

IT & T/2267/09

24/06/09

BIDDING SCHEDULE

Ref: - International Competitive Bidding Notice No. IT &T/2267/09
Dated 02-03-09

The revised bidding schedule is noted below;

Last date of issue of Tender document	:	18 /07/09 at 3 pm
Pre-bid meeting	:	25/07/09 at 11 am
Last date of submission of bid	:	03/08/09 at 3 pm
Opening of cover 1(General Submission)	:	03/08/09 at 3.30 pm
Opening of cover II (Techno commercial)	:	10/08/09 at 3 pm
Opening of cover III (Financial Bid)	:	24/08/09 at 11 am

Sd/-

MANAGING DIRECTOR

Kerala Small Industries Development Corporation Ltd. (A Government of Kerala Undertaking)

**Request for Proposal [RFP]
CONSTRUCTION OF COMMERCIAL BUILDING COMPLEX
at Kadavanthara, Near GCDA Complex, Ernakulam, Kerala State, India
[On Build Operate and Transfer basis]**

**International Competitive Bidding
Tender no: IT&T/2267/09
Dated: 02/03/09**

**Kerala SIDCO Ltd,
Housing Board Building,
Santhi Nagar, Thiruvananthapuram - 695 001, Kerala State, India.
Ph. +91 471-2330613, 2330614, Fax. +91 471-2330904
Email- sidcoitntc2007@gmail.com
Web Site. www.keralasidco.com.**

REQUEST FOR PROPOSAL

Kerala SIDCO Ltd,
Housing Board Building,
Santhi Nagar, Thiruvananthapuram – 695 001, Kerala State, India.
Ph: +91 471-2330613, 2330614, Fax: +91 471-2330904
Email- sidcoitntc2007@gmail.com
Web Site: www.keralasidco.com.

Objective of the Bid

- a. To select a successful bidder for formation of SPV (PC) to develop, design, finance, build, operate and transfer the above mentioned Project as set out in the RFP Document.
- b. To execute the Memorandum of Understanding (MoU), the Build, Operate and Transfer (B.O.T) Concessionaire Agreement and the Lease Agreement with Kerala SIDCO Ltd (herein after SIDCO) as per the terms and conditions set forth in this RFP document.

Notes

1. This Request for Proposal consists of the main RFP document, Principles of Agreement, Annexure I Format of proposal, Annexure II Memorandum of Understanding (MoU), Annexure III Build, operate and transfer Concessionaire Agreement, Annexure IV Lease agreement Annexure V NPV Calculation, Annexure VI Site Sketch & Location map.
2. Acknowledgement (to be returned to the following address on receipt of this document)

Kerala SIDCO Ltd,
Housing Board Building,
Santhi Nagar, Thiruvananthapuram – 695 001.
Ph. +91 471-2330613, 2330614, Fax. +91 471-2330904
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Web Site www.keralasidco.com

Particulars	Details to be filled in
RFP Document Number	
RFP document collected by	
Designation	
Name of the Organization	
Address	
Signature	
Date of Issue	
Last date for submission of RFP to SIDCO	20/04/09 at 3 pm

3. It is expressly understood that the party has subscribed to this document with an express understanding that they will use this document only for the sole purpose of participating in the bid process for the selection of a bidder for formation of SPV (PC) to develop, design, finance, build, operate, maintain and transfer the above mentioned Project at Kadavanthara, Near GCDA Complex, Ernakulam, Kerala State, India and must not be used for any other purposes. This document must not be passed on to a third party except professional advisors assisting the bidder with the bid submission. The document may not be reproduced or communicated in whole or in part and its contents may not be distributed in written or oral form.
4. The interested parties should conduct their own investigations and inspections and take professional advice, wherever necessary. They should make evaluations and decisions based solely on their own investigations, inspections, information and advice and not merely rely on the document alone for those purposes.
5. This document has been prepared in good faith. All reasonable care has been taken to ensure that statements in this document are true in all material aspects. The information in this document has been obtained from sources that are considered reliable, but has not been subject to detailed verification.

Sd/-

Signature of the issuing authority

Name: Sri Saji Basheer

Designation: Managing Director

Kerala SIDCO Ltd,

Housing Board Building,

Santhi Nagar, Thiruvananthapuram – 695 001, Kerala State, India

Ph: +91 471-2330613, 2330614, Fax: +91 471-2330904

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Web Site: www.keralasidco.com

Thiruvananthapuram.

Date: - 02/03/09

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1 - DISCLAIMER

1. Though adequate care has been taken in the preparation of the Request for Proposal (RFP) Document the Bidder should satisfy himself that the document is complete in all respects. Intimation of discrepancy, if any, should be given to the below mentioned office immediately. If no intimation is received by this office by the due date as mentioned in section 5.6, it shall be deemed that Request for Proposal (RFP) Document is complete in all respects and the bidder is satisfied that the Request for Proposal (RFP) Document is complete in all respects.

Kerala SIDCO Ltd,

Housing Board Building,

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2. Neither SIDCO, nor their employees or Project Consultants make any representation or warranty as to the accuracy, reliability or completeness of the information in this RFP and it not possible for SIDCO to consider the investment objectives, financial situation and particular needs of the Bidder. The bidder should conduct his own investigations and analysis, and check the accuracy, reliability and completeness of the information in this RFP and obtain independent advice from appropriate sources.
3. Neither SIDCO, nor their employees or Project Consultants will have any liability to any prospective bidder or any other person under the law of contract, tort, the principles of restitution or unjust enrichment or otherwise for any loss, expense or damage which may arise from or be incurred or suffered in connection with any thing contained in this RFP, any matter deemed to form part of this RFP, the award of the Project, the information and any other information supplied by or on behalf of SIDCO, or their employees, any consultants or otherwise arising in any way from the selection process for the Project.
4. SIDCO reserves the right to reject any or all of the Bids submitted in response to this Request for Proposal at any stage without assigning any reason what so ever.
5. SIDCO reserves the right to modify / amend any or all provisions of this Request for Proposal. Such changes would be intimated to all parties procuring this Request for Proposal. SIDCO also reserves the right to withhold or cancel the process at any time or re-advertise under intimation to the applicants procuring this RFP.

2 – LIST OF ABBREVIATIONS

B.O.T	Build Operate Transfer
COD	Commercial Operation Date
DPR	Detailed Project Report
DSCR	Debt service Coverage Ratio
GOK	Government of Kerala
GOI	Government of India
IDC	Interest during Construction
LoI	Letter of Intent
mn.	Million
MoU	Memorandum of Understanding
O & M	Operation & Management
RFP	Request for Proposal
SPV	Special Purpose Vehicle.
Sqft	Square feet
sq.m	Square meter
PC	Project Company
PPP	Public Private Partnership
WPI	Whole Sale Price Index

3 – DEFINITIONS

3.1 AGREEMENTS

The Agreements means and includes the B.O.T Concessionaire agreement between SIDCO, the Successful Bidder and Project Company and the Lease agreement which would be executed between SIDCO and Project Company and also the terms agreed between the parties in the memorandum of undertaking.

3.2 BID

The proposal submitted by the prospective Bidders in response to this Request for Proposal document issued by SIDCO.

3.3 BIDDER.

Bidding Single Entity/Firm /Company and also referred as Investor/Developer/Entrepreneur.

3.4 B.O.T CONCESSIONAIRE AGREEMENT

The B.O.T Concessionaire agreement would be between SIDCO, successful bidder and the Project Company (PC) as per the terms set forth in this RFP Document.

3.5 COMMERCIAL OPERATION DATE

Commercial Operation Date is the date of commencement of commercial operation or end of project construction period as stipulated in this document and commencing from Zero date which ever is earlier.

3.6 CLEARANCE & APPROVALS

All such clearance, licenses and permits, NOCs etc. required to develop, design finance, build, operate maintain and transfer.

3.7 FINANCIAL OFFER

Shall mean the offer made in Exhibit – 16

3.8 FINANCING DOCUMENTS

Shall mean the documents executed by the bidder in respect of the financial assistance , including refinancing for the Project to be provided by the Secured Term Lenders by way of Loans, advances, subscription to debentures and other debt instruments and other guarantees, risk participation, take out financing or any other form of credit enhancement and shall include loan arrangements, notes and any documents providing security for such financial assistance, and include amendments or modifications made thereto.

3.9 FINANCIAL CLOSURE

Means the date on which the Financing Documents provided for funding by the secured Term Lenders have become effective and the bidder has immediate access to such funding under the financing documents.

3.10 LEASE AGREEMENT

Lease agreement which would be executed between SIDCO and Project Company.

3.11 LETTER OF INTENT

This would mean the letter issued to the Successful Bidder conveying the invention of in-principle decision of SIDCO to award the Project subject to the contractual terms and conditions set forth in the RFP documents and based on the execution of agreements.

3.12 MOU

The memorandum of understanding entered into between SIDCO and successful bidder.

3.13 PROJECT COMPANY (PC)

Project Company shall mean the corporate entity to be floated jointly by SIDCO and the Successful Bidder with equity participation in the ratio of 26:74 to form a Project company (PC) for the execution of the Project.

The B.O.T Concessionaire agreement would be between SIDCO, successful bidder and the Project Company (PC) as per the terms set forth in this RFP Document. The registered Office of the Project Company (PC) shall be at Ernakulam. The authorized share capital of the proposed company (PC) shall be

Rs. 50 Crores. The proceedings for the registration of the company (PC) shall be initiated immediately after the signing of the MoU with Successful Bidder.

3.14 PROJECT AND PROJECT FACILITIES

Project means construction of a commercial complex and Project Facilities and shall consists of all such assets and facilities that the Successful Bidder would design, develop, finance, construct, operate and maintain the Project at Kadavanthara near GCDA Complex, Ernakulam as detailed in this document

3.15 REQUEST FOR PROPOSAL

This document issued for inviting bids/proposals from bidders including all future correspondences and clarifications, addendum etc. pursuant to pre bid meeting also.

3.16 RUPEES

The official currency of the Republic of India

3.17 SUCCESSFUL BIDDER

The Bidder whose request for proposal adheres to the requirements as specified in this RFP document and also offers the highest financial offer subject to the terms and conditions specified in this RFP Document and selected, approved for the formation of the special purpose vehicle-project company.

3.18 SHARE HOLDING IN PROJECT COMPANY

The pattern of the share holding by SIDCO and the successful bidder in the PC to be set up in terms of this document.

3.19 ZERO DATE.

“Zero Date” means the date of signing of the agreements or the date of handing over of the site within a month from the date of agreement, which ever is later.

3.20 LAND

Land means 5.13 acres including the existing building other structures and trees on as is where is condition.

3.21 CORPORATION

Corporation Means Kerala Small Industries Development Corporation Limited

3.22 NET PRESENT VALUE

Net Present Value is the present value of the future earnings discounted at the prevailing prime lending rate (PLR)

4 - PROJECT SCOPE & STRUCTURE**4.1 BACKGROUND**

Ernakulam district is one of the most developed districts of Kerala state formed by the two princely states of Travancore and Cochin and the British Malabar, Ernakulam is blessed with a wonderful culture and grandeur. Kochi or Cochin, the commercial hub of Kerala, is a town of great historical importance. It has a fine natural harbour around which the city has grown. Since historic times, Kochi has been a famous trading port between India and the rest of the world. Attracted by trade and its liberal laws, many foreigners have made this place their home. After the fall of Jerusalem, Jewish refugees also sought sanctuary in this lush trading port.

Being the commercial hub of Kerala, all the major developments in the fields of industry, transportation and IT happen here. The tourist places and pilgrim centers here completes its uniqueness. Ernakulam district is bestowed with all the geographical factors which help the development of industry and it is in the forefront of all other Districts in Kerala in the field of industry. The availability of all types of transport facilities viz., road, rail, canal, sea, air etc is a factor which is unique to this district.

Some of the major industrial firms in the district are the Fertilizers and Chemicals Travancore (FACT), Indian Rare Earths, Hindustan Machine Tools (HMT), Apollo Tyres, Forest Industries of Travancore, Travancore Cochin Chemicals, Cominco Binani Zinc, Cochin Shipyard, Cochin Refineries etc. Availability of electricity, fresh water, fairly long coast line, good banking facility, proximity to Kochi Port, International airport at Nedumbassery are some of the features which accelerated the industrial growth in the District. In addition to this processing zone is situated at Kakkanad. The Brahmapuram Diesel plant and Panthalam Naphtha plant are in the District. The globally accepted Info Park and

Smart City had commenced at Kochi and a huge number of 29037 small scale industrial units are functioning in this district.

Government of Kerala is putting all efforts to accelerate the pace of implementation of the various international Projects such as Vallarpadom Transshipment Projects & LNG Terminal Project. All this Project shall completed before 2010. Therefore with in a short span of time the potential scope for the commercial complexes are accelerated.

To meet this demand, besides Govt. of Kerala (GOK) initiatives, Kerala SIDCO Ltd as a part of its ongoing programmes for promotion and development of Industry and Commerce, has taken up steps to construct a commercial complex under Public Private Partnership (PPP) mode. One such proposal is setting up of Construction of Commercial Complex Project on Build Operate and Transfer (B.O.T) basis, at Kadavanthara, Ernakulam the Commercial Hub City of Kerala.

4.2 Project Concept/objective

The project, “Construction of a multi storied commercial complex” aims to bring together its occupancies from different areas of business operations.

The Project is intended to be operated on the commercial format of Build, Operate and Transfer (B.O.T) basis. The prospective investor selected through open competitive bidding shall be provided the entire land on long term B.O.T concessionaire agreement and lease basis at the quoted price under competitive bidding. The total cost of the Project is likely to be between Rs. **190 to 200 crores** (approximately **52045 sq.m** of built up area and construction of other common facilities based on the floor area ratio-2.5) (The Bidder/Project company is eligible to construct approximately 81826 Sq. Meter provided the Bidder/Project company shall remit Rs. 1000/- per Sq. Meter as additional fees to enhance the FAR to 4). The Bidders may develop their own concept conforming to the components of the Project and other appropriate commercial development components, investment, implementation as detailed in this RFP documents for the project site. The bidders shall draw up their estimates of the total project cost, which confirms to the minimum investment required specified above.

4.3 Project Site

Kerala SIDCO Ltd has earmarked about **5.13 acres** of land at Kadavanthara, near GCDA complex, at, Elamkulam village (Survey Nos: 340/1, 2,375,379,380/1, 2) Kanayannor Taluk, Ernakulam which is already owned by SIDCO and in possession of SIDCO shall be provided to the Project company (SPV) on lease basis for a period of 35 years including 2 years of construction period for development and construction of a multi storied commercial complex. The

ownership and title of the land during the whole B.O.T period shall be with Kerala SIDCO Ltd. only. The proposed land is located in Kadavanthara near to Info Park, smart city, and the Vallarpadam transshipment Project and is within the city limits. The total estimated project cost is worked out to **Rs. 190 crores to 200crores**

4.4 INVITATION FOR RFP

Invitation for RFP from internationally acclaimed Infrastructure Development Firms, Companies, single entities for the development and construction of Commercial Complex in the land 5.13 acres owned by Kerala SIDCO Ltd in the prime location of the commercial hub of Kerala.

Kerala SIDCO Ltd. proposes to enter into a Memorandum of Understanding with the successful Bidder having the required strength to:

- Develop, Design, Finance and Construct the proposed project at the project location mentioned above
- Operate and maintain the proposed project effectively.
- Market the facility to achieve the optimum level of capacity utilization with efficient, cost- competitive, value added service to customers.

