

**Development of 5 Star Hotel cum Convention Facility at Amritsar and Ludhiana under PPP format**

**Addendum – II to the RFP document**

S.No	Query	Clarification
1.	<p>We would request you to kindly allow the use of credentials of Associate Companies/ Subsidiaries to fulfill the eligibility criteria as mentioned in Clause 2.2.9 and Clause 3 as laid down in the Guidelines for Public Private Partnership – Pre Qualification of Bidders issued by Planning Commission - Government of India.</p> <p>Clause 2.2.9 states that – <i>“in computing the Technical capacity and Net Worth of the Applicant/ Consortium Members under Clause 2.2.2, 2.2.4 and 3.2, the Technical capacity and Net worth of their respective Associates would also be eligible hereunder”</i></p> <p>Clause 3.2.3 (b) states that – <i>“the entity claiming experience should have held in the company owning the Eligible Project, a minimum of 26% (twenty six percent) equity during the entire year for which Eligible Experience capital is being claimed.”</i></p>	<p><b><u>Clause 3.7 of Instructions to Bidders (Section I of the RFP document) shall now be read as under:</u></b></p> <p><b>“Using Networth and/or Technical Support/ Expertise of Holding/ Parent Company/ Associate Company</b></p> <p>The Bidders who have used the Net Worth and/ or Technical Support/ Expertise of their Holding / Parent Company/ Associate Company to satisfy the Minimum Eligibility Criteria shall be required to furnish a Deed of Guarantee, as per format attached in Clause 5(H) and 5(M) from their Holding / Parent Company and/or Associate Company respectively (including an irrevocable Board Resolution from such Holding/ Parent Company/ Associate Company) pledging their Financial strength and Technical support and their expertise towards the development of the Project, apart from authorizing the said Bidder to take part in the Bidding Process. Failure to furnish such irrevocable Deed of Guarantee (accompanied by a Board Resolution) from the Holding/ Parent Company/ Associate Company by the Bidder alongwith their Proposal may entail automatic disqualification of their proposals by PIDB/ PUDA/ GLADA.</p> <p><i>For purposes of this RFP document, Associate means, in relation to the single Bidder/ Joint Venture Member, a person who controls, is controlled by, or is under the common control with such single Bidder/ Joint Venture Member (the “Associate”). As used in this definition, the expression “control” means, with respect to a person which is a company, the ownership, directly or indirectly, of more than 50% (fifty per cent) of the voting shares of such person by operation of law.</i></p> <p><i>The format of Deed of Guarantee {5(M)} to be executed by Associate in favour of the Bidder is attached as Annexure- 1 of this Addendum.</i></p>

	<p>There are certain points which we feel needs your intervention –</p> <p>Financial closure period - 180 days. Compliance period - 120 days</p> <p>We would like to bring to your notice that to design a world class project, prepare detailed DBR, get all approvals including environment clearance, it is practically impossible to achieve in 120 days. Environment clearance itself takes 4 to 6 months. We would therefore request you to kindly extend both the Financial Closure period and Compliance period to atleast 270 days. In the case of Mohali bid, Compliance period was extended to 180 days and Financial Closure period to 270 days.</p>	<p>The Conditions Precedent Period {as stipulated in Article 4 of the draft Concession Agreement (Section II of the RFP document)} has now been increased to 180 (one hundred and eighty) days.</p> <p><b>Article 4.2 (a) of the draft Concession Agreement shall now be read as under:</b></p> <p><i>“Submitted detailed architectural drawings (i.e. floor plans, elevations, sections etc) of the Project, the details of the exterior facade / elevations of the Project, as per the applicable Local Building Byelaws, Norms etc, to the Concessions Authority for its approval from the Design Approval Committee, within a time period of 120 (one hundred and twenty) days from the Proposal Acceptance Date”</i></p> <p>In addition to this, the time period within which the Concessionaire shall be required to achieve the Financial Close has been increased to 270 (two hundred and seventy) days, to be counted from the Proposal Acceptance Date (i.e. the date of signing of the Concession Agreement). However, other provision of article 19 (Financial Close) shall remain same, as laid down in the draft Concession Agreement (section II of the RFP document).</p>
		<p><b>New Clause 3.14 added in Section I (Instructions to Bidders) of the RFP document</b></p> <p><i>“The Bidder (i.e. the single bidder or Joint Venture Member) claiming experience under Technical Capability should have held, in the company owing the experience under Technical Capability, a minimum of 26% (twenty six per cent) equity during the entire period for which experience under Technical Capability is being claimed.”</i></p>

## ANNEXURE 1

### Format of Deed of Guarantee issued by Associate (for both Ludhiana and Amritsar)

(TO BE MADE ON STAMP PAPER OF REQUISITE VALUE AND NOTORISED)

#### DEED OF GUARANTEE

THIS DEED OF GUARANTEE executed at \_\_\_\_\_ this \_\_\_ day of \_\_\_\_\_ by M/s \_\_\_\_\_ (mention complete name) a company duly organized and existing under the laws of \_\_\_\_\_ (insert jurisdiction / country), having its Registered Office at \_\_\_\_\_ hereinafter called "the Guarantor" OR "Associate" which expression shall, unless excluded by or repugnant to the subject or context thereof, be deemed to include its successors and permitted assigns.

