants is as below:</p>

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			Sl. No	Area	Diversity factor	Central Plant load (TR)
			1	Area <=5.5 Ac	0.7	Area X 150 X 0.7
			2	5.5 Ac < Area <= 10.5	0.7	Area X 80 X 0.7
			3	10.5 < Area <= 20.5	0.7	Area X 50 X 0.7
			4	20.5 < Area <= 50.5	0.7	Area X 48 X 0.7
			5	50.5 < Area <= 100.5	0.7	Area X 50 X 0.7
37.	Reference to Volume 1 of RFP, 1.1.3 point no.14 of the table, Suitable plant room pipe header for DCP-7 connecting to the chilled water distribution network;	Based on this, we consider DCP 7 to be the 1st operational DCP. Please advise otherwise.	The developer is expected to initiate DCP at any of the five locations initially based on the quantum of industrial plots allotted by TSIIC in the Zone 3 of HPC. Accordingly, DCP location may be chosen by the developer in consultation with Authority.			
38.	RFP, Vol 1, Page 9, Sr No 5, Scope of PPP player: Indicative DCS Design details: <ul style="list-style-type: none"> Chilled water supply temperature at DCP: 5⁰ ± 1⁰ Celsius supply Chilled water supply temperature at consumer end, 6⁰ ± 1⁰ Chilled water return temperature at consumer end: 14⁰ ± 1⁰ Chilled water return temperature at DCP: 15⁰ ± 10⁰ Design pressure of the chilled water 	We understand that design shall be carried out considering Chilled water supply temperature at consumer end to be 6 ⁰ ± 1 ⁰ C. Same shall be apply to all future requirements.	The design shall be carried out as per the specifications indicated in the RFP. For any other temperature requirements beyond the design parameters, the consumer / unit shall make their own arrangements at their own cost.			

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	distribution network: 15 bar The system is envisaged with Electricity as the main source of generation of the chilled water																																										
39.	RFP, Annexure 1 to Vol 2, Page 15, Clause 4 – chilled water pump fluid range.	As chilled water temperature range is 5-15, while in the chilled water pump fluid temp is 5-17. Please clarify.																																									
40.	RFP, Annexure 1 to Vol 2, Page 7, Clause 2 (c) -	Kindly provide parameters of Cooling Tower make up water.	This shall be same as CETP outlet parameters.																																								
41.	II –Centrifugal water chiller –Heat Exchangers	Please share parameter of CETP water to enable design.	The typical parameters of recycled water / treated effluent from CETP are as below: <table border="1" data-bbox="1276 781 1745 1029"> <thead> <tr> <th>S. No.</th> <th>Description</th> <th>Chilled Water</th> <th>Cooling Water</th> </tr> </thead> <tbody> <tr> <td>1</td> <td>Sp. Gravity</td> <td>1.0</td> <td>1.0</td> </tr> <tr> <td>2</td> <td>Temperature</td> <td>5 to 17 °C</td> <td>To be proposed by OEM based on CT design</td> </tr> <tr> <td>3</td> <td>pH Value</td> <td>6.5 to 7.5</td> <td>6.5 to 7.5</td> </tr> <tr> <td>4</td> <td>Suspended solids</td> <td>< 10 mg/l</td> <td>< 10 mg/l</td> </tr> <tr> <td>5</td> <td>Total Dissolved solids</td> <td>< 50 mg/l</td> <td>< 50 mg/l</td> </tr> <tr> <td>6</td> <td>Total Hardness as CaCO3</td> <td>< 50 m/l</td> <td>< 50 m/l</td> </tr> <tr> <td>7</td> <td>Residual Chlorine</td> <td>Nil</td> <td>Nil</td> </tr> <tr> <td>8</td> <td>COD</td> <td>< 20 mg/l</td> <td>< 20 mg/l</td> </tr> <tr> <td>9</td> <td>BOD</td> <td>< 5 mg/l</td> <td>< 5 mg/l</td> </tr> </tbody> </table>	S. No.	Description	Chilled Water	Cooling Water	1	Sp. Gravity	1.0	1.0	2	Temperature	5 to 17 °C	To be proposed by OEM based on CT design	3	pH Value	6.5 to 7.5	6.5 to 7.5	4	Suspended solids	< 10 mg/l	< 10 mg/l	5	Total Dissolved solids	< 50 mg/l	< 50 mg/l	6	Total Hardness as CaCO3	< 50 m/l	< 50 m/l	7	Residual Chlorine	Nil	Nil	8	COD	< 20 mg/l	< 20 mg/l	9	BOD	< 5 mg/l	< 5 mg/l
S. No.	Description	Chilled Water	Cooling Water																																								
1	Sp. Gravity	1.0	1.0																																								
2	Temperature	5 to 17 °C	To be proposed by OEM based on CT design																																								
3	pH Value	6.5 to 7.5	6.5 to 7.5																																								
4	Suspended solids	< 10 mg/l	< 10 mg/l																																								
5	Total Dissolved solids	< 50 mg/l	< 50 mg/l																																								
6	Total Hardness as CaCO3	< 50 m/l	< 50 m/l																																								
7	Residual Chlorine	Nil	Nil																																								
8	COD	< 20 mg/l	< 20 mg/l																																								
9	BOD	< 5 mg/l	< 5 mg/l																																								
42.	RFP Volume 1 (Page 18) , 25.Network Development Support Fee: In case, the proposed connection to any user (s) is more than 500 m away from such Phase 1 Network Lines – of existing 2,500 TR module as proposed in the DPR, the developer	We request TSIIC to remove capping on network development fee & consider it as per actuals. This is to avoid front loading of the future network cost on the initial tariff.	RFP Conditions Prevail.																																								