By way of formation of Special Purpose Project Company (SPV -PC) with SIDCO and executing B.O.T Concessionaire Agreement with SIDCO, Successful bidder and Project company. The land will be on lease basis for 35 years including 2 years of construction period to the Project Company. SIDCO invites proposals from the bidders as per the terms & conditions of this Document.

4.5 PROJECT STRUCTURE

The project is envisaged to be developed under the Build - Operate - Transfer (B.O.T) structure wherein SIDCO would provide the project site for the development of the specified facilities on Lease basis for a period of not exceeding 35 years including 2 years of construction. The project site will be handed over to the successful bidder on, as is where basis, for execution of the project. The relationship between SIDCO and the successful bidder are set in the principles of agreement given along with this RFP document, which will be reflected in the Memorandum of Understanding and the B.O.T Concessionaire agreement to be executed between SIDCO, successful bidder and with the Project Company. The land will be on Lease basis to the Project Company till the end of the B.O.T period. The land as well as immovable structure created by the developers would revert back to SIDCO free of cost and free of all encumbrances. The Successful bidder implementing the project would pay an Upfront Amount to SIDCO for project site as detailed in the Annexure I.

4.6 PROJECT COMPANY – SPECIAL PURPOSE VEHICLE (SPV)

The Successful Bidder on award of the Project Contract along with SIDCO shall form a Special Purpose Vehicle Project Company (SPV-PC – A company under the Indian companies Act 1956) for Setting up of the Project. The equity participation in the proposed Company equal to 26% by SIDCO and 74% by the Successful Bidder. The equity holding of the bidder in SPV shall not be less than 74%. The Managing Director of the SIDCO shall be the Chairman of the PC and the nominee of the Successful Bidder will be the MD/CEO of the Project Company (SPV). The number of Directors representing the participants in the Project Company shall be in proportion to the shareholding, fractions being rounded to the next number. This shall be incorporated in the Articles of Association of the SPV Project Company.

The Project Company (SPV) is entirely responsible for

- The implementation of the Project as per the selected bidder's RFP submissions and as per the Detailed Project Report (DPR) approved by SIDCO and as per good Industry practices.
- Setting up and land utilization with minimum **52045 sq.m** to maximum of 81826 sq.m built up area will be at the discretion of the successful bidder but based on the approved standards only.
- The construction of the building to be carried out as per Central public Work Department standards.
- The development of the entire concept including the landscaping etc. as set forth in the designs as part of the DPR approved by SIDCO.
- The maintenance of the project, including the hygiene standards, cleanliness, effluent treatment, proper disposal of sewage and solid waste during the entire period of the B.O.T. as per the prevailing laws & good Industry practices.
- The upkeep of safety and quality standards of all facilities of the project during the entire period of the B.O.T. as per good Industry Practices.
- The payment of all amounts as per M.O.U, B.O.T Concessionaire agreement and Lease agreement to SIDCO.

The successful Bidder would be allowed to sub contract/ franchise out functions of operations/ maintenance/ management for the purpose of running and management of the project with such agency as it may deem fit. In the event the successful bidders enter into any sub-contract/franchise agreement with any agency for running and management of the said project, a copy of the agreement must be submitted to Kerala SIDCO Ltd for its perusal and records. The sub-contract/franchise agreements shall not be in any way detrimental to the agreements entered between the selected bidder and SIDCO. However the Project Company would at all time are responsible for discharging all obligations under the B.O.T Concessionaire agreement and Lease agreement to SIDCO without any reference to any other party operating in the premises.

4.7 Nodal agency

Kerala Small Industries Development Corporation Ltd., (SIDCO) a Government of Kerala Undertaking would be the nodal agency for the entire Project.

4.8 Conformation to standards

The successful Bidders shall at all times during the currency of the Agreement undertake to conform to and comply with the following.

- Project Concept Design and Layout as approved by Kerala SIDCO Ltd
- Environmental Standards, effluent treatment and pollution Control norms as laid down by Central/State Pollution Control Board
- Standards/Restrictions as laid down by the relevant Central/State/Local Authority (i.e.) Greater Cochin Development Authority Corporation of Ernakulam, Chief Town planner, Village authorities etc
- Energy efficient techniques should be utilized in the building design and operation.
- Rainwater management systems should be adopted to recharge ground water and reduce run-off.
- Existing local development controls, if any, will be binding if they are more limiting than the Project Specifications.

4.9 SUPPORT OF SIDCO TO THE PROJECT.

SIDCO will provide reasonable assistance to the Successful Bidder in obtaining clearances and approvals for the Project.

4.10 COMMITMENT TO A FAIR AND TRANSPARENT PROCESS.

SIDCO is keen to ensure that the process leading to the selection of the Successful Bidders is fair, transparent, efficient, interactive, and protects the confidentiality of the information shared by Bidders with it. The selection process has been designed keeping these objectives in mind, and SIDCO shall take all steps to ensure that the above objectives are realized.

4.11 LEASE RENT AND LEASE PERIOD

Kerala SIDCO Ltd has earmarked about 5.13 acres of land at Kadavanthara, near GCDA complex, at, Elamkulam village (Survey Nos: 340/1, 2,375,379,380/1, 2) Kanayannor Taluk, Ernakulam which is already owned by SIDCO and in possession of SIDCO shall be provided to the Project company (SPV) on lease basis for development and construction of a multi storied commercial complex. The possession of the land mentioned above shall be assigned to SPV Company on lease basis for a period of 35 years including 2 years of construction and the annual lease rent fixed to 10% of the market value of land ie;9.5 crores, which shall be escalated 10% every 10th year.

5 - DESCRIPTION OF THE SELECTION PROCESS

5.1 Selection Process

The submission of Bids by interested parties in response to the Request for Proposal would require to be in three separate sealed covers as indicated below.

Cover 1: General Submissions

Cover 2: Techno-Business Proposal

Cover 3: Financial Offer

The selection of the bidder will be through a three-stage process. In the first stage (**cover 1**) the prequalification criteria concerning the Technical experience and financial capability will be evaluated and the bidders who satisfy the pre-qualification criteria will be pre qualified/short listed. The short listing will be on pass or fail basis to be eligible to be considered in the second stage.

In the Second stage (**cover 2**) the Techno Business Proposals of those pre-qualified bidders will be evaluated and those meet the minimum requirements will be passed to the third stage.

In the third stage (**cover 3**) the financial offers of the bidders who are passed at the second stage will be opened and the bidder whose financial offer is highest will be considered for selection.

The Bids received would be subject to a responsiveness check followed by a step-wise evaluation procedure as described below.

5.2 Responsiveness of Bid

The Bids submitted by bidders shall be initially scrutinized to establish “Responsiveness”. A Bid may be deemed “Non-responsive” if it falls within any of the following:

- It is not received by the due date specified.
- It does not include sufficient information for it to be evaluated and /or is not in the formats specified which materially affect the evaluation process.
- It is not signed and / or sealed in the manner and to the extent indicated in Section 6 of this REP Document.
- It is not accompanied by the required Bid Processing Fee.
- It is not accompanied by a valid Bid Security.

The “Responsive” Bids shall be evaluated in the following stages.

STEP 1 (COVER 1) EVALUATION OF GENERAL SUBMISSIONS

The evaluation criteria for the general submissions for pre-qualification / short listing and the information to be submitted are detailed in Section 6 of this Document.

The general submissions by the bidder shall confirm to the requirements as specified in Section 6. The bidders are required to adhere to the minimum requirements as referred in Section 6 while submitting their general submissions. The general submissions of those bidders, which do not conform, to the minimum requirements as specified in Section 6 will not be taken for further evaluation accordingly, their Cover 2 (Techno Business Proposal) will not be opened.

The decision of SIDCO in this regard is final and binding on all bidders.

5.4 STEP 2 (COVER 2) EVALUATION OF TECHNO BUSINESS PROPOSAL

The evaluation criteria for the Techno-Business Proposal and the information to be submitted are detailed in Section 7 of this Document.

The Techno-Business submissions by the bidder shall conform to the requirements as specified in Section 7. The bidders are required to adhere to the minimum requirements as detailed in Section 6 while submitting their Techno-Business Proposals. The Techno-Business proposals of those bidders, which do not conform to the minimum requirements as specified in Section 6 will not be taken for further evaluation. Accordingly, their Cover 3 (Financial offer) will not be opened.

The decision of SIDCO in this regard is final and binding on all Bidders.

5.5 STEP 3 (COVER 3) EVALUATION OF FINANCIAL OFFER

The evaluation criteria for assessment of the Financial Offers are described in Section 6. The format for the Financial Offer is specified in Exhibit 16. A ranked list of Bidders based on the results of the evaluation, would be prepared for selection of the Successful Bidder(s).

5.6 TIME TABLE AND MILESTONES

Sl. No.	Milestone	Envisaged Schedule
1	Issue of Request for Proposal Document (RFP)	02/03/09
2	Last date for receipt of queries	13/04/09
3	Pre-Bid Meeting at the Conference Hall, SIDCO, 6th Floor, Housing Board Building, Santhi Nagar, Thiruvananthapuram - 01. If there is any change in the venue, it will be intimated later.	15/04/09 at 11 am
4	Last Date to communicate replies to clarifications by SIDCO.	16/04/09
5	Last date and Time for receipt of Bids (containing Covers 1,2 & 3)	20/04/09 at 3 pm
6	Date & Time of Opening of Cover 1- Pre-qualification proposal	20/04/09 at 3.30 pm

Accordingly notice regarding the date of opening of Cover 2&3 will be duly intimated separately to all the Bidders qualifying in evaluation of Cover 1.

In order to enable SIDCO to meet the target dates, bidders are expected to respond expeditiously to clarifications, if any, requested during the evaluation process. SIDCO shall adhere to the above schedule to the extent possible. SIDCO has however the right to modify the same. Intimation to this effect shall be given to all Bidders.

6 - PROCEDURES TO BE FOLLOWED**6.1 ENQUIRIES & CLARIFICATIONS AND PRE-BID MEETING**

Enquiries, if any, can be addressed to:

Kerala SIDCO Ltd,

Housing Board Building, Santhi Nagar,

Thiruvananthapuram – 695 001.

Ph:-+91 471-2330613, 2330614, Fax. +91 471-2330904

Email: - sidcoitntc2007@gmail.com

Web Site: - www.keralasidco.com

All enquiries/queries that are received on or before the date mentioned in Section 5 shall be addressed to SIDCO in writing. SIDCO shall aggregate all such enquiries/queries, without specifying the source of clarifications and discuss the same at the Pre-bid meeting vide Section - 5. There upon, SIDCO shall prepare a reply, which shall be distributed to all parties along with the minutes of the Pre-bid Meeting. It may be noted that queries in writing would be entertained only from those parties who have been provided with this RFP Document.

Request for clarifications received after the last date, may not be addressed subject to the discretion of SIDCO.

In respect of suggestions putforth/alterations proposed in the project details or other aspects of the layout, SIDCO will consider these suggestions. Suggestions accepted will be circulated to all bidders and will form the part of the RFP as addendum.

6.2 SITE VISIT AND SURVEY

Bidders may prior to submission of their Bid for the Project, visit and examine the Project site and its surroundings at their own expense and obtain and ascertain for themselves, at their own responsibility, all technical data, market data and other information necessary for preparing their Bid including, the actual nature and conditions at the site, availability of materials, stores, labour, probable sites for labour camps, etc. and the extent of lead and lift required for the execution of the work over the entire duration of the construction period, after taking into account the local conditions, traffic restrictions, obstructions in work, if any, etc

For the above purpose, SIDCO will endorse the prospective Bidders' request for permission for a site visit if required. SIDCO may or may not depute a representative to accompany the Bidder. The Bidders shall be responsible for all arrangements and shall release and indemnify SIDCO and /or its agents from and against all liability in respect thereof and shall be responsible for any personal injury, loss of or damage to property or any other loss, damage, costs or expenses, however caused, which but for the exercise of such permission, would not have arisen.

The Bidders shall be deemed to have full knowledge of the site, whether physically inspected or not. On award of project, the land will be handed over on lease basis, as is where as basis to the Successful bidder / Project Company (SPV)

6.3 SUBMISSION OF THE BID

Cover 1: GENERAL SUBMISSION

The Information to be submitted by the Bidders in the General Submissions (Cover 1) is described in Exhibits 1 to 14.

The Bidder shall place one (1) original + two (2) copies of the general submissions in a sealed envelope, which shall be superscribed as under:

Cover 1 – General Submissions for the Project, Construction of Commercial Complex at Kadavanthara, near GCDA Complex, Ernakulam, Kerala, India.

Submitted by: _____ name of Bidder

Cover 2: TECHNO-BUSINESS PROPOSAL

The Information to be submitted by the Bidders in the Techno-Business Proposal (Cover 2) is described in Exhibit 15

The Bidder shall place one (1) original + two (2) copy of the Techno-Business Proposal in a sealed envelope, which shall be super scribed as under:

Cover 2 – Techno-Business Proposal for the Project, Construction of Commercial Complex at Kadavanthara, near GCDA Complex, Ernakulam, Kerala, India.

Submitted by: _____ name of Bidder

Cover 3: FINANCIAL OFFER

The Information to be submitted by the Bidders in the Financial Offer (Cover 3) is described in Exhibit 16.

The Bidder shall place one (1) original + two (2) copy of the Financial Offer in a sealed envelope, which shall be super scribed as under:

Cover 3 - Financial Offer for the Project, Commercial Complex at Kadavanthara, near GCDA Complex, Ernakulam, Kerala, India.

Submitted by: _____ name of Bidder

Submission of the Bid

The three covers of the Bid organized as above, shall be placed in a sealed outer envelope or a box, with the following inscription:

Bid for Construction of Commercial Complex at Kadavanthara, near GCDA Complex, Ernakulam, Kerala, India.

Name of the Bidder: _____

To

The Managing Director

Kerala SIDCO Ltd, Housing Board Building, Santhi Nagar,

Thiruvananthapuram – 695 001.

Ph. +91 471-2330613, 2330614, Fax. +91 471-2330904

Email- sidcoitntc2007@gmail.com

Web Site. www.keralasidco.com

The Bidder can submit the Bid by registered post/ courier or submit the Bid in person, so as to reach the designated address by the time and date stipulated in Section 5. SIDCO shall not be responsible for any delay in submission of the Bids. Any Bid received by SIDCO after the deadline for submission of the Bids shall not be opened.

6.4 INSTRUCTIONS TO BIDDERS

All Bidders should note the following:

1. Each page of the Bid should be signed by the Authorized Representative and Signatory of the Bidding entity.
2. Bids that are incomplete in any respect or those that are not consistent with the requirements as specified in this *Request for Proposal* or those that do not contain the Covering Letter or Letter of Acknowledgment as per the specified formats may be considered non-responsive and may be liable for rejection. Covering letter without the processing fee and Bid Security will summarily be rejected.

3. Strict adherence to formats, wherever specified, is required. Non-adherence to formats may be a ground for declaring the Bid non-responsive.
4. All communication and information provided should be provided in writing and in the English language only.
5. The metric system shall be followed for units.
6. All communication and information provided should be legible, and wherever the information is given in figures, the same should also be mentioned in words. In case of conflict between amounts stated in figures and words, the amount stated in words will be taken as correct.
7. No change in or supplementary information to a Bid shall be accepted once submitted. However, SIDCO reserves the right to seek additional information from the Bidders, if found necessary, during the course of evaluation of the Bid. In case of non-submission, incomplete submission or delayed submission of such additional information or clarifications sought by SIDCO, the Bid would be evaluated solely on the basis of the available information.
8. The Bids shall be evaluated as per the criteria specified in this RFP Document. However, within the broad framework of the evaluation parameters as stated in the Request for Proposal, SIDCO reserves the right to make modifications to the stated evaluation criteria, which would be uniformly applied to all the Bidders.
9. The Acknowledgement of Receipt of Request for Proposal Document shall be signed by the same "Contact Person" and "Authorized Representative and Signatory" holding the Power of Attorney as submitted with RFP submissions earlier. The Covering Letter submitted by the Bidder shall also be signed by the same Authorized Signatory and shall bear the seal of the entity thereof.
10. The Bid (and any additional information requested subsequently) shall also bear the initials of the Authorized Signatory and seal of the entity thereof on each page of the Bid.
11. Bidders are advised that their Bids be completely de-void of any conditions, whatsoever. Conditional Bids will be rejected. However suggestions and clarifications, if any, shall be sent in writing by the last date mentioned for

receiving clarifications in Section 5 & 6. In respect of suggestion received, the following shall apply.