WHEREAS

- A. \_\_\_\_\_(hereinafter called "\_\_\_\_" or "Concessing Authority", which expression shall unless excluded by or repugnant to the context thereof, be deemed to include its successor and assigns), had, through PIDB, invited Bids / proposals for the "Project" - Development, Financing, Designing, Construction, Operation, Maintenance and Management of **5 Star Hotel cum Convention Facility at \_\_\_\_\_ (Punjab) on DBOT Basis** by issuing Request For Proposal ("RFP") document (including its addendums) to the prospective "Bidders" to implement the said Project for and on behalf of the Concessing Authority.
- B. M/s \_\_\_\_\_ (mention complete name), a company duly organized and existing under the laws of India (insert jurisdiction / country), having its Registered Office at \_\_\_\_\_ (give complete address) hereinafter called "the Associate", which expression shall, unless excluded by or repugnant to the subject or context thereof, be deemed to include its successor and permitted assigns, which has in response to the above mentioned RFP document (including its addendums) is submitting its Bid / Proposal \_\_\_\_\_ to Punjab Infrastructure Development Board (hereinafter called "PIDB") to fulfill the condition that the Associate shall arrange a guarantee from its Associate company, guaranteeing due and satisfactory performance of the work covered under the said RFP document (including its addendums) or any change made in may be deemed appropriate by the \_\_\_\_\_/ PIDB at any stage.
- C. The Guarantor represents that they have gone through and understood the requirement of the above said RFP document (including its addendums) and are capable of and committed to provide technical, financial and such other supports as may be required by the Associate for the successful execution of the same.
- D. The Guarantor is executing this Deed of Guarantee in favour of \_\_\_\_\_, wherein both the Associate and Guarantor to this Deed of Guarantee shall be jointly and severally liable towards the Project and the Guarantor shall also be pledging / providing technical, financial and such other supports as may be necessary to the Associate for performance of the work

relating to the said Project as per the RFP document (including its addendums) and as per the Concession Agreement contained in the RFP document.

- E. Accordingly, at the request of the Associate and in consideration of and as a requirement for \_\_\_\_/ PIDB to enter into agreement(s) with the Associate, the Guarantor hereby agrees to give this guarantee and undertakes as follows:
1. The Guarantor (Associate Company) unconditionally agrees that in case of non-performance by the Associate of any of its obligations in any respect, the Guarantor shall, immediately on receipt of notice of demand by \_\_\_\_, take up the Project without any demur or objection, in continuation and without loss of time and without any cost to \_\_\_\_ and duly perform the obligations and responsibilities of the Associate to the satisfaction of \_\_\_\_\_. In case the Guarantor also fails to discharge its obligations herein and is not able to complete the Project satisfactorily, \_\_\_\_\_ shall have absolute rights for effecting the execution of the Project from any other person at the risks and costs of the Guarantor. The Guarantor also undertakes to make good any loss that may be caused to \_\_\_\_\_ for any non-performance or unsatisfactory performance by the Guarantor or the Associate of any of their obligations.
  2. The Guarantor agrees that the Guarantee herein contained shall remain valid and enforceable till the satisfactory execution and completion of the Project (including discharge of the warranty obligations) awarded to the Associate till the completion of the Concession Period (including any extension).
  3. The Guarantor shall be jointly with the Associate, as also severally responsible for the satisfactory execution and performance of Project during the currency of the "Concession Agreement" to be entered between the Associate and \_\_\_\_\_.
  4. The Guarantor represents that this Guarantee has been issued after due observance of the appropriate laws in force in India. The Guarantor hereby undertakes that the Guarantor shall obtain and maintain in full force and effect all the governmental and other approvals, permits and consents that are necessary and do all other acts and things necessary or desirable in connection therewith or for the due performance of the Guarantor's obligations hereunder.
  5. The Guarantor also agrees that this Guarantee shall be governed and construed in accordance with the laws in force in India and subject to the exclusive jurisdiction of the courts of only Chandigarh and \_\_\_\_\_.
  6. The Guarantor hereby declares and represents that this Guarantee has been given without any undue influence or coercion from any person and that the Guarantor has fully understood the implications of the same.

7. The Guarantor represents and confirms that the Guarantor has the legal capacity, power and authority to issue this Guarantee and that giving of this Guarantee and the performance and observations of the obligations hereunder do not contravene any existing law or any judgment.
  
8. The Guarantor represents and confirms that in pursuance to Para / Point 7, the Guarantor has submitted and provided to \_\_\_\_\_ (with this Deed of Guarantee), a valid Board Resolution duly authorizing the Guarantor to pledge / provide technical, financial and such other supports as may be necessary for performance of the work relating to the said Project as per the RFP and Concession Agreement.

For & on behalf of (Associate Company)

M/s \_\_\_\_\_

Witness:

1.

2.