REPLIES TO QUERIES (SET - 2)

DEVELOPMENT OF DISTRICT COOLING SYSTEM (DCS) FOR ZONE-3 AREA WITHIN HYDERABAD PHARMA CITY, TELANGANA ON PPP MODE

Sl. No.	Clause Reference	Queries or clarifications sought	Response
	<p>may develop such additional network to serve the user(s) and Capital cost of developing such network maybe paid by TSIIC / HPCL from a network fund. The maximum value of this network development support fee may not be more than INR 10 Crore.</p>		
43.	<p>RFP, Annexure 2 to Vol 2, Page 7, Clause 1.7 - Water for construction</p>	<p>Please provide rates for utilities during the construction period to build model.</p>	<p>For the purpose of this bid, the tariff for fresh water from Mission Bhageeratha Source be considered at Rs 150 per KL. However, the selected developer is free to source the required water during construction phase from any source of their choice.</p>
44.	<p>RFP, Annexure 1 to Vol 2, Page 17, Clause 5 - tentative size of the chilled water :</p> <p>For the design of the chilled water flow 15000m³/hr and flow velocity 2-3m/s, chilled water pipe cannot be of 1000mm. Please confirm.</p>	<p>Kindly clarify that sufficient corridor shall be available for network piping — Cross Section of the Corridor</p>	<p>The chilled water pipe diameter and the duct cross section are arrived based on the design parameters.</p> <p>RFP condition prevails.</p>
45.	<p>RFP, Annexure 1 to Vol 2, Page 17, Clause 5 - tentative size of the chilled water :</p> <p>For DCP-6 main line size is mentioned 1100mm. for all</p>	<p>Kindly clarify that sufficient corridor shall be available for network piping.</p>	<p>Same as above.</p>

REPLIES TO QUERIES (SET – 2)

DEVELOPMENT OF DISTRICT COOLING SYSTEM (DCS) FOR ZONE-3 AREA WITHIN HYDERABAD PHARMA CITY, TELANGANA ON PPP MODE

Sl. No.	Clause Reference	Queries or clarifications sought	Response				
	DCP the same is 1000 mm. Pipe sizes will be designed as per hydraulic calculations based on actual site conditions. Please clarify.						
46.	RFP -Volume-1, Page No. 54 : Relevance of technology in Pharma Industry- 04 Marks	Request you to also consider experience in providing cooling service for critical industries.	DCP proposed are intended to support Pharma industries. The technical expertise of Bidders will be evaluated against these criteria. RFP conditions prevail				
47.	RFP, ANNEXURE 1 to VOLUME 2. Page 258: Electrical System Design for DCS The key design requirements to be broadly considered during designing of the power networks are as follows: o Ensuring 24x7 power availability by a combination of redundant network design	Please clarify each DCP shall have exclusive power supply upto battery limits of respective DCP	Yes. Refer Sr no. 56 of "Replies to prebid queries for RFP for development of District Cooling System for Zone 3 area in Hyderabad Pharma City"				
48.	VOLUME 2: General & Technical Specifications. Page 17 Table 9: <table border="1" data-bbox="323 1179 659 1463"> <tr> <td data-bbox="323 1179 489 1252">wDescripti on</td> <td data-bbox="489 1179 659 1252">Parameters</td> </tr> <tr> <td data-bbox="323 1252 489 1463">Power</td> <td data-bbox="489 1252 659 1463">Metering</td> </tr> </table>	wDescripti on	Parameters	Power	Metering	Kindly clarify the type of CT, CVT (AIS/ GIS) used in incoming tariff metering.—Reply and close	TSIIC/HPCL has no role in prescribing the type meters. However, the bidder may ascertain the type of meter from the TSSPDCL.
wDescripti on	Parameters						
Power	Metering						
49.	Volume-3: Draft Concession Agreement,	We understand that the concessionaire will be provided with 132Kv incoming supply.-	Yes. However, as per the Sr no. 77 of "Replies to Prebid queries for RFP for development of District				