- All clarification/suggestions if any shall be forwarded so as to reach in the Office of SIDCO one week before the pre-bid meeting.
 - SIDCO reserves the right not to consider any suggestions that in the sole discretion of SIDCO, if found unacceptable.
 - If in SIDCO's opinion, certain suggestions are deemed acceptable, in whole or in part, the same shall be finalized by SIDCO and the "Common Accepted suggestion" shall be made available to all Bidders.
12. SIDCO reserves the right to reject any or all of the Bids without assigning any reason whatsoever. SIDCO also reserves the right to hold the process or withdraw the process at its discretion under intimation to the parties submitting the RFP.
13. SIDCO reserves the right to vet and verify any or all information submitted by the Bidder.
14. If any claim made or information provided by the Bidder in the Bid or any information provided by the Bidder in response to any subsequent query by SIDCO, is found to be incorrect or is a material mis-representation of facts, then the Bid will be liable for rejection. Mere clerical errors or bona-fide mistakes may be treated as an exception at the sole discretion of SIDCO and if SIDCO is adequately satisfied.
15. Bidder would be required to form a Special Purpose Vehicle (SPV) of the nature of the '**Project Company**' as was defined in the Section 3 for the implementation and operations of the project.
16. The Bidder shall be responsible for all the costs associated with the preparation of the Bid. SIDCO shall not be responsible in any way for such costs, regardless of the conduct of outcome of this process.
17. In the event of any of the submissions by the bidder with respect to Technical Qualification and Financial Qualification is found to be incorrect, false or misrepresented etc., at any time during the selection process, the bid submissions by such bidder along-with the respective Bidder shall be disqualified from the bid process.

18. The technical and /or financial details of the bidder's parent company or its subsidiary or any associate company will not be considered for minimum technical qualification and/or financial qualification as per the terms and conditions as specified in this document.
19. The Successful Bidder shall execute the MoU with SIDCO within 60 days from the date of receipt of the LoI by the successful bidder.
20. A built up area, not less than **1395 sq m** with proportionate parking space free of cost shall be earmarked for the use of Kerala SIDCO Ltd and Kerala SIDCO Ltd shall have the full liberty to use it for its own business activity.

6.5 VALIDITY OF TERMS OF THE BID

Each Bid shall indicate that it is a firm and irrevocable offer, and shall remain valid and open for a period of not less than six months from the last date for submission of the Bid. Non-adherence to this requirement may be a ground for declaring the Bid as non-responsive. However, SIDCO may solicit the Bidder's consent for extension of the period of validity. Requests for additional information or for extension of validity are procedural and do not indicate qualification of the Bidder in the process. The Bidder is bound to agree such a request. The request and response shall be in writing. A Bidder accepting SIDCO's request for extension of validity shall not be permitted to modify his Bid in any other respect.

6.6 FEES AND DEPOSITS TO BE PAID BY THE BIDDERS

6.6.1 Bid Processing Fee

Bidders are requested to pay a non-refundable Bid Processing Fee for an amount specified in the Annexure I of this RFP document. This should be paid in the form of a Demand Draft Payable to SIDCO details of which are given in Annexure 1 and must accompany Cover 1. Bids that are not accompanied by the above bid-processing fee shall be rejected by SIDCO as non-responsive.

6.6.2 Bid Security

Bidders are required to submit a Bid Security for an amount specified in the Annexure I of this RFP document for the Project. The Bid Security shall be in the form of an irrevocable, unconditional Bank Guarantee from a nationalized / scheduled commercial bank valid for 9 months. The form of the Bank Guarantee shall be as per the Format indicated in Exhibit 12. Bids, which are not

accompanied by the above bid security in cover 1, shall be rejected by SIDCO as non-responsive.

SIDCO shall reserve the right to forfeit the Bid Security (by invoking the Bank Guarantee) under the following circumstances:

6.6.2. A. If the Bidder withdraws his Bid at any time during the stipulated period of Bid validity period (or as may be extended).

6.6.2. B. If the Bidder, for the period of Bid validity:

- (a) In SIDCO's opinion, commits a material breach of any of the terms and / or conditions contained in the RFP Document and / or subsequent communication from SIDCO in this regard and / or
- (b) Fails or refuses to execute the Letter of Award within 30 days from the date of receipt of the Letter of Intent
- (c) Fails or refuses to furnish the Performance Guarantee (in the event of the award of the Project to it) within 30 days from the date of receipt of the Letter of award;

In the event that any Bidder is declared non responsive / unsuccessful, then the Bid Security (i.e. Bank Guarantee) will be returned to such Bidders. The cover 2 and/or 3 as the case may be returned on a specific request from the Bidder.

In respect of the technically evaluated responsive bidders, the Bid security of the unsuccessful Bidders (after opening of cover 3) can cease to be in force after 40 days following the announcement of award of the Project to the Successful Bidder and the issue of the Letter of Award awarding the same. The Bid security of the Successful Bidder shall be refunded on submission of Performance Guarantee.

6.7 Performance Guarantee & Operations performance security.

The Successful bidder shall submit a Performance Guarantee in the form of an irrevocable bank guarantee from a Nationalized/Scheduled Commercial Bank in a form acceptable to SIDCO for an amount equal to 2.5% of the project cost. The performance Guarantee shall required to be valid from the zero date till the expiry of six months from the date of completion of construction of the Building and issue of completion certificate by an officer or a designated agency by Kerala SIDCO Limited. This guarantee shall be renewed for a further period as required.

Operations performance security equal to Rs. 2 Crores subject to escalation linked to WPI once in every three years.

6.8 Upfront Payment Amount

Rs. 19 Crores is fixed as the minimum upfront payment (as specified in the Section 8.2.4 of project payment details) to Kerala SIDCO Ltd for providing the successful bidder an opportunity to jointly participate in the project with 74% share in the SPV (PC) enabling to do business with high degree of commercial freedom for 35 years including 2 year of construction. **Rs. 19 Crores** is fixed as the minimum upfront payment by Kerala SIDCO Ltd and the Bidders has to offer higher amount over the minimum amount **Rs. 19 Crores** and to be paid at the time of signing the Memorandum of Undertaking with Kerala SIDCO Ltd. The successful bidder shall not be eligible for the getting refund of this amount under any circumstances.

The successful Bidder would be required to offer maximum amount as upfront payment.

This is the single financial evaluation criteria for the identification of the successful prospective Bidder.

7 - BIDDERS ELIGIBILITY AND EVALUATION CRITERIA

7.1 BIDDER

The bidder(s) shall be either

- a. Proprietorship, or
- b. Partnership firm, or
- c. Company- Public or Private Limited

All the above shall have been registered under the applicable respective laws. If the Bidder may is a single entity both the Minimum Technical & Financial Qualifications as specified under the general submissions below shall be satisfied by the bidder.

7.2 SHAREHOLDING PATTERN

7.2.1 Kerala SIDCO Ltd.

The authorized capital of the proposed SPV Company is Rs. 50 Crores. Kerala SIDCO Ltd. shall hold **equity of 26%** of the authorized equity capital in the SPV Project Company (Rs. 13 Crores) for the Project, Construction of commercial complex at Kadavanthara. This equity pattern shall be maintained throughout the B.O.T Period and ensured in such a manner that, the voting power

representing the 26% holding of Kerala SIDCO Ltd. is kept in tact. The initial paid up capital is Rs. 50 Lakhs and 26% of this amount shall be contributed by Kerala SIDCO Ltd in cash. Balance amount shall be received by means of future lease rental at net present value due to the Kerala SIDCO Ltd. In case Kerala SIDCO Ltd shall be required to make further contribution towards equity participation in the SPV Project Company, the same methodology shall be followed. A suitable clause in this respect shall be included in the Articles of Association of the Project Company.

7.3 GENERAL SUBMISSIONS - (COVER 1)

7.3.1 Evaluation of general Submissions

The evaluation of general submissions vide Exhibits 1 to 14 for short listing shall be based on the following criteria

- a. Technical Qualifications and
- b. Financial Capability

7.3.2 Evaluation Criteria

7.3.2. A Minimum Technical Qualification

- i. The interested internationally acclaimed infrastructure Developers, companies, Joint Ventures, Firms, proprietorship running at a profitable track record for the last 3 years are alone eligible to bid for the Project.
- ii. The eligible bidder shall have at least a total average annual turnover of Rs. 100 Crores for the last two years. (Copies of the published or audited annual financial statement are to be attached).
- iii. Bidder should have successful experience in the execution of a single Projects of Rs. 50 Crores or above. The work should have been executed within the last 5 years.
- iv. Preference shall be given to Developer, companies, Join Ventures, Firms, who have carried out such big infrastructure Projects in India or abroad.

Client reference, certificates and appropriate documentary evidence should be enclosed in support of the above. All the documentary evidence shall be submitted by the Bidder to the satisfaction of SIDCO. Decision of SIDCO in

accepting or rejecting such documentary evidence as submitted by the Bidder is final and binding on the Bidder.

7.3.2. B Minimum Financial Qualification

The Bidder should have –

- i. The eligible bidder must have a net worth of Rs. 35 Crores as per the last audited financial statements.
- ii. The details of liquid assets or availability of credit facility of not less than Rs. 30 Crores shall be produced. [Regarding credit facility availed the letter from the sanctioning/issuing bank shall be attached.]

The formats for General submission are given in Exhibits 1 to 14

7.4 Techno Business Proposals (Cover 2)

7.4.1 Evaluation criteria

The objective of SIDCO in seeking the information from the Bidder for the implementation of the Project is

7.4.1. A to capitalize on the following skills of the Entrepreneur:

- Project conceptualization and skills that offer the most optimal and cost competitive design solution for the proposed facility while conforming to the design specification and the Minimum Compliance Criteria set forth.
- Project Management skills that would expedite the project development and ensure time and cost – competitive construction of the facility.
- Marketing skill to ensure that the quality and franchisee/ sub-contract arrangements can be put in place to ensure the future sustainability of the Project.
- Operation and Maintenance skills, that ensure consistently superior service at reasonable cost

7.4.1. B to ascertain the capability of the Bidder to achieve the above as well as the responsiveness of the proposal in respect to features such as:

- The quality of the facilities / arrangements proposed.
- Adherence to specifications.
- Completeness and detail of the proposal, especially with regard to the concept evolved and target segments to be served.
- Soundness of assumptions

- Practicality of implementation.

The Techno- Business Proposal will also be assessed for technical sufficiency, which will include the following:

- Safety and environment management.
- Obtaining of clearances and compliance with the approvals and sanctions of concerned authorities
- Uniqueness of the concept evolved
- Reasonableness of the Project cost and consistency with the technical plan provided
- Reasonableness of the justifications underlying assumptions.

7.4.2 Minimum Specifications

- Minimum Project components as specified in Annexure
- Minimum Project cost as specified in Annexure
- Minimum Project construction and implementation Period as specified in Annexure

The format for techno business proposal (Cover 2) is given in exhibit 15.

7.5 FINANCIAL OFFER (COVER 3)

7.5.1 Evaluation criteria- The evaluation of the financial offer is to ascertain the bidder offering the highest **upfront payment** by the financial offer (subject to enclosure to Exhibit (16). **This is the single financial evaluation criteria.**

The format for the Financial Offer is given Exhibit 16.

8. PROJECT DETAILS FOR THE PROPOSED PROJECT “CONSTRUCTION OF COMMERCIAL COMPLEX” AT KADAVANTRA, NEAR GCDA COMPLEX, ERNAKULAM, KERALA

Details of Proposed Project at Kadavanthara, ERNAKULAM

8.1.1 Proposed Project- Minimum Components (The developer shall necessarily develop these components as part of the project)	➤ Building Civil Construction [Approx. 52045 Sq. m] ➤ Electrical systems and installations ➤ Water supply and sanitation systems and installations ➤ Solid Waste management & Sewage treatment plant and landscaping ➤ Passenger Lifts/Escalator ➤ Automatic fire dictation and Fire fighting systems along with lightning arrestor ➤ Interior decoration of the common area ➤ General access control and security systems ➤ Centralized air conditioning system. ➤ Diesel Generator and captive power generation ➤ Provision for parking facility ➤ Audio and video systems ➤ Other facilities such as EPABX, LCD TV, Plasma TV, DLP projector, surveillance system etc. ➤ Other facilities including statutory obligations as per LSGD and corporation specifications towards the construction of a commercial complex not mentioned above.
8.1.2 Minimum Project Cost	Rs. 190 to 200 Crores
8.1.3. Extent of Area	5.13 Acres
8.1.4 Period of B.O.T	Not exceeding 35 Years (Including 2 years of construction period)
8.1.5. Construction/Implementation Period	24 months

8.2 FEES & DEPOSITS TO BE PAID BY THE BIDDER TO SIDCO
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8.2.1. Bid processing fees & Cost of the Tender Form	Rs. 5,000/- Rs.10,000/- Plus VAT 4% Rs. 400/- Total - 15,400/-
8.2.2. Bid security	The bid security is equal to Rs. 2 crores which shall be tendered in the form of unconditional irrevocable bank guarantee from a nationalized or a scheduled commercial Bank valid for 9 months from 20/04/09 shall be attached to Cover 1. N.B - Cheque will not be accepted.
8.2.3. Performance Guarantee	The successful Bidder shall be required to submit a performance Guarantee in the form of an irrevocable bank Guarantee for an amount equal to 2.5% of the total project cost as per the RFP submissions.[The format of Performance guarantee is given in exhibit 17] The performance Guarantee shall required to be valid from the zero date till the expiry of six months from the date of completion of construction of the Building and issue of completion certificate by an officer or a designated Agency by Kerala SIDCO Ltd.

	This guarantee shall be renewed for a further period if required. Operations period performance security equal to Rs. 2 Crores subject to escalation linked to WPI once in three years.
8.2.4. Upfront Payment Amount (non-refundable)	Rs. 19 Crores is fixed as the minimum upfront payment to Kerala SIDCO Ltd for providing the successful bidder an opportunity to jointly participate in the project with 74% share in the SPV (PC) enabling to do business with high degree of commercial freedom for 35 years including 2 years of construction. The Upfront fee has to be paid at the time of signing the Memorandum Of Understanding with Kerala SIDCO Ltd. The successful Bidder would be required to offer maximum amount as upfront payment. This is the single financial evaluation criteria for the identification of the successful prospective Bidder. The successful bidder shall not be eligible for the getting refund of this amount under any circumstances.

9. PRINCIPLES OF AGREEMENTS

9. PRINCIPLES OF AGREEMENTS FOR THE PROJECT, CONSTRUCTION OF COMMERCIAL COMPLEX AT KADAVANTHARA NEAR GCDA COMPLEX AT ERNAKULAM, KERALA

The role of SIDCO as the nodal agency will be further detailed in the agreements. SIDCO reserves the right to nominate on its behalf any other agency to implement and monitor the Project. In which case also the principles given below remain valid. In the principles presented below references made to "Agency" shall refer to SIDCO or any other implementing /monitoring agency that may be nominated by SIDCO.

