

## **DEVELOPMENT OF SEA PORT AT TADADI**

### **Responses to Balance Queries of Applicants**

*The responses to queries received from the Applicants on the RFQ document, were posted on the website, [www.ksiidc.com](http://www.ksiidc.com) on August 11, 2010, wherein it was informed that some of the queries would be answered subsequently.*

**The current note provides responses for the balance queries. These responses would need to be read in conjunction with the responses to queries earlier hosted on the website.**

## **SECTION 1: Queries & responses pertaining to the RFQ document**

S. No	Clause	Queries	Responses / Clarifications
1.	1.3	It is requested that the Application Due Date be extended by adequate time (atleast 4 weeks) from the date of issuance of reply to queries / amendments by the Authority / Nodal Agency to enable the Applicants to arrange the various data / information and certificates in the desired formats.	It is clarified that the Application Due Date is 31 <sup>st</sup> January 2011. Applications would need to be submitted in accordance with Clause 2.14 of the RFQ document.
2.	1.3	What are the timelines for the bidding that the government is planning to come up with?	The indicative timelines for the bidding process is as follows:  Application Due Date : 31 <sup>st</sup> January 2011 Announcement of shortlisted Applicants : March 2011 Issue of RFP Document : March 2011
3.	2.2.1 (d)	It may be noted that the Applicant should be liable for disqualification if the Authority's Legal, Financial and Technical Advisors in relation to the Project are engaged by the Applicant.  Request you to kindly provide the names of the advisors engaged by the Authority for the Project	KSIIIDC has appointed the following Consultants for the Project:  <b><u>Project Transaction Advisor (including Financial Consultant)</u></b> Infrastructure Development Corporation (Karnataka) Limited  <b><u>Technical Consultant for preparation of DPR</u></b> Consortium of Pointec, S.A. and MIR Projects & Consultants <b><u>Environmental Consultant for EIA &amp; CRZ Studies</u></b> National Environmental Engineering Research Institute (NEERI). Further NEERI, has engaged National Institute of Oceanography (NIO) for CRZ studies.
4.	Clause VII & 2.2.6 – P9 & P62	As per the Government Order No.IDD/78/ITS/2009 Bangalore dated 09/12/2009 the government proposes to hold 26% stake in the SPV through VADA, KPCL, NMDC or any other GOI/Government PSUs. Please clarify and confirm the aspects of equity holding. What is the role of the government in governing the port? Would Government be willing to take an equity stake or a seat on the board?  Does this mean that the Private company (either in capacity of a Sole Bidder or a Consortium) is left with 74% of the paid up and subscribed equity capital in the SPV? And in case of a Consortium does it mean that the internal shareholding of consortium members will be out of the remaining 74% of the paid up and subscribed equity capital? In that case is the lead member or for that matter any member whose experience is	It is clarified that the Government would not have any equity shareholding in the proposed SPV for the Project. However, the Government of Karnataka would take a Golden Share in the proposed SPV and the conditions of the same would be provided in the RFP document.  Accordingly the selected bidder/consortium would need to subscribe to 100% of the subscribed and paid up equity capital in the SPV and thus the internal shareholding of consortium members will be out of the 100% and not 74% of the paid up and subscribed equity capital. Hence, experience of only those members holding 26% or more of 100% would be considered for the purposes of evaluation. Other shareholding

S. No	Clause	Queries	Responses / Clarifications
		to be included for qualification need to hold 26% of the total equity available to the Private Consortium (i.e.74%) Or 26% of the total equity available to the SPV (i.e.100%)?	conditions pertaining to lead member and consortium members are as per the RFQ document.
5.		We would like to know whether the 26% equity from the Govt. and PSU units is in the form of 1819 acres. If not, in which form the land will be handed over to the developer?	Please refer to S.No.4. The details pertaining to handover of land to the developer would be provided in the RFP document.
6.	3.2.3 (c)	It may be noted that most of the major Ports / Terminals across the globe have been commissioned decades ago. Subsequently, the Concessionaire / Port Company made significant capital investments in the Port / Terminal for the augmentation / modernization of the facility. It is requested that as per clause no. 3.2.3 (c) the capital cost of the Project to be considered for the evaluation should be the cost as on commissioning plus the capital investment made subsequent to commissioning of the project.	The capital cost of the Project will be the original project cost as on the date of commissioning of the Project.
7.	3.2.1	Please clarify if Off-Shore Transshipment Terminals / Transshippers and Lighterage Operations are considered eligible under Port Sector since these directly involve cargo handling.  As per this clause, sea ports sector includes ports, berths and jetties. Ports sector would also include marine structures, on-shore and off-shore terminals, quays, cargo handling system, bulk/ liquid material handling system, port based terminal facilities, CFS/ ICDs, storage tanks/ tank farms, conveyors, pipelines, warehousing, etc. In recently floated RFQs for port projects, all these structures were included in port sector. Please clarify.	Clause 3.2.1 (i) is modified to read as follows:  Sea ports sector would be deemed to include ports, berths, jetties, marine structures, dry docks, wharves, on shore & off shore terminals, transshippers handling commodities at a port, quays, breakwaters, cargo handling system (bulk / liquid materials) within the port premises and lighterage operations.
8.	3.2.1	Please confirm whether Oil platform onshore and offshore to be taken in category 3 or category 4.	It is clarified that onshore and offshore oil platforms would be considered as "core sector" projects. The definition of Category 2 / Category 4 as the case may be would be applicable to such projects.
9.	3.2.1	It is our understanding that for the purpose of Eligible projects, pipelines carrying POL either onshore or offshore from or to the ships berthed in the Port or SBMs shall come under Port sector. All other pipeline projects shall be under Core sector. Please confirm.	The pipelines carrying commodities from the ships / storage facilities within the sea to a storage facility within the port, would be considered as "port sector" Project. However, pipelines carrying commodities from such storage facility to any facility outside the port premises would be considered as "core sector".
10.	Appendix I, Annex II, Explanatory Clause \$\$	In the event change in last date for submission of Application, the date for conversion rate will also change.  It is requested that the Authority provide a single firm date for considering conversion rate, so that it does not alter with extension of the Application Date	It is clarified that the conversion rate as on December 31, 2010 will prevail.