REPLIES TO QUERIES (SET - 2)

DEVELOPMENT OF DISTRICT COOLING SYSTEM (DCS) FOR ZONE-3 AREA WITHIN HYDERABAD PHARMA CITY, TELANGANA ON PPP MODE

Sl. No.	Clause Reference	Queries or clarifications sought	Response
	<p>Page 31, 5.1. GENERAL OBLIGATIONS OF THE CONCESSIONAIRE: (b) The Concessionaire shall arrange for and procure, at its own cost and risk, all infrastructure facilities and utilities for the construction, development, operation, and maintenance of the Project, including procuring connection for and supply of electricity, water, gas, and other utilities as may be necessary or required for the operation of the Project.</p>		<p>Cooling System for Zone 3 area in Hyderabad Pharma City”; The Concessionaire has to apply for obtaining necessary infrastructure facilities and utilities shall be made available by the respective service providers at the defined rates at the battery limits of the DCP plots on payment. The subsequent arrangements for internal distribution, piping etc. shall be done by the Concessionaire.</p>
50.	<p>Please provide the L-section of the route of distribution pipeline to be installed for supply & return</p>	<p>Please share cross sectional drawing of distribution piping network.</p>	<p>Indicative piped network is provided in RFP Volume 3 Page 178.</p>
51.	<p>Volume-3: Draft Concession Agreement: Page 191 Annexure 1-Schedule -E Copy of Environmental Clearance</p>	<p>Please provide land allotment list.-</p>	<p>GoTS/TSIIC received the expression of interest from the industry for a demand of over 7000 acres of plotted land. The Land allotment for the prospective units is yet to be initiated by TSIIC/HPCL.</p>
52.	<p>RFP Volume 1 (Page 11) 11.Concession Period Shall be higher of (a) 33 Years (including Construction Period of 18 months) and (b) 10 years from the investment in the</p>	<p>Sub phasing phase-1 not provided in response to the query Sr. no 127. Please share the sub phasing plan for each phase</p>	<p>Please refer “Appendix 1 - Project Phasing” to the “Replies to Prebid queries for RFP for development of District Cooling System for Zone 3 area in Hyderabad Pharma City”.</p> <p>Also note that the Phasing plan is arrived as per the demand assessment carried out as part of Integrated Master Plan. However, the bidders may undertake independent demand assessment exercise before submitting their bid.</p>

REPLIES TO QUERIES (SET - 2)

DEVELOPMENT OF DISTRICT COOLING SYSTEM (DCS) FOR ZONE-3 AREA WITHIN HYDERABAD PHARMA CITY, TELANGANA ON PPP MODE

Sl. No.	Clause Reference	Queries or clarifications sought	Response
	<p>new module / part of the module.</p> <p>The Concession Period shall start only if the Appointed Date is achieved and TSIIC has commenced allotment of land by TSIIC to industrial units within the Zone-3 area of HPC.</p> <p>The maximum Concession Period in any case cannot exceed beyond 40 years.</p>		
53.	<p>Volume-3: Draft Concession Agreement, 16.3. PAYMENTS FOR CHANGE OF SCOPE</p> <p>16.3.1 Within [7 (seven)] days of issuing a Change of Scope Order, the Authority shall make an advance payment to the Concessionaire of a sum equal to [20% (twenty per cent)] of the cost of Change of Scope as agreed hereunder, and in the event of a Dispute, [20% (twenty per cent)] of the cost assessed by the Independent Expert.</p>	please clarify for compensation of 80% of remaining cost to bidder	RFP Clause 16.3.1 prevails.
54.	RFP Volume 1 Page 21 31.Special Condition for a Sole Bidder (if any) and	We request you to reduce the lock in period in line with other infrastructure projects	RFP Conditions Prevail

REPLIES TO QUERIES (SET - 2)

DEVELOPMENT OF DISTRICT COOLING SYSTEM (DCS) FOR ZONE-3 AREA WITHIN HYDERABAD PHARMA CITY, TELANGANA ON PPP MODE

Sl. No.	Clause Reference	Queries or clarifications sought	Response
	<p>Page 39 2.3 Change in Ownership</p> <p>In case of Sole Bidder, the Bidder is required to hold minimum 51% equity in Project SPC at all times during a period not than ten (10) years from the date of signing of the Concession Agreement.</p> <p>Page 39 2.3 Change in Ownership</p> <p>2.3.1 By submitting the Bid, the Bidder acknowledges that it is pre-qualified and short-listed on the basis of Technical Capacity and Financial Capacity of those of its Consortium Members who shall collectively, until the 10th anniversary of the date of Commercial Operation of the Project, hold equity share capital representing not less than: (i) 51% (Fifty One per cent) of the subscribed and paid-up equity of the Concessionaire;</p>		
55.	<p>RFP Volume 1 (Page 53) 1.3.1 Technical evaluation 10 marks will be awarded for</p>	<p>We request you to consider minimum 2 customers served from a single plant-</p>	<p>RFP Conditions Prevail</p>