Within the broad scope of the guiding principles presented below, the principles specific to the project will be incorporated in the Memorandum of Understanding and B.O.T Concessionaire Agreement and Lease Agreement. The MOU, B.O.T Concessionaire agreement and lease agreement format is annexed (Annexure- II, Annexure-III and Annexure IV respectively)

9.1 Process after selection of the Successful Bidder.

After selection of the successful bidder, the SIDCO would issue a Letter of Intent (LoI) to the successful Bidder.

The Successful Bidder would be required to prepare and submit three (3) draft copies of Detailed Project Report (DPR) containing the layouts, design and elevation plans for the Project within a period of 45 days from the date of receipt of letter of intent (LoI). The submitted DPR shall be approved by SIDCO within 30 days from the date of receipt of the same.

The Successful bidder shall execute and submit performance guarantee within 15 days from the date of receipt of letter of intent (LoI) as prescribed in the RFP Document after getting approval from the Government of Kerala.

The Successful Bidder would be required to execute a MOU along with Upfront Payment within 30 days from the date of issue of LoI as per the specification in the RFP document.

The LoI shall initiate the process for the finalization of the agreements incorporating all contractual terms and conditions between the SIDCO and Successful Bidder

The SIDCO and the Successful Bidder shall incorporate the Project Company for the purpose of implementing the Project within 30 Days from the date of receipt of LoI.

The B.O.T concessionaire Agreements and Lease agreement shall be executed between the Project Company, the SIDCO and Successful bidder within 60 days from the date of receipt of the LoI by the successful bidder. The DPR as approved by the SIDCO shall also be an integral part of the Agreement.

Construction of the Project can commence 30 days after the execution of the MoU Agreement.

9.2 A built up area, not less than **15,000 Sq.feet** along with proportionate parking space shall be assigned to Kerala SIDCO Ltd free of consideration and Kerala SIDCO Ltd shall have the full liberty either to use it for its own purpose or to let out for generating revenue.

9.3 Timeliness of Infrastructure Creation.

Since the Project implementation would be as per a pre-decided schedule, the agreement shall ensure that the Project is executed as per the implementation schedule. Implementation period for construction is two years. 50% of construction should be completed in first year and 100% in end of the second years. It should be fully operational from beginning of the third year. The SIDCO would have an option to alter the schedule of the Project in consultation with the Successful Bidder.

9.4 Facilitating role for the SIDCO

A critical role that would need to be fulfilled by the SIDCO would be that of coordinator and facilitator in ensuring that an enabling environment is created to ensure the successful completion and execution of the envisaged Project.

9.5 Scope and quality of infrastructure

The Objective of GOK and the SIDCO in considering the implementation of the Project by the Private Sector would ensure that the scaled and quality facilities created are in conformity with the accepted industry standards.

9.6 Commercial Autonomy to the successful Bidder

The successful Bidder would have high degree of commercial freedom to market the facility in any manner he deems fit so as to facilitate marketing efficiencies typically associated with the private sector.

9.7 Proper Operation & Maintenance of Facilities.

The SIDCO would need to ensure that the facility is not exploited for any use other than those specified by SIDCO and levels of the operational efficiencies are maintained. The SIDCO will have the right to ensure that the successful Bidder would effectively undertake the operations of the facility so that best quality and safety standards are maintained and environmental concerns are adequately addressed.

9.8 Compliance to laws

It shall be the responsibility of the successful bidder to comply with the laws of the land & local bodies during the construction and operation of the facility.

9.9 Minimum Equity undertaking

The equity holding in the Project Company shall be as per the bid document i.e. 26% by SIDCO and 74% by the Bidder.

9.10 Servicing of the Debt obligations of the Successful bidder/Project Company

Since the Successful bidder/Project Company on the basis of the equity capital and the concession rights (for the facility) as tangible security, could borrow from the financial institutions/Banks. The Agreement shall ensure that the concerns of the lender are substantially addressed.

9.11 PRINCIPLES OF THE DEVELOPMENT & MANAGEMENT.**9.11.1 The Preparatory and Build Stage of the Project.**

Land Location	As specified in the agreement and RFP document
Responsibility for handing over the possession of Land	Handing over the possession of the land for the project will be the responsibility of the SIDCO. The land including the existing building, plant, other structures and machinery and trees will be made available to the Project company based on Lease agreement and B.O.T concessionaire Agreement on as is where is basis for the construction of the Project facilities for a period of 35 years including 2 years of construction period

Ownership of the Land & Facilities	The ownership of the land would remain with SIDCO, at all time during the tenure of lease period of 35 years including 2 years of construction period. On signing of the lease agreement, SIDCO would hand over the land (5.13acres) including the existing building, other structures and standing trees on as is where as condition to construct the Project facility to the Project company under a structure defined in the BOT concessionaire Agreement and lease agreement. A suitable clause in this respect shall be included in the Articles of Association of the Project Company.
Share holding pattern in the SPV Project Company	Successful Bidder on award of the Project Contract along with SIDCO shall form a Special Purpose Vehicle (SPV – A company under the Indian companies Act 1956) for Setting up of the Project, Construction of commercial complex at Kadavanthara. The equity participation in the Proposed Company equal to 26% by SIDCO and 74% by the Successful Bidder. In case of a single bidder, the equity holding of the bidder in SPV shall not be less than 74%.
Board of Directors	The Managing Director of the SIDCO shall be the Chairman of the PC and the nominee of the Successful Bidder will be the MD/CEO of the SPV. The number of Directors representing the participants in the Project Company shall be in proportion to the shareholding, fractions being rounded to the next number. A suitable clause in this respect shall be included in the Articles of Association of the SPV.
Land Use	The land shall be put to use based on the site utilization plan detailed by the Successful Bidder. The Plan should be complying with the board specifications given in the RFP. The Successful Bidder would be required to submit site utilization plan, layouts and elevation plans as a part of the Detailed Project Report(DPR as defined later). Within a period of 45 days from the date of LoI for the approval of SIDCO. In case SIDCO does not

	solicit any clarification/modifications to the lay outs & elevation plans submitted by the successful bidder within 30 days of such submission the same shall be deemed to have been approved.
Demand Studies	Onus would be rest with the Successful Bidder to satisfy himself regarding the adequacy of the demand for the facilities to be created and conduct additional studies if required at the proposed site.
Preparation of the Detailed Project Report	The Successful Bidder would be required to prepare and submit the final DPR for the Project within in a period of 45 days from the date of the LoI for the approval of the Kerala SIDCO Ltd. The DPR should adhere to the technical and design requirements specified in the lay outs and elevation plans. The DPR would give full details of the cost and revenue estimated with all justifications for the operational period. In case the Kerala SIDCO Ltd does not solicit any clarifications/modifications to the DPR submitted by the Successful bidder, within 30 days of such submission, the DPR shall be deemed to have been approved.
Scope of the Project	The successful Bidder has to conform to the entire design of the Project, including layouts and elevation plans as approved by the Kerala SIDCO Ltd or their Consultants. As the Kerala SIDCO Ltd has provided details of the facility and, thereby stipulating the use of the facility, it would need to ensure that the facility is not exploited for any use other than those specified by the Kerala SIDCO Ltd and also that the successful bidder should ensure that the project implementation is conducted by the project company fully in accordance with the approved DPR, subject to the satisfaction of the Kerala SIDCO Ltd.
Project Cost	The Successful bidder/ project company shall be solely responsible for the Project cost. In all events change in

	Project cost, whether upwards or down wards due to controllable factors or otherwise, the successful Bidder will be solely responsible. In no event, will the SIDCO relax or modify the terms of the agreement due to change in the project Cost. The SIDCO reserves the right to suggest modifications to the successful Bidder so as to match project technical and architectural specifications, which may result in a change in Project cost as compared to the one estimated in the DPR.
Clearances, Permits and Licenses.	The successful Bidder shall be responsible for obtaining all relevant clearances, permits and licenses from the central and state Govt. ministries/departments/agencies, local self government bodies and other statutory bodies including SIDCO etc. at their cost. The SIDCO will extend reasonable assistance to enable speedy processing of all state level clearances. No compensation can be claimed for non receipt of relevant clearances, permits and licenses.
Preliminary expenses Reimbursement	The Project Company based on the B.O.T Concessionaire Agreement has to reimburse Kerala SIDCO Ltd all the preliminary and pre- incorporation expenses incurred to Kerala SIDCO Ltd incurred for the Kadavanthara Multistoried Commercial Complex Project including consultancy charges, audit fees, advertisement expenses and other incidental charges etc.
Construction	The PC-SPV shall be entrusted with complete responsibility for implementation of the Project. During the construction phase, the SIDCO would concern itself only with inspection, in order to assess on site progress and adherence to various contracted quality standards and time schedules. The PC-SPV shall complete the construction of the Project as per the detailed design and technical specifications given in the DPR, which would be

	annexed to the agreement. This annexed technical specification would be consistent with the specifications specified in the RFP Document. The performance guarantee may be invoked by the SIDCO in the event of a failure to achieve any milestones specified in the approved DPR within the stipulated time frame. Implementation period for construction is two years. 50% of construction should be completed in the first year, and 100% in the end of the second year. It should be fully operational from the beginning of the third year. Any delay in construction exceeding 3 months of the forecasted construction period, as provided in the approved DPR would be liable for levy of penalties. Defaults in respect of any other interim milestones/contractual obligations laid out in the DPR and B.O.T concessionaire agreement would also be liable for the levy of the penalties.
Penalty Clause	In the event of any default in fulfilling the obligations under the Bid documents the successful bidder shall be liable to pay the penalty equal to maximum of 2.5% of the total Project cost. This is in addition to the performance guarantee. The penalties that can be imposed based on the period of delay are given below. Delay – 3 months – 1.00% of the Project Cost Delay – 6 months – 1.50% of the Project Cost Delay – 9 months – 2.00% of the Project Cost Delay – 12 months – 2.50% of the Project Cost Project would be liable to be terminated in case of delay in achievement of milestone exceeding one year after evaluating the reasons for delay and other compensating events. The relevant provisions of termination of the contracts shall be evolved by the Project Company.
Quality Assurance	The SPV shall ensure that the quality of all items used in the construction of the Projects are as required by good industry standards [Central Public Works Department/ BIS specification] and are consistent with the requirements indicated in the RFP as per the

	detailed specification approved by the SIDCO to the successful bidder
Sinking Fund	The SPV shall estimate the capital expenditure (including normal capital expenditure), technology/other upgradation etc. to be incurred in a block of every 2 years and maintain a Sinking Fund in the books of account represented by equivalent value in the liquid investments on a yearly basis. The yearly appropriation to Sinking Fund shall be commensurate with the level of investment proposed to be incurred in the block of every 2 years
Sub-Contracting of the Facility	While the SPV may subcontract the operations of various components of the Project, they will be responsible for the upkeep of the facility. It is also expected that the proposed subcontract will be to persons with established and relevant track record, of one year in case of Indian Company and three in case of an international Company. The subcontracting if any shall be done with the written permission of SIDCO
Gross Receipts	With respect to the Project the gross receipts received/receivable by the Project, reflected in the books of accounts of the Project company certified quarterly by a Chartered Accountant. It also includes payment received/receivable, certified quarterly by a Chartered Accountant from the sub contractors including franchisees etc. to whom the company may permit to run/manage/operate and maintain some or any of the project components from time to time.
Funding of the Project	The Project Company (SPV) has complete responsibility for mobilizing the resources for implementing the Project. The Successful Bidder shall be free to structure the financing and finalize the means and terms of finance for the Project.

Financial Stake of SIDCO	The SIDCO and /or its instrumentalities/agencies/funds will not be making any monetary contribution to the Project. The responsibility of financing the project and facilities would be rest with the Successful Bidder
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9.11.2 RIGHTS & RESPONSIBILITIES OF DIFFERENT PARTIES.

Rights and responsibilities of the SIDCO	• The SIDCO is vested with the rights as nodal agency and owner of the land and facilities. • The responsibility to provide the land on lease basis for a period of 35 years including 2 years construction period to the PC/SPV for the construction of the Project lies with the SIDCO • The SIDCO has the right and responsibility for providing the land to the Project Company for the specified period on lease basis to build the facility as per the DPR, operate the facilities created under the Project. • The SIDCO has the right to take from the successful bidder an upfront amount (Not refundable) as specified in the RFP. • The equity holding of the SIDCO in the PC shall be adjusted against the lease rental amount payable by the Project company to it, for the prefixed period starting from the date of lease till the date of arrival of the lease rental equivalent to the value of the equity holding of the SIDCO in it and the same shall be predicted to the paid up capital of the project company within 1 week of its commencement of business and the successful bidder shall be liable to provide the required funds to the Project Company in this regard
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	The SIDCO shall not be required to bring in any equity contribution, in order to maintain the share holding pattern agreed to and specified in the bid document other than lease rental advance
Rights and responsibilities of the Successful Bidder.	1. The successful bidder would have the right to hold the 74% of the share holding in the project company throughout the period of the project subject to the provisions of the article of association of the Project Company 2. The successful bidder is entitled to utilize its own organization and machinery for the successful working of the project as to do any other act for the beneficial and profitable implementation of the project 3. The successful bidder would have the right to nominate as many number of directors to the board of the project company in proportion of its shareholding in the project company 4. The successful bidder is entitled to raise the finance and resources the successful implementation of the project for and on behalf of the project company at its own risk and can also arrange for loans and borrows for and on behalf of the project company and creating charge on the assets in possession of the Project Company with the prior approval from the SIDCO 5. The successful bidder will ensure the successful implementation of the project and also that the payment of any amount due to the SIDCO under any obligations under the RFP, MoU, the B.O.T Concessionaire agreement and the lease agreement shall be made in time. It shall be the duty of the successful bidder

	to ensure the payments of any amount for which the project company is liable to the SIDCO is duly made in necessary case out of its own funds 6. The successful bidder shall not entitle to enter in to any agreement on undertaking for the implementation of any other similar project within the state of Kerala with any one during the period of the project. • Implementation of the Project as per specifications mentioned in the RFP • Development of the entire concept as set forth in the design approved by the SIDCO • Maintenance and upkeep of the Project as per good industry practice during the entire period • The successful Bidder at all times shall comply to all the relevant laws of the land In addition the Successful bidder would also be responsible under the agreement for • Financing the Project and achieving financial closure within a stipulated time frame. • Adherence to the time schedules and milestones as specified in the approved DPR. The obligation to convey, or transfer to another entity, the right and title and interest vested in Successful bidder on specific request from the Project lenders arising out of breach of the terms of the agreement.
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9.11.3 OPERATION OF THE PROJECT

9.11.3 .1 Operational Issues.

