

VISAKHAPATNAM PORT TRUST
ENGINEERING DEPARTMENT

Sub: Development of Multipurpose Terminal by replacement of existing EQ-2 to EQ-5 berths to cater to 14.0m draft vessels in Inner Harbour of Visakhapatnam Port Trust on DBFOT basis under PPP mode

PRE-BID QUERIES

S.NO	CLAUSE NO	Contents as in RFQ	Queries raised by bidder	VPT'S Reply
1			Kindly advise us the status of Environmental and CRZ Clearance for this project	Form – I for obtaining the ToR from MoEF has been submitted and is awaited for taking further action.
2			Please provide the details related to the length of the berth, Quay width, backup area and Rail/road connectivity of the proposed multipurpose terminal along with layout drawings, if any.	Details are provided in the RFQ document.
3			Kindly provide the details of the permissible cargo, which can be handled at the proposed Multipurpose terminal. Please also provide the details of the excluded/non-permissible cargo for the proposed multipurpose terminal	Designated cargoes to be handled were provided in the RFQ document.
4	Clause No 1.1.3/4 (Page No.3)		It is depicted in the table that container cargo can also be handled in the proposed multipurpose terminal after exclusively clause of container terminal. Kindly elaborate the exclusively clause of container terminal. It is also mentioned that 3.7 lakh tonnes of steel products is reckoned for W.Q-6 . Only incremental cargo is reckoned for the proposed multipurpose terminal. Please elaborate the exclusivity clause of VPT with W.Q-6.	The exclusivity clause of Container Terminal is under: The Concessioning Authority shall not operationalise any additional facility within Port Limits for handling Container cargo either on its own or through any other Person until the earlier of (i) 5 (five) years from the scheduled Project Completion Date; or (ii)

				<p>the average annual volume of cargo handled at the Project Facilities and Services reaches a level of 75% (seventy five percent) or Project Capacity for 2(two) consecutive years (“Exclusivity Period”).</p> <p>The exclusivity Clause of WQ-6 is as under: The Concessioneing Authority shall not operationalise any additional facility within port limits for handling <i>multipurpose cargoes other than liquid and container cargoes</i> either on its own or through any other person until the earlier of (i) 5 (five) years from the Scheduled Project Completion Date; or (ii) the average annual volume of cargo handled at the Project Facilities and Services reaches a level of 75% (seventy five percent) of Project Capacity for 2 (two) consecutive years (“Exclusivity”).</p>
5	Clause No 1.1.3/9 (Page No.4)		Please provide the break-up of the capital cost envisaged for this project.	Information will be provided at RFP stage