REPLIES TO QUERIES (SET – 2)

DEVELOPMENT OF DISTRICT COOLING SYSTEM (DCS) FOR ZONE-3 AREA WITHIN HYDERABAD PHARMA CITY, TELANGANA ON PPP MODE

Sl. No.	Clause Reference	Queries or clarifications sought	Response
	1 project with 10 customers		
56.	<p>Volume-3: Draft Concession Agreement (Page 36) Clause 5.4</p> <p>The Concessionaire shall not, without the prior written approval of the Authority, undertake or cause to be undertaken, any action for all or any of the following or any matter incidental or consequential thereto:</p> <p>(g) to make inter-corporate-loans and investments or guarantee or security (except where such security or payment is to be made to the Authority) to be given, if the aggregate amount thereof, exceeds the limit of [30% (thirty per cent)] of the Concessionaire's paid-up share capital;</p>	<p>It is requested to take out the sub clause stating that Authority prior permission is required</p> <p>“To make inter-corporate-loans and investments or guarantee or security (except where such security or payment is to be made to the Authority) to be given, if the aggregate amount thereof, exceeds the limit of [30% (thirty per cent)] of the Concessionaire's paid-up share capital”;</p>	RFP conditions prevail.
57.	<p>Volume-3: Draft Concession Agreement (Page 128) 32.8 Early Closure</p> <p>32.8.1 The Authority reserves the right to terminate the Project at any time and at its</p>	<p>Early Closer clause should be applicable to both “Authority” & “Concessionaire”. Settlement mechanism should be clearly captured.</p>	Please refer Corrigendum 1, Sr no. 37.

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Sl. No.	Clause Reference	Queries or clarifications sought	Response
	<p>discretion (the “Early Closure”) by issuing a Termination Notice, provided that before issuing the Termination Notice, the Authority shall by a notice inform the Concessionaire of its intention to issue the Termination Notice at least 90 days in advance.</p>		
58.	<p>Volume-3: Draft Concession Agreement (Page 26), Article 4</p> <p>4.2.1: The Conditions Precedent required to be satisfied by the Concessionaire within a period of [90 (ninety)] days from the Execution Date shall be deemed to have been fulfilled when the Concessionaire shall have:</p>	<p>It is requested to provide at least 270 days for fulfillment of conditions Precedent.</p> <p>The Conditions Precedent required to be satisfied by the Concessionaire within a period of [270 (Two Hundred Seventy)] days from the Execution Date or such longer period not exceeding 270(Two Hundred Seventy) days as may be specified therein, shall be deemed to have been fulfilled when the Concessionaire shall have:</p> <p>In similar projects in other infrastructure projects including DBFOT projects including power, road at least 180 days is being provided being a new business concept will require more time for bankers for project financing</p>	<p>Please refer Corrigendum 1, Sr no. 36.</p> <p>RFP conditions prevail.</p>
59.	<p>Volume-3: Draft Concession Agreement</p> <p>Detailed Design & Drawings / DPR: The Concessionaire shall submit a DPR within 45 days from the Effective Date</p>	<p>It is requested to consider at least 180 days for submission of DPR</p>	<p>RFP Conditions Prevail</p>

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DEVELOPMENT OF DISTRICT COOLING SYSTEM (DCS) FOR ZONE-3 AREA WITHIN HYDERABAD PHARMA CITY, TELANGANA ON PPP MODE

Sl. No.	Clause Reference	Queries or clarifications sought	Response
60.	<p>Volume-3: Draft Concession Agreement (Page 28) 4.3. Approval of DPR</p> <p>4.3.1 The Concessionaire shall submit the DPR to the Authority within 45 (forty-five) days and 90 (ninety) days of the Effective Date.</p>	<p>It is requested to consider at least 180 days for submission of DPR</p>	<p>Please refer Sl.No.11 of Corrigendum V.</p>
61.	<p>Volume-3: Draft Concession Agreement</p> <p>Art. 4.5: Concessionaire shall pay Damages to the Authority of an amount calculated at the rate of [0.3% (zero point three per cent)] of the Construction Performance Security</p>	<p>Art. 4.5: Concessionaire shall pay Damages to the Authority of an amount calculated at the rate of [0.1% (zero point one per cent)] of the Construction Performance Security.</p> <p>Uniformity with similar clause for Authority.</p>	<p>RFP conditions prevail.</p>
62.	<p>Volume-3: Draft Concession Agreement</p> <p>Art. 4.7.1 Without prejudice to the provisions of Articles 4.4 and 4.5, and subject to the provisions of Article 9.2, the Parties expressly agree that in the event the Appointed Date does not occur, for any reason whatsoever, within a period of [180 (one hundred and eighty)] days from the Execution Date or the extended period provided in accordance</p>	<p>Termination for delay clause shall be exercised in the event the Appointed Date does not occur, for any reason whatsoever, within a period of [365 (Three Sixty Five) days. In case of any delay in occurrence of the Appointed Date with reasons attributable to the Authority termination for delay shall be extended equivalent to delay attributed to authority and financial impact for this delay period equivalent to 120% of fixed charges shall be compensated to Concessionaire.</p>	<p>RFP Conditions Prevail</p>