Operational Flexibility	The Successful bidder/Project Company would have complete operational autonomy (within the frame work of relevant legislation & prevailing religious sentiments) in respect of the operation and maintenance of the project in accordance with the principles of good industry practice and internationally accepted standards of productivity, safety and technical sufficiency. but will based on the Memorandum of Understanding, B.O.T concessionaire agreement and Lease agreement The onus of marketing the facility would lie on the Successful bidder/Project company and the Successful bidder/Project Company can franchise the commercial premises to any user. The role of SIDCO would be limited to that of periodic inspection and access to relevant information to ensure compliance with the terms of the agreement. The Successful bidder/Project Company shall extend all cooperation to the SIDCO in this regard.
Value added Services	The Successful bidder/Project Company would have complete freedom to offer value added services at the facility.
Sub Contract arrangements	The Project Company (SPV) would have complete flexibility in structuring the sub-contract agreement and the SIDCO shall not be a party to the sub-contract agreements. However, a copy of such agreement shall be submitted to Kerala SIDCO Ltd for its record. Unless otherwise agreed to, all sub-contract agreements shall be coterminous and consistent with the B.O.T concessionaire agreement and Lease agreement with SIDCO. Kerala SIDCO Ltd shall not be liable for any costs or liabilities

	what so ever, in relation to such contracts as a result of the expiry or termination of the agreement.
Approval of usage	The successful bidder/Project Company shall indicate the proposed use of the facility in the approved DPR and shall endeavor to adhere to these specified uses.
Manpower	The Successful bidder/Project company would have complete freedom in the recruitment of manpower for the marketing of the facility and in evolving its own personnel policy, subject, to all relevant laws of the land.
Maintenance Standards	In respect of all assets the Successful bidder/Project company shall adhere to good industry practices and meet all environmental standards and requirements.
Non – discriminatory Access	The Successful bidder/Project company shall ensure non- discriminatory access to all parties desirous of availing the services provided in the facility.

9.11.3 .2 Commercial Issues.

Non Guarantee by SIDCO	The SIDCO would not offer any guarantee for the revenue to be generated from the Project to Successful bidder/Project Company.
Statutory Levies	All statutory levies (Including property Taxes) payable in developing the Project will have to be borne by the Successful bidder/Project company
Performance guarantee	The successful bidder shall submit a performance guarantee in the form of an irrevocable unconditional bank guarantee from a scheduled Commercial Bank for an amount equal to 2.5% of the Project Cost as per the RFP submissions at the time of signing the Memorandum of

	Understanding with SIDCO. The performance Guarantee shall required to be valid from the zero date till the expiry of six months from the date of completion of construction of the facility and issue of completion certificate by an officer designated by SIDCO. This guarantee shall be renewed for a further period as required. The bid security submitted by the Bidder at the time of RFP submission will be refunded on submission of performance Guarantee.
Termination Clause	In the event of any default with respect to SIDCO, Successful bidder/Project Company, (Arising out of a material breach of the provision of the agreement), the same would be attempted to be remedied by way of good faith of negotiations between the SIDCO and Successful bidder/Project Company within one month. In the event of failure of such negotiations, the party not in default would have the right to terminate the agreement.
Change in law	In the event of Change of law affecting and leading to any of the material rights and obligations of the successful bidder /Project company and consequently leading to material breach of any of the provisions of B.O.T concessionaire agreement by the developer, then only either at the instance of the Government or at the instance of the Successful Bidder/Project company, the B.O.T Concessionaire agreement may be terminated subject to the provisions of the agreement. Therefore change in law under normal circumstances shall not be ground for termination. In case of termination by either party the SIDCO shall not be liable to pay any compensation. However prior to such request for termination the party shall consult in good faith for a period of 180 days to mitigate the material adverse

	impact of the change in law. In case during this period, the commercial operation is halted, then BOT period shall be extended by such period. Change in law shall not include any change in tax laws or change in law, which solely have an economic impact on the successful bidder.
Construction Risk	All the risk associated with the construction of the facilities, like cost overrun and time and quality risks would be borne by the Successful bidder /Project Company. Successful bidder /Project Company should follow the labour laws, and insure all their workmen against accident/death at the construction site.
Marketing Risk	The SIDCO would only be approving the specified use of the facilities and The Project Company would be responsible for the revenues generated from marketing the facilities.
Financing Risk	The onus for financing for the project would vest entirely in the Successful bidder/Project Company. The Successful bidder/Project Company shall free to structure the financing and finalize the means and terms of finance for the Project. The successful bidder/Project Company would be responsible for servicing their debt obligations.
Insurance	The Successful bidder/Project Company shall ensure that all the facilities and or structure on the Project sites together with all other assets lying at the Project and used for implementation of the Project are fully insured and kept insured during the entire tenure of the agreement at its own cost and expense against all the risks of fire and extended cover there of for earth quakes, floods, cyclone, riots, insurgency, civil commotion etc., and the Successful

	bidder/Project Company shall also take out a consequential loss or profit policy. The Successful bidder/Project Company shall also furnish a copy of the said insurance cover taken to SIDCO
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9.11.4 FORCE MAJEURE EVENTS

Occurrence of FM	Force Majeure under the agreement refers to occurrence of FM events during the Project implementation period only. Under no circumstances shall the FM events be regarded as for continuing for duration longer than the Project implementation period under the agreements.
Classification	Force Majeure shall mean any act, event or circumstance which materially affect the developers performance and/or its obligation under this agreement but only to the extent that such FM events are not within the reasonable control of the developer and could not have been controlled. FM Events would be classified in to two categories - - Political Force Majeure events comprising of act of war, invasion, armed conflict, terrorisms, riots, strikes, lock outs, curfew, restraint, legislation of the Government of Kerala/ Government of India or their agencies etc., materially affecting the operations of the Project. - Non political Force Majeure events comprising of floods, cyclone, earth quakes or such other natural calamities and act of God including epidemic, fire or explosion, public interests litigation, stay order by courts, but materially affecting the operation of the Project. For avoidance of any doubt it is clearly stated that lack of funds shall not be construed as a Force Majeure event.

MitigationCo-operation	Either party to the agreement claiming Force Majeure, shall make reasonable efforts to mitigate and overcome effects of any act, event or circumstances of FM as soon as practicable after the occurrence of a FM event including the expenditure of reasonable sum of money and to co-operate with the other party to develop and implement a plan of remedial and reasonable alternative measures to remove the effects of the FM events.
Implication in case of FM Events.	i. The obligations/responsibilities to be performed by both the parties under the agreement shall be suspended during the occurrence of Force Majeure event. ii. The Successful bidder/Project Company will be allowed additional time to complete the work envisaged in this agreement equivalent to the number of days FM event prevailed if the work is affected by such an FM event during the project implementation period. However no change in commercial grounds shall be allowed on account of FM event during Project implementation period. iii. The SPV-Project Company shall be bound to make the payment due to SIDCO as per the terms of the B.O.T concessionaire agreement and lease agreement if the operations are affected by any Force Majeure event during operations. The SPV shall be given additional time which will not be more than that of the duration of the Force Majeure event. However, payments of money due and payable prior to occurrence of Force Majeure events under the agreements shall not be suspended or excused due to the occurrence of a Force Majeure event.
Process to be followed	i. The Successful bidder/Project Company shall give SIDCO a written notices describing the particulars of the Force Majeure event as soon as practicable after its occurrence but not later than 5 days.

	ii. The scope and duration of suspension of performance is not greater than justified by the Force Majeure event. iii. When the Successful bidder/Project Company is able to resume performance of its obligations under the agreements, it shall give SIDCO a written notice to that effect. In no event shall a Force Majeure event excuse the obligations of the Successful bidder/Project Company that are required to be completely perform prior to the occurrence of a Force Majeure event.
FM Resulting in Damage /Partial Damage.	If any Force Majeure event has resulted in damage/partial damage to the building and other facilities, the Successful bidder/Project Company shall expeditiously secure the assessment of the claim from the Insurance and utilize the proceeds to rebuild the facilities within a reasonable period as mutually agreed.

9.11.5 TRANSFER

Duration of the Agreement	The agreement would be valid for a specified period of years as was detailed in this RFP Document.
Transfer of Assets	The possession of land and the entire movable and immovable properties thereon would be transferred to the SIDCO at the end of B.O.T period free of consideration and encumbrances. All franchise/sub-contract agreements with the Successful bidder/Project Company would stand terminated. The SIDCO shall reserve the right to invite bids to reissue the operation of the facility at the end of the concession period. The originally successful bidder shall have the option to match the financial order of the highest rank bidder and renew the BOT in his favour. In case the SIDCO desires to start a new Project at the same site at the end of the concession period, the existing manufactures / operators shall have the

	option to match the financial offer of the highest ranked Bidder and get the BOT in his favour. This is subject to his meeting the eligibility criteria for the new Project.
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9.11.6 DISPUTE RESOLUTION

Dispute Resolution	Any dispute shall be attempted to be resolved by referring the matter to the Conciliatory Board as prescribed by Government of Kerala. If the dispute is not settled as above then it will be subject to the jurisdiction of courts at Ernakulam District, Kerala.
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9.11.7 ORDER OF PRECEDENCE

Precedence of the Document	While the several documents forming the agreement are to taken as mutually supplementary and explanatory to one another, the priority of the document shall, in the event of any conflict between them, be in the order set out below. • Bid Documents • Memorandum of understanding • BOT Concessionaire agreement • Lease agreement • letter of Intent • Performance guarantee • Detailed Project Report • Forms submitted as part of the RFP
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9.11.8 GROUNDS OF TERMINATION & SCOPE OF TAKE OVER

Grounds of Termination	The termination grounds would be the following. i. Expiry of BOT concessionaire agreement and lease agreement term ii. Termination grounds for successful Bidder and the SIDCO prior to the expiry of the BOT term/Lease period - • The SIDCO/Successful Bidder default events • Prolonged Force Majeure events (Exceeding 180 days) • Delay in construction for more than 6 months • Failure to fulfill the Contractual obligations • Change in Law There would be clear period of three months commencing from defaulting notice, which would not be applicable for prolonged FM events
Scope of Take Over in the Event of Termination	The possession of land would be in all events reverting to the SIDCO free of consideration and encumbrances. If take over occurs during construction, the Possession of the facility, under construction, would revert to SIDCO. If take over occurs during the operation, the possession of the facility would revert to SIDCO and all subcontract agreements would be terminated.

CHECK LIST

1. Cover 1:

1. Necessary evidence of certificates issued by the concerned authorities incorporating / registering the applicant viz., Incorporation Certificate, Partnership / Sole Proprietorship Registration, Commencement of Business, Memorandum and articles of Association / Partnership Deed etc.,
2. Power of Attorney signed and authorized / contact person as per the covering letter
3. Latest corporate profiles and other literature and brochures, relevant technical documents of the Bidder.
4. The following Exhibits duly filled and completed in all respects with relevant enclosures of documents and required copies.
 - i. Covering Letter - 1
 - ii. Letter of Acknowledgment - 2
 - iii. Letter of Commitment - 3
 - iv. General Information - 4
 - v. Technical Experience of Bidder having minimum technical qualification - 5 & 6
 - vi. Technical collaboration agreement, if any required - 7
 - vii. Financial details of the Bidder showing minimum Financial Qualification - 8
 - viii. Board Resolution Format -9
 - ix. Power of Attorney Format - 10
 - x. Affidavit - 11
 - xi. Anti Collusion Certificate - 12
 - xii. Bank Guarantee format for Bid Security - 13
 - xiii. Additional information - 14

2. Cover 2.

Techno Business Proposal - Information submission - 15

3. Cover 3.

Financial offer - 16

ANNEXURE - I**COVER -1****EXHIBIT - 1 - COVERING LETTER**

(This letter should be on the letter head of the Bidder)

To,

Date

The Managing Director

Kerala SIDCO Ltd, Housing Board Building,
Santhi Nagar, Thiruvananthapuram – 695 001.
Ph. +91 471-2330613, 2330614, Fax. +91 471-2330904
Email: - sidcoitntc2007@gmail.com
Web Site: - www.keralasidco.com

Sir,

SUB: - APPLICATION FOR THE CONSTRUCTION OF THE COMMERCIAL COMPLEX AT KADAVANTHARA, NEAR GCDA COMPLEX, ERNAKULAM ON B.O.T BASIS-REG

Having examined the Request for Proposal (RFP) document including scope of work and time frame of construction, we hereby express our interest in the proposed project and submit all the necessary information and relevant documents for selection for development of the project.

Being duly authorized power of attorney holder, to represent and act on behalf of _____ (here in after the bidder and having reviewed and fully understood all the information provided in the RFP Document, the undersigned hereby submit the proposal for “CONSTRUCTION OF THE COMMERCIAL COMPLEX AT KADAVANTRA, NEAR GCDA COMPLEX, ERNAKULAM”. The information submitted herewith is true and correct. SIDCO and its authorized representatives are hereby authorized to conduct any enquiries or investigations to verify the statements, documents and information submitted in connection with this proposal. This letter of application will also serve as authorization to any individual or authorized representative of any institution referred to in the supporting information, to provide such

information to verify the contents, provided in these applications, with regard to the resources, experience and competence of the Bidder.

We understand that short-listing of bidders by SIDCO shall not be construed as a right for award of the project, till the bid process is completed and a decision to award is finalized by GOK/SIDCO.

We understand that any omission, commission, mis-statement in factual statements made by us will make our bid invalid at any time during the course of bid process and also after award of the project. GOK/SIDCO reserves the right to take appropriate action accordingly.

We understand that GOK/SIDCO reserves the right to accept or reject any or all the offers and reserves the right to withhold and/or cancel the process

This RFP submission is unconditional and does not attach any conditions whatsoever.

Signature of Authorized Person of the Bidder

Name:

Designation:

Tel. No:

Seal:

COVER - 1

EXHIBIT - 2 - FORMAT OF LETTER OF ACKNOWLEDGMENT

(The Letter of Acknowledgment is to be submitted by the Bidder)

Date:

To

The Managing Director

Kerala SIDCO Ltd, Housing Board Building,
Santhi Nagar, Thiruvananthapuram - 695 001.
Ph. +91 471-2330613, 2330614, Fax. +91 471-2330904
Email- sidcoitntc2007@gmail.com
Web Site. www.keralasidco.com.

Sir,

Sub:-APPLICATION FOR THE CONSTRUCTION OF THE COMMERCIAL COMPLEX AT KADAVANTHARA, NEAR GCDA COMPLEX, ERNAKULAM ON B.O.T BASIS-REG

This has reference to the Bid being submitted by _____ (mention the Bidding Firms details), in respect of Selection of developer for development in [CONSTRUCTION OF THE COMMERCIAL COMPLEX AT KADAVANTRA, NEAR GCDA COMPLEX, ERNAKULAM] in response to the Request for Proposal ("RFP") issued by the Kerala SIDCO Ltd dated 02/03/09.

We hereby confirm the following:

We _____ have examined in detail and have understood and satisfied ourselves regarding the contents including in respect of the following:

The RFP Document issued by SIDCO:

All subsequent communications between SIDCO and the Bidder, represented by _____

The Bid being submitted by _____
.....

We have satisfied ourselves regarding our role as _____
(here give a brief description of the role) in the Project as specified in the Bid. We

have examined the Bid in detail and the commitments made in the same. We agree and undertake to abide by the Bid and the commitments made therein. We authorize _____, as the power of attorney holder and authorize the same to perform all tasks including, but not limited to, providing information, responding to enquiries, entering into contractual commitments etc. in respect of this Project.

For and on behalf of:

Signature :
(Authorized Signatory of the Bidder)

Name of the Person :

Designation :

Seal :

COVER - 1

EXHIBIT - 3- FORMAT OF THE LETTER OF COMMITMENT

(The Letter of Commitment is to be submitted by the Bidding Company)

Date :

Place :

To

The Managing Director

Kerala SIDCO Ltd, Housing Board Building,
Santhi Nagar, Thiruvananthapuram – 695 001.
Ph. +91 471-2330613, 2330614, Fax. +91 471-2330904
Email-sidcoitntc2007@gmail.com,
Web Site. www.keralasidco.com.

Sir,

SUB: - APPLICATION FOR CONSTRUCTION OF THE COMMERCIAL COMPLEX AT KADAVANTHARA, NEAR GCDA COMPLEX, ERNAKULAM ON B.O.T BASIS-REG.

This has reference to the Bid being submitted by_____ in respect of Selection of developer for development of CONSTRUCTION OF THE COMMERCIAL COMPLEX AT KADAVANTHARA, NEAR GCDA COMPLEX, ERNAKULAM in response to the Request for Proposal (RFP) issued by Kerala SIDCO Ltd. Dated 02/03/09.

