

32/1/2019-DSRD/Cons/DRIP Phase II and III/
Central Water Commission
Central Project Management Unit
Dam Rehabilitation and Improvement Project
Phase II and Phase III

Date: 30.06.2020

Sl No.	Queries	Response of CWC
1.	<p>Annual average turn over for eligibility is required of INR 300 crores or USD 43 million. I believe, not more than couple of Pvt Sector companies, and again handful no of companies from Public Sector can only qualify this point. Again, most of these companies may not have any requisite technical experiences for this specialised consulting services. As per the GOI Atmanirvar Bharat, Indian companies having relevant experiences must be considered, as this project will run over 10 years, and capabilities of such companies will always be there to full-fill the objective of the Project delivery satisfactorily.</p>	<p>This is a knowledge driven activity, which must facilitate to achieve the intended objectives of the Scheme. Also, scope of services and work flow is anticipated huge, keeping in view the horizontal and vertical coverage of the Scheme alongwith its financial and physical outlays.</p> <p>The financial threshold is fixed based on market strength and quality of services required. The referred annual turnover is for single entity. In case, any single bidder is not able to qualify this requirement, provision for Joint Venture also exist in the REOI proposal which gives ample opportunity for participation of Indian as well as overseas firms. In the JV, as per Condition No.(iv), each partner shall meet the 40% requirement of criteria of this annual turn over, and lead partner shall meet the 60% requirement of this annual turn over.</p>

		<p>This threshold limit is placed in order to ensure availability of adequate financial resources with the qualified firm with a payment cycle of 5 to 6 months. It shall meet out liability of various expenses like salaries of its international as well national experts, supporting staff as well as regular expenses to run the office.</p> <p>It has been the experience of CWC in the ongoing DRIP, some of the best resources left the assignment in between the Scheme due to the reason that such type of issue cropped up between the consultant and the expert. Such incidences ultimately adversely affect the performance of project implementation.</p> <p>The provision of JV has adequate scope for participation of Indian bidders. The qualification in JV is minimum requirement of financial and technical qualification i.e. 40% of financial requirement as well as technical experience in minimum one Category out of six Categories.</p> <p>The perceived view expressed here is that no Indian company will qualify is not based on market survey. <i>However, CWC would review the necessity of any revision based on requests from various prospect bidders as well as outcome of deliberations of the Pre-REOI Meeting held on June 29, 2020.</i></p>
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<p>2.</p>	<p>Revenue generation for dams can be done in many ways including</p> <ul style="list-style-type: none"> a. Pump Storage b. Floating Solar Power c. Tourism d. Water Supply to Industry e. Fishery f. Navigation g. How are you going take into account the Irrigation supply? h. Flood Control Management is one of the main objective for most of the dams, however, the losses need to be translated into cost saved i. Raising of some the Dams to augment additional storage to ensure higher capacity for electricity and flood Moderation 	<p>This is a new component being introduced in DRIP phase II & III on a pilot basis to explore the revenue generation potential at some of the selected dams. It is also proposed to tweak the policies of the state government to utilize part of the revenue so generated towards its operation and maintenance of a given dam.</p> <p>This Scheme does not have any provision to support any kind of rehabilitation activities which may result in modification of flow pattern downstream of dam, augmentation of storage may invite inter-state water sharing issues, raising of dam height's to augment the storage will violate inter state water sharing agreement and even may impact any transboundary river agreement etc. such kind of activities are not part of this Scheme. Regarding revenue generation through irrigation supply, water supply to industry etc. are planned benefits of a given Scheme, issue is that no revenue is coming back for dedicated O&M requirement of a given dam. Navigation in between a certain reach of river or within a State is beyond the purview of this Scheme as basic objective of Scheme is linked to improve safety and operational performance of selected dams.</p>
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3.	The project is of long term one running over 10+ years, hence, the procurement contract could be relook from Master – Service Contract as per FIDIC norms.	The Standard Procurement Document of World Bank is being followed by CWC for procurement of Consultancy services as this is externally funded Scheme. As per proposed Loan Agreement to be signed between Govt of India and World Bank, all procurement is governed by World Bank's Guidelines and Procedures.
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