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DEVELOPMENT OF DISTRICT COOLING SYSTEM (DCS) FOR ZONE-3 AREA WITHIN HYDERABAD PHARMA CITY, TELANGANA ON PPP MODE

Sl. No.	Clause Reference	Queries or clarifications sought	Response
	<p>with this Agreement, then all rights, privileges, claims and entitlements of the Concessionaire under or arising out of this Agreement shall be deemed to have been waived by, and to have ceased with the concurrence of the Concessionaire and the Agreement may be terminated by the non-defaulting Party. Provided, however, that in the event the delay in occurrence of the Appointed Date is for reasons attributable to the Concessionaire, the Construction Performance Security, or the Bid Security of the Concessionaire shall be encashed and appropriated by the Authority as Damages thereof.</p>		
63.	<p>Volume-3: Draft Concession Agreement</p> <p>Art. 4.7.1 Without prejudice to the provisions of Articles 4.4 and 4.5, and subject to the provisions of Article 9.2, the Parties expressly agree that in the event the Appointed Date does not occur, for any reason whatsoever, within</p>	<p>We request to amend this clause as following to made it mutual to put both parties on the same footing.</p> <p>Art. 4.7.1 Without prejudice to the provisions of Articles 4.4 and 4.5, and subject to the provisions of Article 9.2, the Parties expressly agree that in the event the Appointed Date does not occur, for any reason whatsoever, within a period of [365 (Three Sixty Five) days from the Execution Date or the extended period provided in accordance with this Agreement,</p>	RFP Conditions Prevail

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Sl. No.	Clause Reference	Queries or clarifications sought	Response
	<p>a period of [180 (one hundred and eighty)] days from the Execution Date or the extended period provided in accordance with this Agreement, then all rights, privileges, claims and entitlements of the Concessionaire under or arising out of this Agreement shall be deemed to have been waived by, and to have ceased with the concurrence of the Concessionaire and the Agreement may be terminated by the non-defaulting Party. Provided, however, that in the event the delay in occurrence of the Appointed Date is for reasons attributable to the Concessionaire, the Construction Performance Security or the Bid Security, as the case may be, of the Concessionaire shall be encashed and appropriated by the Authority as Damages thereof.</p>	<p>then all rights, privileges, claims and entitlements of the Concessionaire either Party under or arising out of this Agreement shall be deemed to have been waived by, and to have ceased with the concurrence of Concessionaire such Party and the Agreement may be terminated by the non-defaulting Party. Provided, however, that in the event the delay in occurrence of the Appointed Date is for reasons attributable to the Concessionaire, the Construction Performance Security, or the Bid Security of the Concessionaire shall be encashed and appropriated by the Authority as Damages thereof.</p> <p>Provided, further, that in the event the delay in occurrence of the Appointed Date is for reasons attributable to the Authority, the amount equivalent to the Construction Performance Security or the Bid Security furnished by the Concessionaire shall be paid by the Authority to the Concessionaire as Damages thereof.</p>	
64.	<p>Volume-3: Draft Concession Agreement (Page 44) 7.2 Representations,</p>	<p>Art. 7.2.1 (d): this Agreement constitutes a legal, valid, and binding obligation enforceable against it in accordance with the terms hereof, <u>and its obligations under this Agreement shall be legally valid, binding, and enforceable</u></p>	<p>Since the entire Agreement and its terms & conditions are legally enforceable, there is no need to issue any amendment.</p> <p>RFP conditions prevail</p>

REPLIES TO QUERIES (SET – 2)