We here by confirm the following:

We_____ (name of the Bidding Company/ had examined in detail and have understood and satisfied ourselves regarding the contents mainly in respect of the following:

The Request for Proposal Document issued by SIDCO;

All subsequent communications between SIDCO and the Bidder, represented by _____ (name of the Bidding Company);

The RFP being submitted by _____ (name of the Bidding Company).

We have satisfied ourselves regarding our role as _____ (here give a brief description of the role) in the Project as specified in the RFP. If _____ (name of the Bidding Company) is awarded the Project we shall perform our role as outlined in the RFP to the best of our abilities.

The nature of our legal relationship with the Bidding Company specified in the RFP submissions, as per the requirements stated in the RFP Document.

We undertake to support _____ (name of the Bidding Company) in respect of the roles _____ (briefly define the roles of the Bidding Company) as detailed in the RFP being submitted by _____ (name of the Bidding company).

We therefore request SIDCO to consider our strengths, our experience, and our track record for the purposes of understanding of our capability and commitment towards SIDCO

For and on behalf of:

Signature:
(Authorized Representative and Signatory)

Name of the Person:

Designation:

Seal:

COVER - 1**EXHIBIT - 4 - GENERAL INFORMATION****1. General information**

- a) Name of Bidder
- b) Bidder's Constitution (Proprietorship/ Partnership/ Pvt Ltd/ Public Ltd)
- c) Country of incorporation
- d) Address of the corporate headquarters and its branch office (s), if any, in India
- e) Date of incorporation and /or commencement of business.

Note: Certified true copy of Certificates for Date of Incorporation, Commencement of Business shall be submitted. In case of partnership Firm, Certified True copy of the Registration Certificate shall be submitted

2. Brief description of the Bidder including details of its main lines of business**3. Details of individual (s) who will serve as the point of contact / communication for GOK/SIDCO within the Company:**

- a) Name
- b) Designation:
- c) Company:
- d) Address:
- e) Telephone Number:
- f) E-Mail Address:
- g) Fax Number:

4. Name, Designation, Address and Phone Numbers of Authorized Signatory of the Bidder:

- a) Name:
- b) Designation:
- c) Address:
- d) Phone No:
- e) Fax No:

(Signature of Authorized Signatory)

Seal:

COVER - 1**EXHIBIT-5: TECHNICAL EXPERIENCE OF BIDDER HAVING MINIMUM TECHNICAL QUALIFICATION-I**

(Developed and /or Constructed only under sec 7.3.2. (A)

Name of the Bidder-

Experience details for minimum technical qualification for the last 3 Years

Sl No:	Description Of Projects/ Constructed By the Bidder	Project			Source of Funds	Date of Completion		Authority of the project to whom the work has been carried out with address, Tel.No's	Remarks
		Location	Sq.ft	Project Cost (Rs. Crores)		Original as per contract	Actual		
									Year - 1
									Year - 2
									Year -3

Note:

- 1) The experience of similar projects under development or at proposal stage shall not be considered for minimum technical qualification. Only completed Projects will be considered.
- 2) Client reference, certificates and documentary evidence should be enclosed in support of the above.
- 3) In case of contract works, the billing amounts shall be shown in the client certificate.

COVER - 1**EXHIBIT 6: TECHNICAL EXPERIENCE OF MEMBER HAVING MINIMUM TECHNICAL QUALIFICATION-II**

(Setting up and Operation Experience under sec 7.3.2. (A))

Name of the Bidder -

Experience details for minimum technical qualification for the last 2 years

Sl No:	Description Of Projects/ Constructed By the Bidder	Project			Source of Funds	Date of Completion		Authority of the project to whom the work has been carried out with address, Tel.No	Remarks
		Location	Sq.ft	Project Cost (Rs. Crores)		Original as per contract	Actual		
									Year - 1
									Year - 2
									Year - 3
Aggregate Turn Over for 3 years									
Average Turn Over									

Note: 1.Appropriate proof of Experience has to be submitted

2. Audited Annual Accounts for three years to be submitted to support Turn Over details.

COVER - 1**EXHIBIT 7: TECHNICAL COLLABORATION**

Technical collaboration agreement with one of the reputed organizations who has experience in setting-up and/or operating similar Projects in the last 5 years

1. Technical Collaborator Details

- a. Name of the Technical Collaborator
- b. Constitution (Proprietorship/ Partnership/Pvt Ltd/Public Ltd)
- c. Country of incorporation
- d. Address of the corporate headquarters and its branch office(s), if any, in India
- e. Date of incorporation and/or commencement of business.

Note: Certified true copy of Certificates for Date of Incorporation, commencement of Business shall be submitted. In case of partnership Firm, Certified True copy of the Registration Certificate and Partnership deed shall be submitted.

2. Brief description of the Technical Collaborator including details of its main lines of Business. Also provide details of its Projects to be considered for qualification Purpose.

3. Details of individual (s) who will serve as the point of contact/ communication for GOK/SIDCO within the Company:

- a. Name:
- b. Designation:
- c. Company:
- d. Address:
- e. Telephone Number:

f. E-Mail Address:

g. Fax Number:

4. Enclose Memorandum of Understanding entered between the bidder and the Technical Collaborator.

5. Experience details for the last 5 years in setting up and/or operating similar Project and similar Experience details for minimum technical qualification for the last 5 years

Sl No:	Description Of Projects/ Constructed By the Bidder	Project			Source of Funds	Date of Completion		Authority of the project to whom the work has been carried out with address, Tel.No	Remarks
		Location	Sq.ft	Project Cost (Rs. Crores)		Original as per contract	Actual		
									Year - 1
									Year - 2
									Year - 3
									Year - 4
									Year - 5
Aggregate Turn Over for 5 years									
Average Turn Over									

Signature of Authorized Signatory

Note:

1. Appropriate proof of Experience has to be submitted
2. Audited Annual Accounts for three years to be submitted to support Turnover details.

COVER - 1**EXHIBIT 8: FINANCIAL DETAILS OF THE MEMBER SPECIFIED FOR
MINIMUM FINANCIAL QUALIFICATION**

(Under section 7.3.2(B) (i) and (ii))

A. Statement of Net-Worth and Cash Accruals based upon the Audited Annual Accounts during the last 3 years.

Sl.No	Name of the Bidder	Bidder Type	Net worth year (Rs. Crores)	Cash Accruals (Rs Crores)		
				Year	Year	Year

3. Financial details of the Bidder.

Name of Member:

(Rupees Crores)

Sl No:	Particulars as per the Audited Balance Sheet	Year--	Year--	Year--	TOTAL
1	Profit After Tax (PAT)				
2	Depreciation				
3	Other non-cash expenditure				
4	Subscribed and Paid up Equity				
5	Reserves				

6	Revaluation reserves				
7	Miscellaneous expenditure not written off				
8	Deferred Revenue Expenditure				
9	Deficit in Profit & Loss Account				
10	Net Cash Accruals = (1+2+3)				
11	Net Worth = (4+5)-(6+7+8+9)				

Signature of Authorized Signatory

Note:

a. Attach Audited Annual Accounts for the past 3 years (Chartered Accountant certified statements will be considered in place of Audited Annual Accounts if the statutory audit is not completed) should be submitted.

b. The financial details of the bidder's parent company or its subsidiary or any associate company will not be considered for minimum financial qualification unless included for minimum financial qualification, as per the terms and conditions for Bidders specified in this document.

c. Tax clearance certificate/details

COVER - 1

EXHIBIT 9: BOARD RESOLUTION FORMAT

The Board resolution shall cover

- 1) The authorization of the power of attorney,
- 2) Setting up of a Special Purpose Vehicle – SPV
- 3) Equity shareholding pattern.

COVER - 1

**EXHIBIT 10: FORMAT FOR POWER OF ATTORNEY FOR SIGNING
PROPOSAL**

(On a Stamp Paper of relevant value and duly attested by notary public)

POWER OF ATTORNEY

Know all men by these presents, we _____ (name and address of the registered office) do hereby constitute, appoint and authorize Mr. /Ms.

_____ (name and address of residence) who is presently employed with us and holding the position of _____ as our attorney, to do in our name and on our behalf, all such acts, deeds and things necessary in connection with or incidental to our proposal for construction of the commercial complex at Kadavanthara, Near GCDA Complex, Ernakulam on Build, Operate and Transfer (BOT) basis in the state of Kerala, including signing and submission of all documents and providing information/ responses to SIDCO in all matters before SIDCO, and generally dealing with GOK/SIDCO in all matters in connection with our proposal for the said Project .

We hereby agree to ratify all such acts, deeds and things lawfully done by our said attorney pursuant to this Power of Attorney and that all such acts, deeds and things lawfully done by our aforesaid attorney shall always be deemed to have been done by us.

Executant's Signature

(Name, Title and Address)

I Accept

Attorney Signature

(Name, Title and Address of the Attorney)

Notes:

1. To be executed by the sole Bidder.
2. The mode of execution of the Power of Attorney should be in accordance with the procedure, if any, laid down by the applicable law and the charter documents of the executants and when it is so, required the same should be under common seal affixed in accordance with the required procedure.
3. Also, where required, the executants should submit for verification the extract of the charter documents and documents such as a resolution/ power of attorney in favour of the Person executing this Power of Attorney for the delegation of power hereunder on behalf of the Bidder.
4. In case the Proposal is signed by an authorized Director of the Bidder, a certified copy of the appropriate resolution/ document conveying such authority may be enclosed in lieu of the Power of Attorney.

COVER - 1

EXHIBIT 11: AFFIDAVIT

I..... S/o aged..... Residing
at..... do hereby solemnly affirm and state as follows

1. That I am the bidder and authorized signatory conversant with the facts, terms and conditions and circumstances with respect to the submission of bid and I am competent to swear this affidavit
2. That it is hereby authorized and requested with respect to any person ,firms, company, corporation or whomsoever to furnish pertinent information deemed necessary and required by SIDCO to verify my submission and statements regarding my competence and general reputation.
3. That it is hereby agreed that SIDCO shall have the sole discretion draw inferences from the above referred information
4. That I shall agree to furnish any further information if required by SIDCO

All what is stated above are true and correct.

Dated this.....day of.....

Deponent

(To be furnished by the sole bidder on Rs.100- non-Judicial Stamp Paper and notarized)

COVER - 1

EXHIBIT 12: ANTI-COLLUSION CERTIFICATE

Date:

To

The Managing Director

Kerala SIDCO Ltd, Housing Board Building,
Santhi Nagar, Thiruvananthapuram - 695 001.
Ph. +91 471-2330613, 2330614, Fax. +91 471-2330904
Email-sidcoitntc2007@gmail.com,
Web Site. www.keralasidco.com

Sir,

Sub:-APPLICATION FOR CONSTRUCTION OF A COMMERCIAL COMPLEX
AT KADAVANTRA, NEAR GCDA COMPLEX AT ERNAKULAM DISTRICT
ON B.O.T BASIS - reg

We hereby certify and confirm that in the preparation and submission of this Bid,
we have not acted in concert or in collusion with any other Bidder or other
person(s) and also not done any act, deed or thing which is or could be regarded
as anti- competitive, restrictive or monopolistic trade practice.

We further confirm that we have not offered nor will offer any illegal
gratification in cash or kind to any person or agency in connection with the
instant Bid.

Dated this _____ Day of _____, 2009

Name of the Bidder

Signature of the Authorized Person

Name of the Authorized Person

Note:

(To be furnished by the sole bidder on their letter heads)

COVER - 1

EXHIBIT 13: PROFORMA OF BANK GUARANTEE FOR BID SECURITY

(To be executed on appropriate value of Non-Judicial Stamp Paper as per Stamp Act prevailing in the State of Kerala)

WHEREAS, _____ (name of the Bidder) wishes to submit his Request for Proposal for the Selection of an Investor to develop, finance, build, operate & maintain the Construction of a commercial complex, at Kadavanthara, near GCD A Complex , Ernakulam hereinafter called "the Bid",

And WHEREAS, in terms of the Request for Proposal Document, the bidder is required to furnish to Kerala Small Industries Development Corporation Ltd (SIDCO), a Bank Guarantee for a sum of Rs 2 Crores (Rupees Two Crores only) towards Bid Security for the Bidder's Proposal aforesaid.

KNOW ALL MEN by these presents that we _____
(name of bank) of _____
(country) having our registered office _____ at

_____ (hereinafter called "the bank") are bound to Kerala SIDCO, (hereinafter referred to as "SIDCO") for the sum of Rs. 2 Crores (Rupees Two Crores only) which payment can truly be made to SIDCO. The Bank binds themselves, their successors and assigns by these presents. This Bank Guarantee is irrevocable and issue of any prior notice by SIDCO for invoking it is hereby waived.

Sealed with the Common Seal of the Bank this _____ day of _____ 2009

THE CONDITIONS of this obligation are:

(a) If the Bidder withdraws his Bid at any time during the stipulated period of Bid Validity being 9 months or such period of validity as may be extended by SIDCO:

(b) If the Bidder, for the period of the Bid Validity, in SIDCO's opinion, commits a material breach of any of the terms and /or conditions contained in the RFP Document and / or subsequent communication from SIDCO in this regard and / or fails or refuses to execute the Letter of Award, and/or fails or refuses to furnish the Performance Guarantee within the time as specified on the Letter of Award awarding the Project to it:

The Guarantee will remain in force up to and including the date of expiry of the period of Bid Validity or as extended by SIDCO at any time, notice of which extension to the Bank being hereby waived.

Provided however, that in the event that Bidder is selected for award of the Project through the issue of the Letter of Award, the Bid Security shall remain in force until the creation of the Performance Guarantee by such Bidder

OR

In the event this Bidder is not selected for award of the Project, the Bid Security shall remain in force up to and including a period of 40 days after the announcement of award of the Project to the Successful Bidder and the issue of the Letter of Award awarding the same. (provided, however, that in the event that the Bidder is Non Responsive, then the Bid Security of such Bidder can cease to be in force upon return of the unopened Cover 3 of his Bid).

Any demand in respect to this Guarantee should reach the Bank not later than the date of expiry (as defined above) of this Guarantee.

SIGNATURE OF AUTHORISED

REPRESENTATIVE OF THE BANK _____

NAME AND DESIGNATION _____

SEAL OF THE BANK -----

TEL. NO.

FAX NO.

EMAIL-

COVER - 1**EXHIBIT - 14 : ADDITIONAL INFORMATION****(To be specified for single bidder on their letterheads)**

Please describe: Brief history of litigation or arbitrations completed in the last three years or currently under execution. Please indicate for each case, the year, cause of litigation, matter in dispute, disputed amount, and whether the award was against the company.

Please indicate: If the bidder or any of its constituent partners has been debarred / expelled by any Agency during the last five years. Details of each of the cases with reasons should be furnished.

Please indicate: If the bidder or any of its constituted partners has been declared / expelled by any Agency during the last five years. Details regarding present status should be furnished.

For and on behalf of :

Signature

(Authorized Representative)

Name of the Person:

Designation :

SEAL OF THE BIDDING ENTITY

COVER – 2**EXHIBIT – 15 : TECHNO – BUSINESS PROPOSAL: FORMAT FOR
INFORMATION SUBMISSION**

The Techno – Business Proposal shall be in the form of an Information Memorandum containing.

1. TECHNICAL INFORMATION**1. Brief details of project concept****2. Project Layout Plan.**

- ◆ General Layout plan for the entire area.
- ◆ Site Utilization Plan for the entire area along with the proposed area for each project component.