6	Clause No 1.1.3/8 (page No.4)		RFQ proposes the list of Mechanical Equipment for the multipurpose terminal. Kindly confirm whether the operator is bound to install equipment strictly as per the proposed list or has the flexibility of installing equipment as per this cargo analysis.	Flexibility will be provided and will be detailed in RFP.															
7	Clause No 1.3.1(Page No.7)		We request you to kindly extend the application due date by 15 days from 30.06.2015 for completion our internal approval process for participation in RFQ.	The revised extended application due date upto 15.07.2015															
8.	Clause 1.1.3.9/ Page 4	<p>The total cost of the project is estimated at Rs.537.48 Crores. The above estimated includes cost of civil construction works viz berth cost, dredging, mooring etc., and equipment cost for ship shore handling and shore clearance. The entire project is expected to be completed in 60 months time from the date of commencement of the project. The broad details of capital cost are as follows.</p> <table border="1" data-bbox="485 922 1012 1187"> <thead> <tr> <th>1.</th> <th>Particulars</th> <th>Amount</th> </tr> </thead> <tbody> <tr> <td>1.</td> <td>Civil Cost</td> <td>32234.76</td> </tr> <tr> <td>2.</td> <td>Mechanical Cost</td> <td>1919977.5</td> </tr> <tr> <td>3.</td> <td>Miscellaneous (5% on the Cargo handling activity)</td> <td>1534.55</td> </tr> <tr> <td></td> <td>Total cost</td> <td>53747.81</td> </tr> </tbody> </table>	1.	Particulars	Amount	1.	Civil Cost	32234.76	2.	Mechanical Cost	1919977.5	3.	Miscellaneous (5% on the Cargo handling activity)	1534.55		Total cost	53747.81	<p>VPT may please provide the full details of the civil and mechanical costs break.</p> <p>2. VPT may specify what rate of customs duty (in any) has been taken into account for calculation of the Capital Cost for the Project.</p> <p>3. VPT may please that note that from the recently amended. Foreign Trade Policy 2015-2020, it appears that earnings from Port Handling Services are no longer eligible for fulfillment of Export Promotion Capital Goods (EPCG) Scheme. Please clarify if VPT has taken the same into account when calculating the total cost of the project.</p> <p>4. VPT may also clarify if Earnings from Port handling services are eligible for fulfillment of Export Obligation for Equipment imported by payment of Zero/ Concessional Duty under the Export Promotion Capital Goods (EPCG) Scheme.</p>	<p>The details shall be provided at the RFP stage.</p> <p>The Mechanical equipment proposed for the subject project is of indigenous make and as such there may not be any element of Customs duty / Foreign Exchange.</p>
1.	Particulars	Amount																	
1.	Civil Cost	32234.76																	
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9.	Section I : Introduction	Indicative Project Cost	It has been mentioned that the Indicative Project Cost is 5,374.90	The details shall be provided at the RFP															

	Para I.I.I		million. It is requested that a detailed break-up of the Indicative Project Cost along with items of work quintiles may please be provided.	stage.
10.	Section I : Introduction Para I.I.I	Land	Request you to provide the details of the back-up area/Stack-up area ear marked for the project along with its axis and whether the same shall provided to the Concessionaire, free from all encumbrances.	back up area for the subject project is identified behind the berth. Details shall be provided at RFP stage.
11.	Section I : Introduction Para I.I.I	Draft	Request you to provide the drafts available to be assured in front of berths and approach channel for the project to the Concessionaire.	The draft provided near the berth front and the inner channel is for 14m draft vessels
12.	Section I : Introduction Para I.I.I	Dredging	We understand that the Concessioneing Authority would be responsible for Capital dredging at the berth and in the Channel to (-) 14.0m before starting of the Project. However, maintenance dredging in front of the berth would be responsibility of the Concessionaire. Please Confirm.	The concessionaire shall undertake dredging upto 50m from the face of berth to (-) 16.10 to cater to 14m draft vessels.
13.	Section I : Introduction Para I.I.3	Clearance	Request you to kindly provide the status of the areas statutory Clearances required for the Project such as Environmental Clearance etc. We also request you to provide us the Copy of the Clearances obtained by the Port Authorities if any such as environmental Clearances and any other state / Central Clearances required for the project.	Refer to reply of query1
14.	Section I : Introduction Para I.I.3	Existing facilities -	(i)It is mentioned in the RFQ that the berths EQ 2 TO EQ 5 needs to be dismantled to construct a single monolithic structure of approx. 560m and dismantling of the existing structure would incur cost. Request you to	1.The details of layout shall be made available at RFP stage. 2.The entire berth length of 560m is in line with the already developed