DEVELOPMENT OF DISTRICT COOLING SYSTEM (DCS) FOR ZONE-3 AREA WITHIN HYDERABAD PHARMA CITY, TELANGANA ON PPP MODE

Sl. No.	Clause Reference	Queries or clarifications sought	Response
	<p>Warranties and Covenants of the Authority</p> <p>Art. 7.2.1 (d): this Agreement constitutes a legal, valid, and binding obligation enforceable against it in accordance with the terms hereof;</p>	<p><u>obligations against it in accordance with the terms hereof;</u></p> <p>Its obligations under this Agreement shall be legally valid, binding, and enforceable obligations against it in accordance with the terms hereof</p>	
65.	<p>Volume-3: Draft Concession Agreement (Page 44) 7.2 Representations, Warranties and Covenants of the Authority</p> <p>Art. 7.2.1 (f): it has no knowledge of any violation or default with respect to any order, writ, injunction or any decree of any court or any legally binding order of any Government Instrumentality which may result in any Material Adverse Effect on the Authority's ability to perform its obligations under this Agreement;</p>	<p>No fact or circumstance exists which may give rise to such proceedings that would adversely affect the performance of Authority's obligations under this Agreement; The clause should be modified as under</p> <p>Art. 7.2.1 (f): it has no knowledge of any violation or default with respect to any order, writ, injunction or any decree of any court or any legally binding order of any Government Instrumentality which may result in any Material Adverse Effect on the Authority's ability to perform its obligations under this Agreement; <u>and no fact or circumstance exists which may give rise to such proceedings that would adversely affect the performance of Authority's obligations under this Agreement;</u></p>	RFP conditions prevail
66.	<p>Volume-3: Draft Concession Agreement</p> <p>7.2 Representations, warranties, and covenants of the Authority</p>	<p>We request to include these fair clauses to put both parties on the equal footing.</p> <p>Following additional clauses to be included under the Representation and Warranties of Authority:</p> <p>(i) it is subject to the laws of India, and hereby expressly and irrevocably waives any immunity</p>	RFP conditions prevail

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Sl. No.	Clause Reference	Queries or clarifications sought	Response
		<p>in any jurisdiction in respect of this Agreement or matters arising thereunder including any obligation, liability, or responsibility hereunder.</p> <p>(j) there are no actions, suits, proceedings, or investigations pending or, to its knowledge, threatened against it at law or in equity before any court or before any other judicial, quasi-judicial, Government Instrumentality or other authority, the outcome of which may result in the breach of this Agreement or which individually or in the aggregate may result in any material impairment of its ability to perform any of its obligations under this Agreement.</p> <p>(k) it has complied with Applicable Laws in all material respects and has not been subject to any fines, penalties, injunctive relief or any other civil or criminal liabilities which in the aggregate have or may have a Material Adverse Effect on its ability to perform its obligations under this Agreement.</p> <p>(l) consents generally in respect of the enforcement of any judgment against it in any proceedings in any jurisdiction to the giving of any relief or the issue of any process in connection with such proceedings;</p>	
67.	<p>Volume-3: Draft Concession Agreement</p> <p>Art. 25.3</p>	<p>We propose addition of new Clause 25.3 (d) as follows:</p> <p>(d) Dispute Resolution</p> <p>Any dispute, difference or controversy of whatever nature howsoever arising under or out of or in relation to this Article 25.3 (including the determination and revision of tariff for Cooling Services) between the Parties,</p>	Please refer Sl.No. 8 of Corrigendum V.

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Sl. No.	Clause Reference	Queries or clarifications sought	Response
		<p>the same shall be resolved in accordance with the provisions of Article 39 of this Agreement.</p> <p>This is a fair insertion in the interest of both the parties. Also, this is in consonance with Article 39 of the Concession Agreement. This clause allows parties to refer the disputes to Arbitration, which is the preferred mode of dispute resolution in all the commercial contracts.</p>	
68.	<p>Volume-3: Draft Concession Agreement (Page 112) & Corrigendum 2 Sr no. 23 Article. 29.5.2: The Affected Party shall not be entitled to any relief for or in respect of a Force Majeure Event unless it shall have notified the other Party of the occurrence of the Force Majeure Event as soon as reasonably practicable, and in any event no later than {15 (Fifteen)} days after the Affected Party knew, or ought reasonably to have known, of its occurrence, and shall have given particulars of the probable material effect that the Force Majeure Event is likely to have on performance of its obligations under this Agreement.</p>	<p>Request to consider 30 days</p> <p>Article. 29.5.2: Force Majeure Event unless it shall have notified the other Party of the occurrence of the Force Majeure Event as soon as reasonably practicable, and in any event no later than [30 (thirty)] days after the Affected Party knew, or ought reasonably to have known, of its occurrence, and shall have given particulars of the probable material effect that the Force Majeure Event is likely to have on performance of its obligations under this Agreement.</p>	RFP Conditions Prevail