3. Conceptual Architectural & Design Plan

- ◆ Facilities and utilities proposed
- ◆ Capacity of each of the key facilities.
- ◆ Design features, specifications and drawings including capacity details.
- ◆ Architectural elevation.

4. Technology Features / Equipment Required

- ◆ Comprehensive Technology Features with upgradeability options or flexibility.
- ◆ Electrical and Mechanical System.
- ◆ Safety Measures and Fire Alarm Systems.
- ◆ Communication Systems.

5. Proposed Management and Technical Team

- ◆ Management Team during construction and operations
- ◆ People consisting of the Management Team
- ◆ Capability and management expertise
- ◆ Technical Team during construction and operations
- ◆ Details of Architects, Engineers, Consultants
- ◆ Equipment and machinery supplier
- ◆ Other personnel involved

The details of the management and technical people should be given in the following format.

Serial No.	Name	Designation	Qualification	Professional Experience and track record
<u>During Construction</u> Management Technical <u>During Operation</u> Management Technical				

An organization chart should be provided giving details of the management team as well as the technical team. The chart should contain the details till the operational level.

6. Project Completion Schedule

The Bidder shall provide a Project completion schedule with respect to their proposed project in the Format shown below.

Period after Date of Commencement	Percentage of Work to be completed (in cost terms)
Within 1 Years	50%
Within 2 Years	100%

7. Marketing Plan

- ◆ Market and Viability Assessment Study
- ◆ Marketing Plan and Strategy.
- ◆ Operations and Management Plan
- ◆ Plan for Operation and Maintenance, to ensure optimum performance levels & maintenance of equipment and facilities at an economic level at all times.
- ◆ Personnel proposed to be deployed for efficient operation.
- ◆ Major features of the O&M agreement (if O&M arrangements proposed to be entered with some other agency.)

8. Environment Management Plan including

- ◆ Proposed plan for sewage disposal.
- ◆ All environment compliances for the purposes of clearance.

2. TECHNO - BUSINESS PROPOSAL

- I. Statement of assumptions for arriving at the capital & operational costs.
- II. Details of the Project Cost.

The cost of the project will be detailed in the following format:

Details of Project Cost	Rs. In Lakhs
Land & Site Development	
Construction and Other Civil Works	
Equipments and Technology	
Miscellaneous Fixed Assets	
Pre-Operative expenses	
Contingency	
Margin Money for Working Capital	
Interest During Construction	
TOTAL	

Besides the above, cost estimates of key facilities at the project site to be provided.

III. Details of Means of Finance

The proposed capital structure Project Company (SPV) will be given in the following format:

Item	Amount
Equity (INR)	
Debt (INR)	

Details regarding proposed Equity will be given in the following format:

Name of the Equity Investor	% Holding
SIDCO	26%
Bidder	74%
Total	100%

Details regarding proposed Debt will be given in the following format:

Source of Debt	Tenure	Currency

- IV. Demand Estimation and Area Utilization Assumption
 V. Assumptions underlying Profitability Projections of the SPV.
 VI. Projected Profitability Statements

The projected profitability statement of the SPV will be given for 15 years of operation in the following format

Operating Statement	Years 1 to 15														
	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
Proposed Capacity (%)															
Capacity Utilization Income															
- Income from operation															
- Miscellaneous Income															
Total Sales															
Expenditure															
-Payment of License Fees															
- Operations and Maintenance															
- other Administrative Expenses															
- Other Cost if any including (ADP)															
Cost of Revenue															
- marketing Cost															
Total Cost															
Profit before Depreciation & Interest (PBDIT)															

- Depreciation (If applicable)															
- Interest															
Net Operating Profit															
- Preliminary Expenses															
Profit/Loss before tax															
Less Provision for Tax															
Net Profit/Loss															

Financial Indicators (SPV)

Internal Rate of Return	Years 1 to 15														
	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
1.Total Project Cost/Capital Expenditure															
2. Profit after Tax															
3. Depreciation															
4. Interest															
5. Preliminary Expenses Written off															
6. Net Cash Flow (1 to 5)															
Internal Rate of Return															

Debt Service Coverage Ratio (DSCR).

The Format for giving the Debt Service Coverage Ratio (DSCR) is given below.

Debt Service Coverage Ratio (DSCR).	Year 1 to end of Term of Debt
1. Profit after tax	
2. Depreciation	
3. Interest	
4. Expenses Written off	
5. Total (1+2+3+4)	
6. Interest	
7. Loan Repayment	
8. Total (6+7)	
9. DSCR	
10 Average DSCR	

VIII Presentation of proposal

A presentation on the Techno – Business Proposal may be called for and bidder may also be required to give such clarification and additional information on the capabilities, concept plan and Techno – Business Proposal as may be required.

For and on behalf of :

Signature

(Authorized Representative and Signatory of the Bidding Company)

Name of the Person:

Designation :

SEAL OF THE BIDDING ENTITY

COVER - 3

EXHIBIT - 16 : FORMAT FOR FINANCIAL OFFER

The Financial Offer should be provided in the following format

To

Date:

The Managing Director

Kerala SIDCO Ltd, Housing Board Building,

Santhi Nagar, Thiruvananthapuram - 695 001.

Ph. +91 471-2330613, 2330614, Fax. +91 471-2330904

Email- sidcoitntc2007@gmail.com

Website www.keralasidco.com

Sir,

Sub: Selection of bidder to develop, design, finance, build, operate & maintain the Kadavanthara B.O.T city project at Ernakulam, Kerala -reg.

I/We offer to Develop, Operate & Manage the above mentioned project at a project cost of Rs.....(in words) and on the stipulated terms and conditions and other particulars therein and I / We hereby submit our unconditional financial offer as follows:

We have arrived at Rs.(Rupees) as value of the for associating with Kerala SIDCO Ltd for setting up of Multistoried commercial complex at Kadavanthara Ernakulam District, Kerala . The amount over and above the minimum value fixed 19 Crores is Rs. (Rupees) The amount payable as **upfront payment** by us to Kerala SIDCO Ltd is as quoted in enclosure herewith.

This proposal and all other details furnished by us shall constitute a part of our offer. We understand that you are not bound to accept the highest or any bid you receive.

We agree that our offer shall remain valid for a period of 6 months from the last date prescribed for submission of proposal. We confirm that our Financial Offer is unconditional. We agree to bind by this offer if we are the Successful bidder.

For and on behalf of :

Signature

(Authorized Representative and Signatory of the Bidding Company)

Name of the Person:

Designation :

SEAL OF THE BIDDING ENTITY

**ENCLOSURE TO EXHIBIT 16- FORM OF FINANCIAL OFFER – FOR THE
CONSTRUCTION OF COMMERCIAL COMPLEX, NEAR GCDA COMPLEX,
ERNAKULAM, KERALA**

The minimum upfront amount payable by us to SIDCO is as quoted in the Column 2 of the table shown below.

Project description	Minimum upfront payment amount fixed Rs (Crores)	Amount offered by the Bidder Rs (Crores) (Quote in Figures)	Amount offered by the Bidder Rs (Crores) (Quote in Words)
1	2	3	4
Project, Construction of Commercial complex at Kadavanthara by formation of SPV-PC as set in the RFP document.	19.00		

*(Note: The amount offered in column 3 shall be higher than the minimum amount of **Rs 19.00 crores**)

For and on behalf of:

Signature

(Authorized Representative and Signatory of the Bidding Company)

Name of the Person:

Designation:

SEAL OF THE BIDDING ENTITY

EXHIBIT - 17 : FORMAT FOR PERFORMANCE GUARANTEE
--

(To be executed on appropriate value of Non-Judicial Stamp Paper as per Stamp Act prevailing in the State of Kerala and to be furnished from nationalized/scheduled commercial banks)

Place:.....

Guarantee No.....Date :.....

(On Kerala Government Stamp paper of relevant value)

To

The Managing Director

Kerala SIDCO Ltd, Housing Board Building,
 Santhi Nagar, Thiruvananthapuram – 695 001 Kerala State, India
 Ph: +91 471-2330613, 2330614, Fax. +91 471-2330904
 Email: sidcoitntc2007@gmail.com
 Web Site: www.keralasidco.com

WHEREAS

The Managing Director, Kerala SIDCO Ltd, 6th Floor, Housing Board Building, Santhi Nagar, Thiruvananthapuram (hereinafter referred to as the SIDCO) and

(hereinafter referred to as the bidder) have come to an agreement regarding the setting up of Multi storied Commercial Complex at Kadavanthara at Elamkulam village, Ernakulam as specified in the RFP.

AND WHEREAS

As per the terms of the MoU to be executed the bidder may furnish a Bank Guarantee in a given form in lieu of Performance Security for an amount of Rs _____ (Rupees in words _____)

NOW THEREFORE THESE WITNESSETH

We,

.....a
Bank incorporated under Act, and having its
Registered Office at(hereinafter
referred to as the 'Bank') in consideration of Bidder having agreed to pay to the
Kerala SIDCO Limited, a sum of
.....being the amount of
performance Guarantee for setting up of project, Construction of commercial
complex at Kadavanthara. That we will in the event of the bidder failing to honor
any of the conditions stipulated in the agreement or in the event of the bidder not
completing the work as per specifications and drawings or in event of the Bidder
committing breach of the agreements or any provisions thereof or in the event of
the Bidder failing to renew this guarantee at any time during the period of
construction and settlement of account including the period covered by its
extension, pay to the Kerala SIDCO Limited without any demur on a mere
demand by the Managing Director, Kerala SIDCO Limited, the sum or sums,
which in the opinion of the Managing Director, Kerala SIDCO Limited, the
Bidder is liable to pay to the SIDCO. Any such demand made on the Bank shall
be conclusive as regards the amounts due and payable by the Bank under this
guarantee. However, our liability under this guarantee shall be restricted to an
amount not exceeding Rs.....together with interest at
20% per annum accrued thereon from the date of demand by the Kerala SIDCO
Limited. The Bank understands that the onus of extending the validity of the
Bank Guarantee in time till the accounts in respect of the contract are finally
settled with the Bidder

That in case the validity of the Bank guarantee is not extended by the Bidder in
time and in case the Kerala SIDCO Limited has not requested the Bank to release
the Bank Guarantee to the Bidder before the expiry date specified or extension
thereof, the Bank hereby agrees to pay full amount as per this guarantee together
with the interest as on date to the Kerala SIDCO Limited, immediately on expiry
of validity period, excluding grace period, the demand for which is here by
waived.

That irrespective of the provisions herein the bank understands that the SIDCO
has the right to claim the full amount with interest at 20% per annum from the
date of demand by the SIDCO without assigning any reason whatsoever to the
Bank and the Bank hereby agrees that such demand made on the Bank shall be
conclusive as regards the amount due and payable by the Bank under this
guarantee. When such demands are made, the Bank agrees to make the payment
without any demur.

That as to whether the occasion has arisen for the demand of the amount covered by the Bank Guarantee, the decision of the Managing Director, Kerala SIDCO Ltd, shall be final and shall be accepted by the Bank without any reference to the Bidder.

That the guarantee contained shall remain in full force and effect during the period that would be taken for the performance of the agreements and final settlement of account.

That this guarantee shall continue to be enforceable till all the dues under the terms of the agreements have been fully paid or till Managing Director, Kerala SIDCO Ltd certifies that the terms and conditions of the said agreements have been fully and properly carried out by the Bidder and thereby discharge the guarantee.

That the Bank Guarantee shall be enforceable against the bank as a first charge and is not available to be appropriated by the Bank towards claims, if any, due to the Bidder.

That to give effect to the Guarantee the Managing Director, Kerala SIDCO Ltd shall be at liberty to act as though the Bank were the principal debtors.

That the Guarantee shall not be avoided, released or affected by any variation in the terms of the said agreement, any indulgence shown by the Managing Director, Kerala SIDCO Ltd towards the Bidder, notice of which has been hereby waived.

That this Guarantee shall remain in full force and effect notwithstanding any neglect or forbearance or delay in the enforcement of any of the terms of the agreement.

And the Bank shall not revoke the guarantee during its currency except with the previous consent in writing of the Managing Director, Kerala SIDCO Ltd

That this guarantee shall be in full for a period of five years from.....and it will hold good for all demands made by Managing Director, Kerala SIDCO Ltd, in the meanwhile (i.e. validity period is up to.....)

Notwithstanding any thing contained herein

(1) Our liability under this guarantee shall not exceed Rs.....(Rupees only) together with interest at the rate of 20% per annum from the date of demand.

(2) This Bank guarantee shall be valid up to

(3) We are liable to pay the guaranteed amount or any part thereof under this guarantee only and only if you serve upon us a written claim or demand on or before (date of expiry of guarantee)

In witness where of we
the manager of the Bank (here enter full address of Bank) -----who
is duly authorized in this behalf as per the rules of the Bank hereby set my hand
and to this on this.....day of.....
200... and.....at.....

THE MANAGER
(Seal of the Bank)

In the presence of Witnesses.

Name, Address and Signature

(1)

(2)

Annexure-II

MEMORANDUM OF UNDERSTANDING

THIS MEMORANDUM OF UNDERSTANDING (MOU) is made on this theday of at Thiruvananthapuram BETWEEN M/S Kerala Small Industries Development Corporation Ltd (Kerala SIDCO Ltd) having its registered office at 6th floor, Housing board buildings, Santhi Nagar, Thiruvananthapuram - 695001, Kerala, India, represented by its Managing Director,aged....., S/o hereinafter called the First party on the one part AND M/S(successful bidder) represented by on the other part (hereinafter called the second party)

WHEREAS The first party has issued a Request for Proposal (RFP) for the selection a successful bidder in order to participate in its project for development, design, construction, build, operate, management and setting up of Multistoried Commercial Complex at **Elamkulam Village, Kadavanthara, Ernakulam, Kerala** State, India, on **Build, Operate and Transfer basis (B.O.T)** by forming Special purpose Vehicle Project Company (SPV-PC) under prefixed terms, conditions and mode of business as per the RFP document.

AND WHEREAS

The 2nd party has submitted their proposal in this regard and whereas that proposal stands approved by the SIDCO after applying the evaluation as per the RFP and in pursuance of the negotiations between the parties

AND WHEREAS

A decision to effectuate the contract has been issued to the bidder through a letter of Intent (LOI) which has been communicated to the second party.

AND WHEREAS

The parties do confirm with consensus to covenant themselves as to the terms and conditions in the following Memorandum of Understanding for the successful implementation of the proposed project.

AND WHEREAS

The Second Party has executed the irrevocable unconditional Performance guarantee of 2.5% of project cost from any nationalized or scheduled commercial bank within 15 days of issue of letter of Intent by first party as prescribed in the RFP Document

AND WHEREAS

Bidder has effected pay the upfront payment as per bid submitted within 30 days from the date of issue of Letter of indent by First party on the date of execution of this MOU

NOW THE PARTIES HEREBY AGREE AS FOLLOWS

1. That the parties shall form a special purpose vehicle -Project Company (SPV- PC) as envisaged in the RFP document within 30days from the execution of this MOU which would be a private limited company having its registered office at Ernakulam, Kerala State, India meant for the successful implementation of the project.
2. That the management, administration and overall functioning of the Project Company (SPV- PC) registered as above shall be governed by the articles of association constituted and approved between herein in conformity with the RFP document.
3. The share holding / equity participation in the SPV- PC shall be equal to **26%** by the first party and **74%** by the second party. The said share capital ratio shall be maintained without change through out the period of the project and ensured in such a manner that, the voting power representing the 26% share holding of First party is kept in tact.
4. It is agreed that The Managing Director of the First party shall be the Chairman of the SPV-PC and the nominee of the Successful Bidder will be the MD/CEO of the SPV-PC. The number of Directors representing the participants in the Project Company shall be in proportion to the shareholding and fractions being rounded to the next number. It is agreed that clause in this respect shall be included in the Articles of Association of the SPV-PC
5. The initial paid up capital is Rs. 50 lakhs and 26% of this amount shall be contributed by First party in cash.