			<p>provide the lay out of the existing berths and list the changes to the current lay out that has been envisaged and has the same being same factored into the Project Cost.</p> <p>(ii)Further, We understand that 89m portion of EQ 5 would have a skewed alignment in reference to remaining length. Request you to clarify how operational efficiency would be achieved from the 560m length of berth.</p> <p>(iii)Request you to kindly provide the details of existing berth EQ 2 TO EQ 5 –Year of Commissioning ,structural condition, list and details of existing berth and yard equipments, if any, storage area details etc.</p> <p>(iv)Also, Please clarify if the Concessionaire is required to take over the existing equipments and if so, then please provide the (a) terms conditions for the same (b) any payments required to be made by the Concessionaire for the same.</p>	<p>berth of other PPP operator on the south side and which is as per the developmental plans of VPT for efficient maneuvering of vessels in the channel.</p> <p>3.Details of the existing berth etc shall be provided at RFP stage.</p> <p>4.The clearance /shifting of existing equipment on the berths is the responsibility of the Concessioning Authority and action will be taken appropriately.</p>
15.	Section I : Introduction Para I.1.3	Scope of work	We understand that the bidders shall have the flexibility to handle any type of cargo at the Project in addition to the cargo mentioned in the RFQ. Please clarify.	RFQ provisions holds good.
16.	Section I : Introduction Para I.2.8	Concession Period	We understand that the concession period of the Project would be 30 years. Please Confirm.	Confirmed.
17.	Section I : Introduction Para I.3	Schedule of Bidding Process	It is requested that the Application Due Date be extended by adequate time (at least 4 weeks) from the date of issuance of reply to queries / amendments by the Visakhapatnam Port Trust to enable the application to arrange the various data/information and certificates in the desired formats.	The revised extended application due date upto 15.07.2015

18.	Section 2 : Instructions to Applicants Para 2.2.3	O&M Experience	<p>It has been mentioned that “The Applicant shall, in the case of a Consortium, include a member, having at least 10% equity participation in the SPV, who has experience of five years or more in operation and maintenance (O&M) of Category I projects specified in Clause 3.2.1, with an aggregate capital cost equal to the Estimated Project cost.”</p> <p>It is our understanding that a Consortium, that does not have a O&M Member with the above mentioned experience, can submit an Undertaking that the Consortium shall enter into an operation & maintenance (O&M) agreement with an entity having equivalent experience for a period of at least 5 (five) years from the date of commercial operation of the Project. Please confirm.</p>	RFQ provisions holds good.
19.	Section 2 : Instructions to Applicants Para 2.2.9 and Annexure IV	Associate	<p>It has been mentioned that “For purposes of this RFQ, Associate means, in relation to the Applicant/ Consortium Member, a person who controls, is controlled by, or is under the common control with such Applicant/ Consortium Member (the “Associate”). As used in this definition, the expression “control” means with respect to a person which is a company or corporation, the ownership, directly or indirectly, of more than 50% (fifty per cent) of the voting shares of such person, and with respect to a person which is not a company or corporation, the power to direct the management and policies of such person by operation of law.”</p> <p>Considering the above we understand that two companies controlled by the</p>	RFQ provisions holds good.

			<p>same parent company (as illustrated below) are each other's "Associate" company.</p> <p>Diagram to be shown-----</p> <p>As per our understanding, Company A and B are Associates as they are "<u>under the common control with</u>" such Applicant/ consortium Member". Request you to Please clarify.</p>	
20.	Section 2 : Instructions to Applicants Para 2.2.4	Certificates from Statutory Auditors	Please confirm if the certified true copy of the original certificate from statutory auditor or client as required by the conditions of the RFQ will be acceptable.	Statutory auditors certificate needs to be furnished in original.
21.	Section 2 : Instructions to Applicants Para 2.12.2 and Annexure IV	Format and signing of Application	It is our understanding that the Soft Copy of the Application shall include the Appendix I to IV and Annex.I to V. The Annual Reports and Memorandum and Articles of Association of the Applicants are not required in the soft copy. And we further understand that in case of any printed and published documents, only the cover page shall be initiated in blue ink. Please confirm.	RFQ provision holds good.
22.	Section 2 : Instructions to Applicants Para 2.17.8 and Annexure	Aggregate Experience Score	<p>It has been mentioned that in the event, that the Authority rejects the Applicant's claim for an Eligible Project as corrected and erroneous, the shall be executed from computation of Eligible Score.</p> <p>However, it has been mentioned that the Authority while computing the aggregate Experience Score of the Applicant "make further deduction equivalent to the claim rejected".</p> <p>It may be noted that the understanding of the provisions of the eligible projects</p>	RFQ provisions prevails.