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Sl. No.	Clause Reference	Queries or clarifications sought	Response
69.	<p>Volume-3: Draft Concession Agreement</p> <p>Art. 30.2: Subject to the provisions of Article 30.4, in the event of the Authority being in material breach or default of this Agreement at any time after the Appointed Date, it shall pay to the Concessionaire by way of compensation, all direct costs suffered or incurred by the Concessionaire as a consequence of such material breach or default within [30 (thirty)] days of receipt of the demand supported by necessary particulars thereof; provided that no such compensation shall be payable for any material breach or default in respect of which Damages have been expressly specified in this Agreement. For avoidance of doubt, compensation payable may include interest payments on debt, O&M Expenses, any increase in capital costs on account of inflation and all other costs directly attributable to such material breach or default but shall not</p>	<p>This is a fair modification, necessary to put both parties on equal footing.</p> <p>Art. 30.2: Subject to the provisions of Article 30.4, in the event of the Authority being in material breach or default of this Agreement at any time after the Appointed Date, it shall pay to the Concessionaire by way of compensation, all direct costs suffered or incurred by the Concessionaire as a consequence of such material breach or default within [30 (thirty)] days of receipt of the demand supported by necessary particulars thereof; provided that no such compensation shall be payable for any material breach or default in respect of which Damages have been expressly specified in this Agreement or for any consequential losses incurred by the Concessionaire. For avoidance of doubt, compensation payable may include interest payments on debt, O&M Expenses, any increase in capital costs on account of inflation and all other costs directly attributable to such material breach or default but shall not include loss on account of Revenues from Cooling Services and all incomes derived or collected by it from or on account of the Project Facilities and Associated Services, debt repayment obligations, or other consequential losses, and for determining such compensation, information contained in the Financial Package and the Financial Model may be relied upon to the extent it is relevant.</p>	<p>Please refer Sl.No. 7 of Corrigendum V.</p>

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Sl. No.	Clause Reference	Queries or clarifications sought	Response
	include loss on account of Revenues from Cooling Services and all incomes derived or collected by it from or on account of the Project Facilities and Associated Services, debt repayment obligations, or other consequential losses, and for determining such compensation, information contained in the Financial Package and the Financial Model may be relied upon to the extent it is relevant.		
70.	Volume-3: Draft Concession Agreement Art. 32.1.1:the Concessionaire fails to cure the default within a Cure Period of [30 (thirty)] days, the Concessionaire shall be deemed to be in default.....	Kindly consider Cure Period to be 90 (ninety) days. Art. 32.1.1:the Concessionaire fails to cure the default within a Cure Period of [30 90(ninety thirty)] days or such longer period as has been expressly provided in this Agreement, the Concessionaire shall be deemed to be in default.....	RFP Conditions Prevail
71.	Volume-3: Draft Concession Agreement (Page 124) Art. 32.2 Termination for Authority Default	We propose to include following additional Authority Defaults in Art. 32.2.1: (e) the Authority has failed to make any payment to the Concessionaire under this Agreement within the period specified therein. (f) a breach of any of the Project Agreements by the Authority has caused a Material Adverse Effect. (g) the Authority creates any Encumbrance in breach of this Agreement.	RFP conditions prevail

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DEVELOPMENT OF DISTRICT COOLING SYSTEM (DCS) FOR ZONE-3 AREA WITHIN HYDERABAD PHARMA CITY, TELANGANA ON PPP MODE

Sl. No.	Clause Reference	Queries or clarifications sought	Response
		<p>(i) an execution levied on any of the assets of the Authority has caused a Material Adverse Effect.</p> <p>(j) any representation or warranty of the Authority herein contained which is, as of the date hereof, found to be materially false, incorrect, or misleading or the Authority is at any time hereafter found to be in breach thereof.</p> <p>(k) the Authority has failed to fulfil any obligation, for which failure Termination has been specified in this Agreement.</p> <p>(l) the Authority issues Termination Notice in violation of the provisions of this Agreement.</p> <p>(m) the Authority commits a default in complying with any other provisions of this Agreement if such default causes or may cause a Material Adverse Effect on the Concessionaire.</p> <p>(n) there is a transfer, pursuant to law or executive order either of (i) the rights and/or obligations of the Authority under any of the Project Agreements, or of (ii) all or part of the assets or undertaking of the Authority, and such transfer causes a Material Adverse Effect.</p> <p>(o) the Authority has been or is in the process of being amalgamated or reconstituted in a manner that would cause, in the reasonable opinion of the Concessionaire, a Material Adverse Effect.</p> <p>(p) the Authority submits to the Concessionaire any statement, notice or other document, in written or electronic form, which has a material effect on the Concessionaire's rights,</p>	

