

**Clarifications as per scheduled pre-bid**

**Name of work: E-tender for selection of Concessionaires from entities having a Proven Track Record for setting up CFSs at Multi Modal Logistics Park, Kathuwas & attracting customers to its fold.**

**Tender Notice No.CON/NR/TC/Tender for CFS/Kathuwas/2018-19**

<b>Query No.1</b>	<b>Extension of 6 weeks, giving an intended submission date of 15<sup>th</sup> September, 2018.</b>
Reply	<i>Date of sale and time has been revised keeping the last date and time of submission upto 15:00 Hrs. of 17.09.2018.</i>
<b>Query No.2</b>	<b>There is a total of 46.37 acres available for private CFS Nos.2, 3, 4 and 5 as per Tender arrangement. This area could be split into 3 CFSs' of 15.5 acres rather than 4 CFSs' of 11.5 acres.</b>
Reply	<i>No change in tender document.</i>
Query No.3	The INR 18 crore should be split evenly over 30 years.  Whether upfront premium of Rs.18 crore is refundable or non-refundable?  Cl.7: Bidding Parameter: Premium Instalment of Rs.2.70 crores in Ist Year – Whether Ist Year is Construction period or after construction period?
Reply	<i>No change in tender document.</i>  <i>Upfront premium of Rs. INR 18 Crore is non-refundable.</i>  <i>No change in the tender document. Para-B of Option-2 in Clause 7.0 may be referred to.</i>
Query No.4	Inter Carting charges to be defined as below, with a split between rail head handling costs and transportation: <ol style="list-style-type: none"><li>1. A fixed number with annual growth rate</li><li>2. Cost plus model</li></ol> In addition, CFS operators should be able to do the trucking between the CFS and rail head with their own equipment.
Reply	Clause 8.1 of the Tender has been modified and is to be read as follows:  Inter Carting plus Handling Charges for the First Year of Operations shall be Rs. 1300 Per TEU and Rs. 1800 per FEU. In subsequent years the Inter Carting plus Handling Charges for Rail Side Handling of CONCOR at Kathuwas will be fixed by Regional Head/Northern Region and shall be subject to revision from time to time. The Inter Carting between the rail head and JV CFSs shall be done by CONCOR only.

<b>Query No.5</b>	<b>Revenue share should commence with operational start date.</b>
Reply	<p>Clause 7.0 of the Tender has been modified. The relevant portion is reproduced below:-  Start of Operations or 18 months from the date of LOI, whichever is earlier  : Nil</p> <p>Upto 24 months : 5,000 TEUs  Third year : 20,000 TEUs  Fourth Year : 30,000 TEUs  (Year to be started from the date of LOI and all figures are of loaded TEUs).</p>
<b>Query No.6</b>	<b>Guarantee of access for private train operators should be enshrined in the agreement.</b>
Reply	<i>Clause 8.2 is deleted.</i>
Query No.7	<p>Notice period for termination of Agreement 180 days: Modification of existing clauses to be more balanced.</p> <p>The consequences of termination outlined in clause 9.5 appears quite one-sided and allows termination by CONCOR without cause and with a penalty that does not truly reflect the loss incurred by the CFS operator. Can the termination penalty be changed to reflect an independent valuation of the business?</p>
Reply	<i>No change in the tender document.</i>
Query No.8	How many vehicle/truck access gates can there be to any one CFS? Is it limited to one access from the main perimeter road running from West-North-West to East-South-East, or can there be an additional access point from the north where the container rail yard is located thus saving driving distance/fuel/carbon emissions from transporting containers to/from the rail head.
Reply	One Entry and One Exit Gate will be permitted.
Query No.9	What is the status of the land; is it levelled and compacted?
Reply	Bidders are advised to visit the site. No development work for levelling and compaction shall be done by CONCOR.
Query No.10	Are there any FSI or height restrictions?
Reply	At present, there are no such restrictions. Prevailing Laws and Standard Practice shall be applicable.
Query No.11	Are there any electrical supply limitations either imposed by CONCOR or the local electrical board, i.e., what is max kva that can be supplied to one CFS?
Reply	At present, there are no such restrictions. Prevailing Laws and Standard Practice shall be applicable.
Query No.12	Are the CFS sites bonded already? If not, can the CFS operator apply for a license themselves to handle bonded cargo?
Reply	Section 7aa (i) has already been notified and CFS operator has to take permission for Section 8 & Section 45 and other formalities under Customs Act, 1962 from Custom authorities.