			and RFQ conditions may at some occasion by the Applicant and the Authority may differ. In such a case, if an error is perceived by the Authority, ii is requested that without providing the Applicant an opportunity for clarification, double deduction of the Score should not be under taken.	
23.	Section 2 : Latest Financial Year, Para 2.2.12	Latest Financial Year	<p>It has been mentioned that “ in the event that the Application Due Date falls within three months of the closing of the latest Financial year of an Applicant, it shall ignore such financial year for the purposes of its Application and furnish all its information and clarification with reference to the 5(five) years or 1(one) year , as the case may be, preceding its latest financial year”.</p> <p>It is requested that in the event the latest audits financials / annual accounts of the latest financial year are not available, the data of the proceedings 5 years should be considered for evaluation as also mention in Para 3.4.2 of the RFQ document (“ in case the annual accounts for the latest financial year are not audited and therefore the Applicant cannot make it available, the Applicant shall give Under taking to this effect and statutory auditor shall clarify the same. In such a case, the Applicant shall provide the audited annual reports for 5(five) years preceding the Year for which the audited annual report is not being provided”).</p>	Tender conditions holds good.

24.	Section 3 : Criteria for Evaluation Para 3.2.1	Core Sector	It is understood that the projects such as roads and bridges can be classified under "high ways "mentioned under the "Core Sectore" as is done under all similar projects as per PPP guide lines. Request you to please clarify.	RFQ provisions holds good.
25.	Section 5 : Pre- Application Conference ,Para 5.1	-	It is our understanding that the Applicants who have downloaded RFQ from Visakhapatnam Trust website, can submit the demand draft along with its Application at the time of submission. Please confirm.	Confirmed
26	Annex III :Financial Capacity of the Applicant	Net Cash Accruals	Please confirm if Statutory Auditors Certificates for Net Cash Accrual for the past five years are also required to be submitted.	Statutory auditors certificate needs to be furnished in original.
27.	Appendix I, Annex II, Explanatory Clause \$\$	Date for Conversion Rate	(i)For exchange rate of currencies that are not mentioned in the International Monetary Fund website, can be exchange rate for the same be referred from the Bloomberg website. Please confirm. In the event change in last date for submission of Application, the date for conversion rate will also change. Hence 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. We would like to propose May 01, 2015 as the date for considering rate (as per existing submission date).	RFQ provisions holds good
28.	-	Site Visit	It is requested that a site visit may kindly be arranged along with the Pre-application conference to enable the Applicants to familiarize themselves with the Project Site.	Site visit shall be made at RFP stage.

29.	-	-	<p>Request you to kindly share the following data and information related to the project.</p> <ul style="list-style-type: none"> i) Lay out of the Project in AutoCAD ii) Design Vessel size. iii) Channel Alignment along with turning circle and approach channel. iv) Connectivity layout of existing / proposed road / rail siding (along with backup yard adjacent to the siding) v) Berth Equipments and other machineries. vi) Geo technical data of the Backup yard. vii) Commodity wise cargo handling at the Port for the last 10years. 	<p>Details shall be provided at RFP stage.</p>
30.	-	-	<p>Request you to kindly provide a copy of the techno feasibility studies / reports. If any, under taken by the Visakhapatnam Port for the Project.</p>	
31.	-	-	<p>We understand that the list of equipments proposed for the terminal is an indicative list and the Concessionaire would have the flexibility in procurement of the equipments for the project in phase wise manner.</p>	<p>.The equipment proposed has a bearing on the productivity level envisaged to be achieved by the PPP operator. Hence the equipment provided by the operator should be able to achieve the productivity level</p>