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Sl. No.	Clause Reference	Queries or clarifications sought	Response
		<p>obligations or interests and which is false in material particulars;</p> <p>We request to include these fair clauses to put both parties on equal footing as Similar clauses are included under the Concessionaire’s Events of Default.</p>	
72.	<p>Volume-3: Draft Concession Agreement</p> <p>Art. 37.6.1: Notwithstanding anything to the contrary in this Agreement, the liability of one Party towards the other Party for any damages or compensation of any nature whatsoever under this Agreement, save and except where amounts exceeding the Total Project Cost are specifically prescribed in this Agreement as Termination Payment, shall not exceed the Total Project Cost. The limitation hereunder shall not apply to any or all liabilities in respect of third parties. The Parties agree that the Concessionaire’s liability will be uncapped in case of any liabilities arising due to:</p> <p>(a) any amount payable as indemnity to the Authority due to its acts or omissions</p>	<p>Art. 37.6.1: Notwithstanding anything to the contrary in this Agreement, the liability of one Party towards the other Party for any damages or compensation of any nature whatsoever under this Agreement, save and except where amounts exceeding the Total Project Cost are specifically prescribed in this Agreement as Termination Payment, shall not exceed the Total Project Cost.</p> <p>The limitation of liability clause should be same for both the parties, and it is arbitrary not to limit the liability of Concessionaire.</p> <p>The limitation of liability clause should be same for both the parties, and it is arbitrary not to limit the liability of Concessionaire.</p>	RFP conditions prevail.

REPLIES TO QUERIES (SET - 2)

DEVELOPMENT OF DISTRICT COOLING SYSTEM (DCS) FOR ZONE-3 AREA WITHIN HYDERABAD PHARMA CITY, TELANGANA ON PPP MODE

Sl. No.	Clause Reference	Queries or clarifications sought	Response
	<p>or fraud, gross negligence and willful misconduct.</p> <p>(b) breach of any Applicable Laws or any Applicable Permits.</p> <p>(c) any claims or loss on account of Intellectual Property rights violation by the Concessionaire.</p> <p>(d) any personal bodily injury or death of any person caused by, arising out of or in connection with its performance of this Agreement; or</p> <p>(e) any loss of or physical damage to property of the Authority or any third party caused by, arising out of or in connection with the performance of this Agreement.</p>		
73.	<p>SCHEDULE P.- Land Lease Agreement</p> <p>Clause 13 Indemnities and limitation of liability</p> <p>The Lessee shall fully indemnify, defend, and hold harmless the Lessor, of any liability which may be incurred or suffered by the Lessor, and which may arise out of or because of</p>	<p>In Clause 13 Indemnities & limitation of liability, please add:</p> <p><u>Notwithstanding anything to the contrary contained in this Clause, the indemnities herein provided shall not include any claim or recovery in respect of any cost, expense, loss, or damage of an indirect, incidental, or consequential nature, including loss of profit.</u></p> <p><u>The liability of one Party towards the other Party for any damages or compensation of any nature whatsoever under this Land Lease</u></p>	RFP condition prevails

REPLIES TO QUERIES (SET - 2)

DEVELOPMENT OF DISTRICT COOLING SYSTEM (DCS) FOR ZONE-3 AREA WITHIN HYDERABAD PHARMA CITY, TELANGANA ON PPP MODE

Sl. No.	Clause Reference	Queries or clarifications sought	Response
	<p>any of the following causes:</p> <p>(a) any breach by the Lessee of any of its obligations, covenants, agreements, representations, or warranties set forth in this Land Lease Agreement; and</p> <p>(b) any loss of property, damage to property, personal injury or death occasioned to or suffered by any person, to the extent that the damage to or loss of property or the personal injury or death is caused willfully or negligently by the Lessee.</p>	<p><u>Agreement shall not exceed the Lease Rent payable during the relevant year.</u></p>	
74.	<p>Volume-3: Draft Concession Agreement, Section 23: FINANCIAL CLOSE; Clause:23.1.2</p> <p>Notwithstanding anything to the contrary contained in this Agreement, the Concessionaire covenants with the Authority that it shall achieve Financial Close within [120 (one hundred and twenty)] days from the Execution Date. If the Concessionaire shall fail to achieve Financial Close within the said [120 (one</p>	<p>It is difficult to achieve Financial Closure within 120 days from the Execution Date. We request you to kindly allow us 365 (three hundred sixty five) days for Financial Closure.</p>	<p>RFP condition holds good.</p>

REPLIES TO QUERIES (SET - 2)

DEVELOPMENT OF DISTRICT COOLING SYSTEM (DCS) FOR ZONE-3 AREA WITHIN HYDERABAD PHARMA CITY, TELANGANA ON PPP MODE

Sl. No.	Clause Reference	Queries or clarifications sought	Response
	<p>hundred and twenty)) days period, the Concessionaire shall be entitled to a further period of [60 (sixty)] days, subject an advance weekly payment by the Concessionaire to the Authority of [Rs. 100,000 (Rupees one lakh)] per week or part thereof as Damages for any delay beyond the said [120 (one hundred and twenty)] day period. Notwithstanding anything to the contrary contained in this Agreement, the Authority shall be entitled to terminate this Agreement and Land Lease Agreement forthwith, without being liable in any manner whatsoever to the Concessionaire, if the Concessionaire fails to pay in advance the Damages to the Authority under and in accordance with this Sub-Article.</p>		

*Note : No further queries shall be considered.

**Sd/-
CHIEF ENGINEER**