Query No.13	APMM would like the existing green areas at the ICD Kathuwas to be usable by APMM in applying for an Environmental Clearance to handle a high capacity of hazardous cargo. An EC application requires a 33% green cover for the area that is covered under the EC, hence an 11.5 acre CFS requires a green area of 3.8 acres, which would need to be found within the existing Kathuwas ICD site green areas.
Reply	EC, if required, shall be handled by CFS operator themselves.
<b>Query No.14</b>	<b>Are there any restrictions of handling cargo, e.g. refrigerated, hazardous, out of gauge, etc.</b>
Reply	At present, there is no such specific restrictions. However, cargo restrictions can be imposed by concerned authorities from time to time, which will be applicable on the bidders.
Query No.15	Can more details be shared on the future intention of CFS 5?
Reply	No change is proposed in the Tender Document.
Query No.16	APMT is a direct subsidiary of APMM, which is the direct owner of Maersk Line. Is APMM (through it's 100% owned Indian Subsidiary, APM Terminals India Pvt. Ltd.) therefore eligible to bid under clause 3.1? In the previous tender, the wording was adjusted to include existing JV partners of CONCOR.  Qualifying requirement Cl.3.1: Subsidiary of Shipping Line or Sister companies criteria also to be added.
Reply	<i>Clause 3.2 has been modified and is to be read as follows:</i>  <i>Shipping Line/NVOCC may also bid jointly as joint venture subject to the lead partner owning 51% of the JV and meeting with the eligibility conditions. All JV partner of CONCOR are also eligible for participation in the bid.</i>  <i>Further new clause to be added under 3.0 and it will be read as follows:</i>  <i>All the bidders shall satisfy both clause 3.3 and 3.4 to qualify in the technical bid.</i>
Query No.17	The tender document refers to private trains being allowed to call at Kathuwas; under what circumstances could this happen, and will it be formalised in the final CFS lease agreement?
Reply	<i>Clause 8.2 is deleted.</i>
Query No.18	Can the CFS operator transport containers/cargo to or from customer facilities using their own/leased/third party trucks without incurring fees/penalties?
Reply	The said activities can be done without incurring fees/penalties for usage of own/leased/third parties trucks. However, local charges, if any for parking/stabling etc. in CONCOR premises may be applicable.
Query No.19	Can inter-carting of boxes, i.e., movement of boxes to/from the rail head to/from the CFS, be done by the CFS operator? If no, then the pricing mechanism needs to be enshrined in the final lease agreement as keeping a

	<p>major cost item open ended brings significant risk and uncertainty?</p> <p>Traffic flow inside MMLP/CMLK from Gate-CFS – Rail Side.</p>
Reply	<p>Clause 8.1 of the Tender is modified as follows:-</p> <p>Inter Carting plus Handling Charges for the First Year of Operations shall be Rs. 1300 Per TEU and Rs. 1800 per FEU. In subsequent years the Inter Carting plus Handling Charges for Rail Side Handling of CONCOR at Kathuwas will be fixed by Regional Head/Northern Region and shall be subject to revision from time to time. The Inter Carting between the rail head and JV CFSs shall be done by CONCOR only.</p> <p>The bidders can evaluate the site conditions</p>
Query No.20	<p>The construction period of 12 months is too short to deliver as significant construction is required (yard, warehousing, equipment delivery, operating licenses). Can this be extended to at least 18 months?</p>
Reply	<p>Clause 7.0 of the Tender has been modified. The relevant portion is reproduced below:-</p> <p>Start of Operations or 18 months from the date of LOI, whichever is earlier : Nil</p> <p>Upto 24 months : 5,000 TEUs Third year : 20,000 TEUs Fourth Year : 30,000 TEUs (Year to be started from the date of LOI and all figures are of loaded TEUs).</p>
Query No.21	<p>A primary benefit of the Kathuwas site is access to the DFC and good road access to the surrounding manufacturers and factories. Without this, volume commitments will be a challenge and therefore a linkage between DFC/road completion to minimum guaranteed volume should be put in place.</p>
Reply	<p>No change in the Tender Document.</p>
Query No.22	<p>Can one bidder bid for more than one CFS? APMM would be very interested in bidding for 2 or even 3 of the CFS if possible.</p>
Reply	<p><i>A Bidder may Bid for one of the CFSs only.</i></p> <p><i>The line in para 7.0</i> <i>"CONCOR reserves the right to allot any number of CFSs or none at all without any reasons"</i> <b><i>may be read as</i></b></p> <p><i>"CONCOR reserves the right not to allot any CFS in the Tender without assigning any reasons".</i></p>
Query No.23	<p>51% Equity requirement for Shipping Line / NVOCC to bid jointly as JV should not be binding.</p>
Reply	<p><i>Clause 3.2 has been modified and is to be read as follows:</i></p>

	<p><i>"Shipping Line/NVOCC may also bid jointly as joint venture subject to the lead partner owning 51% of the JV and meeting with the eligibility conditions. All JV partner of CONCOR are also eligible for participation in the bid".</i></p> <p><i>Further new clause to be added under 3.0 and it will be read as follows:</i></p> <p><i>All the bidders shall satisfy both clause 3.3 and 3.4 to qualify in the technical bid.</i></p>
Query No.24	Considering the huge investment in the project, we need clarification on intention of CONCOR for demarcated space 1 and 5 in order to make our assessment and viability of the business.
Reply	No change in the tender document.
Query No.25	We request for enhancement to at least 15 acres to begin with. In future if any space is available, first right of refusal should be for the concessionaires.
Reply	<i>No change in the tender document.</i>
Query No.26	In order to facilitate more export consolidation there should not be any binding for procurement of adjacent land (outside ICD) by the vested parties for the purpose, if first refusal is from CONCOR.
Reply	No change in the tender document.
Query No.27	Option 2 of upfront premium payment of Rs.18 crore needs to be staggered over for at least 10 years instead of 5 years as investment is huge at a place where business still needs to be developed and may deter interest of parties. Further, if bank guarantee is sought there should be no interest component.
Reply	<i>No change is in the tender document.</i>
Query No.28	Revenue share of Rs.800/- per TEU when not moved through CONCOR is very steep and needs to be looked into.
Reply	Clause 4.0 of the Tender has been modified.
Query No.29	There should be No proportionate increase in security deposit once agreed upfront.
Reply	No change in the tender document.
Query No.30	In absence of any differentiator with other existing CFSs' in the vicinity, MGTV should be linked to the commissioning of DFC.
Reply	No change in the tender document.
Query No.31	MGV of 10000 TEUs for first two initial years should be zero in anticipation of delays in Custom formalities and IMC approval.
Reply	<p>Clause 7.0 of the Tender has been modified. The relevant portion is reproduced below:-</p> <p>Start of Operations or 18 months from the date of LOI, whichever is earlier</p> <p>: Nil</p> <p>Upto 24 months : 5,000 TEUs</p> <p>Third year : 20,000 TEUs</p>

	Fourth Year : 30,000 TEUs (Year to be started from the date of LOI and all figures are of loaded TEUs).
Query No.32	Going by the trend in NCR, annual handling of MGV by CONCOR of 80% should include road as well.
Reply	The CFS at Kathuwas will be attached to ICD Kathuwas. The CFS Operator shall be liable to dispatch the Containers for the Gateway Port through CONCOR only. In view of the above, the question of 80%/20% by Rail/Road wherein an Agency other than CONCOR is involved is no longer applicable. Clause 7.0 of the Tender has been modified as per Corrigendum No. 2.
Query No.33	There should be no additional revenue sharing of Rs.1500/- per TEU in case of shortfall in MGV by rail. Rail share, MGV and penalty clause needs to be reviewed. MGV shortfall clause needs to be abolished. There is absolutely no control of CFS on the road movements of containers so why there should be a clause of penalty.
Reply	<i>No change in the tender document.</i>
Query No.34	Why shipping lines should be at disadvantage on handling of their own volumes by CONCOR despite having their own facility if private CTOs are permitted. The movements and handling of containers should be allowed freely among all CFSs.
Reply	<i>Clause 8.2 has been deleted.</i>
Query No.35	Unlike Dadri, there is requirement of place for segregation of cargo in case of truck entering ICD with cargo of multiple locations.
Reply	<i>Segregation of cargo may be done in the allotted CFS area.</i>
Query No.36	There should be clarification whether each CFS will have its own location code or all concessionaires will fall under ONE location code of CONCOR.
Reply	CFS is issued a 10 Digit Port Code, which is mapped to the 6 Digit Port Code of the mother ICD in the ICE Gate. The 6 Digits are common in both the Port Codes. Here the mother ICD is ICD Kathuwas and the individual CFSs will be attached to the ICD Kathuwas.
Query No.37	The concessionaires should be allowed to carry out inter-carting between rail siding and CFSs.
Reply	<i>The inter carting of containers will be done by CONCOR only. The pricing mechanism will be done as per clause 8.1 of the tender.</i> Clause 8.1 of the Tender may be modified as under:-  Inter Carting plus Handling Charges for the First Year of Operations shall be Rs. 1300 Per TEU and Rs. 1800 per FEU. In subsequent years the Inter Carting plus Handling Charges for Rail Side Handling of CONCOR at Kathuwas will be fixed by Regional Head/Northern Region and shall be subject to revision from time to time. The Inter Carting between the rail head and JV CFSs shall be done by CONCOR only.
Query No.38	Business Plan submitted should be reviewed after every 5 years for the

	validity basis prevailing market conditions.
Reply	<i>Clause 13.0 has been added in the Tender Document through Corrigendum No. 2.</i>
Query No.39	Detailed concessionaire agreement is sought.
Reply	<i>Additional Clause 12 is added: The Concessionaire Agreement will be prepared and will be given to the Successful Bidder.</i>