6. First party shall be required to make further contribution towards equity participation in the SPV Project Company the same methodology as mentioned shall be followed. It is further agreed that a suitable clause in this respect shall be included in the Articles of Association of the Project Company.
7. It is agreed by both the parties that the upfront payment to first party is for providing the bidder an opportunity to jointly participate in the project with 74% share in the SPV-PC enabling to do business with high degree of commercial freedom for **35 years** including 2 years of construction period and the bidder shall not be eligible for refund of this amount under any circumstances.
8. The Bidder shall submit three (3) draft copies of Detailed Project Report (DPR) along with the layouts, design and elevation plans for the Project within a period of 45 days from the date of the LoI and which will be approved by first party within 30 days.
9. The first party, the bidder and the project company shall jointly execute a Build Operate and Transfer (B.O.T) Concessionaire agreement enabling the successful implementation of the project within 60 days from the date of receipt of the Letter of intent to bidder by the first party. The DPR as approved by the First party shall be an integral part of the Agreement.
10. The B.O.T Concessionaire agreement shall be in consonance with the contents of the RFP and the principles of the agreement. It is agreed that the Construction of the Project commence 30 days after the execution of the B.O.T Agreement
11. The first party would execute an agreement with the SPV- PC for lease of the land on the same day on execution of the above said B.O.T concessionaire agreement as described in the RFP document.
12. A built up area, not less than 1395 sq.m along with proportionate parking space shall be assigned to the First party free of consideration and First party shall have the full liberty either to use it for its own purpose or to let out for generating revenue
13. The Bidder is responsible for:
 - a. The implementation of the project as per the bidder's RFP submissions and as per the Detailed Project Report (DPR) approved by First party and as per good Industry practices.

- b. For Project designing and land utilization with 52045 sq.m to maximum 81826 sq.m built up area will be at the discretion of the bidder but based on the approved standards only and on payment of required fees.
 - c. The construction of the building to be carried out as per Central public Work Department standards
 - d. For the development of the entire concept including the landscaping etc. as set forth in the designs as part of the DPR approved by First party
 - e. The maintenance of the project, including the hygiene standards, cleanliness, and effluent treatment, proper disposal of sewage and solid waste during the entire period of the B.O.T. as per good Industry practices
 - f. The upkeep of safety and quality standards of all facilities of the project during the entire period of the B.O.T. as per good Industry Practices.
 - g. The payment of all amounts as per Memorandum of Understanding, B.O.T Concessionaire agreement and Lease agreement to First party.
14. The Bidder shall at all times during the currency of the Agreement undertake to conform to and comply with the following.
- a. Project Concept Design and Layout as approved by First party
 - b. Environmental Standards, effluent treatment and pollution Control norms as laid down by Central/State Pollution Control Board
 - c. Standards/Restrictions as laid down by the relevant Central/State/Local Authority (i.e.) Corporation of cochin, Ernakulam , Chief Town planner, Village authorities etc
 - d. Energy efficient techniques should be utilized in the building design and operation.

- e. Rainwater management systems should be adopted to recharge ground water and reduce run-off.
 - f. Existing local development controls, if any, will be binding if they are more limiting than the Project Specifications
15. The bidder shall carryout all the necessary works and shall execute all acts, deeds and things essential for the successful completion of the proposed project, Construction of commercial complex at Kadavanthara as envisaged in the RFP within the pre fixed time schedule.
16. The first party shall have the right to ensure that the facilities provided for the project including the land shall not be used for any purpose other than envisaged in the RFP document
17. The first party shall impart general supervision and coordination of the envisaged project implementation and shall ensure subsistence of proper environment for the project.
18. It is agreed that Operations period performance security equal to **Rs. 2 Crores** is subject to escalation linked to WPI once in three years will be executed by the Project Company
19. The bidder shall impart all their acumen in the field of financial strategies and shall be capable and responsible enough to perform independently shouldering financial liabilities and efficiently attaining best results throughout the project.
20. It is agreed that all expenses incurred by the First party towards professional consultancy charges; expenses for incorporation of the company and other incidental expenses related to the Project shall be met by the First party and shall be reimbursed by the Project Company.
21. It is specifically understood by both parties that this agreement shall be construed as a pre incorporation contract of the project company and accordingly binding on the project company.
22. It is specifically understood by both parties that the bid documents and the terms and condition specified therein shall be treated as forming part of this agreement.

IN WITNESS WHEREOF the parties hereto have executed this lease deed on the day, month and year above written.

First Party

Second Party

Witnesses

1

2

First Party

Second Party

Annexure-III

B.O.T Concessionaire Agreement

(On a Stamp Paper of relevant value and duly attested by notary public)
(Tripartite Agreement)

This agreement is entered on at Thiruvananthapuram between Kerala SIDCO Ltd, a Government of Kerala Undertaking having its registered office at, Housing Board Building, Santhi Nagar, Trivandrum, represented by its Managing Director Sri.herein after called first party and M/s the Second party and Special Purpose Company M/s as third party.

Whereas the First party has issued a request for proposal inviting interested Bidders to develop, design finance, build maintain, operate and transfer Project, the Construction of a commercial complex at Kadavanthara at Ernakulam District, Kerala, India.

And whereas the second party has submitted their bid expressing their readiness and willingness to abide by the terms and conditions of the Request for Proposal.

And whereas the second party has been qualified and selected as successful Bidder satisfying all the requirements under the RFP document by the First party and as per the approval of the Government of Kerala.

And whereas the First party and the Second party have mutually entered in to a memorandum of understanding onDay onMonth at Thiruvananthapuram and whereby the mutually agreed upfront payment of Rs.Crores has been paid by the second party to the First party.

And where as in pursuance of the above and Project Company (Special Purpose vehicle) has been registered for the implementation of the Project under the Indian Companies Act 1956.

And where as the First party and the Third party has executed a lease deed on.....Day onMonth at Thiruvananthapuram, whereby 5.13 acres of land earmarked for the Projects transferred to the Third party.

Now the parties hereby agree between themselves as follows.

1. The parties shall ensure that the Project is executed as per the time schedule prescribed in the pre-contractual documents including the RFP and principles of agreement. The setting up of the Project, Construction of commercial complex at Kadavanthara in accordance with the design and DPR already proposed and approved shall be completed by the Third party within a period of 2 Years. It is further agreed between the parties that 50% of the construction works shall be completed at the end of 1st year from the zero date and 100% of the construction works shall be completed at the end of 2nd year from the zero date
2. The second party shall prepare and submit a detailed Project Report (DPR) along with the layouts and elevation plans for the Project within a period of 45 days from the date of the Letter of Intent.
3. The Second party shall execute and submit performance guarantee with in 15 days from the date of issue of letter of Intent (LoI) as prescribed in the RFP Document after getting the approval from the Government of Kerala.
4. Since the Project implementation would be as per a pre-decided schedule, the agreement shall ensure that the Project is executed as per the implementation schedule. The time is the essence of the contract.
5. A critical role that would need to be fulfilled by the First party would be that of coordinator and facilitator in ensuring that an enabling environment is created to ensure the successful completion and execution of the envisaged Project.
6. The Third Party ensures that the quality standards created are in conformity with Central Public Works Department/ BIS standards and specifications.
7. It is further agreed between the parties that the completion of construction in accordance with the agreement would mean the completion of all construction works in accordance with the DPR and also the ancillary works

executed for the facilities and beautification of the building so erected and also the surroundings.

8. The Second Party would have high degree of commercial freedom to market the facility in any manner as they deems fit.
9. The Second and Third party shall ensure that the facility is not exploited for any use other than those specified by First Party and levels of the operational efficiencies are maintained. The First Party will have the right to ensure that the Second and Third party would effectively undertake the operations of the facility so that best quality and safety standards are maintained and environmental concerns are adequately addressed.
10. It shall be the responsibility of the Second and Third Party to comply with the laws of the land & local bodies during the construction and operation of the facility.
11. That the handing over the possession of the land for the Project will be the responsibility of the First Party. The land including the existing building, plant, other structures and machinery and trees will be made available to the Third Party on as is where basis for the construction of the Project facilities .
12. That the ownership of the land & facilities would remain with First Party, at all times.
13. The land shall be put to use by the Third Party based on the site utilization plan prepared by the second party and approved by the first party.
14. That the Second and the Third Party shall be responsible for obtaining all relevant clearances, permits and licenses from the central and state Govt. ministries/departments/agencies, local self government bodies and other statutory bodies including First Party etc. at their own cost .

That the First Party will extend reasonable assistance to enable speedy processing of all state level clearances. The Second and Third Party shall not claim any compensation from the party in respect of non receipt of relevant clearances, permits and licenses.

15. That the Third Party (PC-SPV) shall be responsible for implementation of the Project. The Project Company (SPV) shall complete the construction of the Project as per the detailed design and technical specifications given in the

DPR. Implementation period for construction is two years. 50% of the construction works shall be completed at the end of 1st year from the zero date and 100% of the construction works shall be completed at the end of 2nd year from the zero date. It should be fully operational from third year.

16. That the Project Company (SPV) shall ensure that the quality of all items used in the construction of the Projects are as required by CPW standards and specifications and are consistent with the requirements of the RFP as per the detailed specification approved by the First Party.
17. That in the event of any defaults in fulfilling the obligations under the bid documents, the second party shall be liable to pay the First party a penalty equal to 2.5% of the total Project cost. This in addition to the performance guarantee submitted by the Bidder.
18. That the project company shall estimate the capital expenditure (including normal capital expenditure), technology/other upgradation etc. to be incurred in a block of every 2 years and maintain a Sinking Fund in the books of account represented by equivalent value in the liquid investments on a yearly basis. The yearly appropriation to Sinking Fund shall be commensurate with the level of investment proposed to be incurred in the block of every 2 years.
19. That the third Party may subcontract the operations of various components of the Project, they will be responsible for the upkeep of the facility.
20. That the Project Company agrees that gross receipts received/ receivable by the Project shall be reflected in the books of accounts of the Project Company certified quarterly by a Chartered Accountant. Such financial statements shall also cover receivables from the sub contractors including franchisees etc. to whom the company may permit to run/manage/operate and maintain some or any of the project components from time to time.
21. The third party shall be solely responsible for mobilizing the resources for implementing the Project.
22. The First Party shall hand over the possession of land for the Project on as is where basis for construction of the Project facilities along with execution of the lease agreement with the third party.
23. The First Party shall provide all reasonable assistance to obtain necessary statutory clearances for the Project.

24. All expenses incurred by the First party towards professional consultancy charges; expenses for incorporation of the company and other incidental expenses related to the Project shall be met by the First party and shall be reimbursed by the Third party.
25. That during the BOT period Third Party shall be entirely responsible for the sub-contract of the operations of the facility with respect to the following.
- a) That Implementation of the Project as per specifications mentioned in the RFP and the approved DPR and quality standards.
 - b) Maintenance and upkeep of the Project as per good industry practice during the BOT period.
 - c) A built up area, not less than 1395 sq.m with proportionate parking space shall be assigned to First party.
 - d) Financing the Project and achieving financial closure within a stipulated time frame.
 - a) Adherence to the time schedules and milestones as specified in the Approved DPR.
 - b) The obligation to convey, or transfer to another entity, the right and title and interest vested in Successful bidder on specific request from the Project lenders arising out of breach of the terms of the agreement.
 - c) It is specifically understood that the bid documents and the terms and conditions specified therein shall be treated as forming part of this agreement and annexed accordingly.
 - d) The Second and Third Party at all times shall comply to all the relevant laws of the land.
 - e) The Third Party would have complete operational autonomy (within the frame work of relevant legislation & prevailing religious sentiments) in respect of the operation and maintenance of the project in accordance with the principles of good industry practice and internationally accepted standards of productivity, safety and technical sufficiency.
 - f) The onus of marketing the facility would lie on the Third Party and the Third Party can franchise the commercial premises to any user.
26. The Third Party would have complete freedom to offer value added services during the Project Period.
27. The third party shall execute Operations period performance security equal to **Rs. 2 Crores** subject to escalation linked to WPI once in three years.

28. The Third Party would have complete flexibility in structuring the sub-contract agreement and the First Party shall not be a party to the sub-contract agreements. However, a copy of such agreement shall be submitted to First Party for its record. All sub-contract agreements shall be coterminous and consistent with the BOT agreement with the First Party. The First Party shall not be liable for any costs or liabilities what so ever, in relation to such contracts as a result of the expiry or termination of the agreement.
29. The Third Party would have complete freedom in the recruitment of manpower and marketing of the facility and in evolving its own personnel policy, subject to all relevant laws of the land.
30. The Third Party shall ensure non- discriminatory access to all parties desirous of availing the services provided in the facility.
31. All statutory levies (Including property Taxes) payable in developing the Project will have to be borne by the Third Party.
32. In the event of Change of law affecting and leading to any of the material rights and obligations of the Third party and consequently leading to material breach of any of the provisions of B.O.T agreement by the Third party, the B.O.T agreement may be terminated subject to the provisions of the agreement. Therefore change in law under normal circumstances shall not be a ground for termination. In case of termination by Third party or the First Party, The First Party shall not be liable to pay any compensation.
- However prior to such request for termination the First and third parties shall consult in good faith for period of 180 days to mitigate the material adverse impact of the change in law. In case during this period, the commercial operation is halted, then BOT period shall be extended by such period.
- Change in law shall not include any change in tax laws.
33. All the risk associated with the construction of the facilities, like cost overrun and time and quality risks would be borne by the Third party.
34. The Third Party shall be responsible for the collection revenues generated from marketing the facilities.
35. The onus for financing for the project would vest entirely in the Third Party. The Second Party shall free to structure the financing and finalize the means and terms of finance for the Project. The Third Party would be responsible for servicing their debt obligations.

36. The Third Party shall ensure that all the facilities and or structure on the Project sites together with all other assets lying at the Project and used for implementation of the Project are fully insured and kept insured during the entire tenure of the agreement at its own cost and expense against all the risks of fire and extended cover there of for earth quakes, floods, cyclone, riots, insurgency, civil commotion etc., and the Second Party shall also take out a consequential loss or profit policy. The Third party shall also furnish a copy of the said insurance cover taken to First Party
37. Force Majeure under the agreement refers to occurrence of unforeseen events during the Project implementation period only. Under no circumstances shall the FM events be regarded as for continuing for duration longer than the Project implementation period under the agreements.
38. Force Majeure shall mean any act, event or circumstance which materially affect the Third Party performance and/or it obligation under this agreement but only to the extend that such FM events are not within the reasonable control of the developer and could not have been controlled.

FM Events would be classified in to two categories –

- i. **Political Force Majeure** - events comprising of act of war, invasion, armed conflict, terrorisms, riots, strikes, lock outs, curfew, restraint, legislation of the Government of Kerala/ Government of India or their agencies etc., materially affecting the operations of the Project.
- ii. **Non political Force Majeure** - events comprising of floods, cyclone, earth quakes or such other natural calamities and act of God including epidemic, fire or explosion etc., materially affecting the operation of the Project.

For avoidance of any doubt it is clearly stated that lack of funds shall not be construed as a Force Majeure event.

39. Force Majeure under the agreement refers to occurrence of FM events during the Project implementation period only. Under no circumstances shall the FM events be regarded as for continuing for duration longer than the Project implementation period under the agreements.
40. Either party to the agreement claiming Force Majeure, shall make reasonable efforts to mitigate and overcome effects of any act, event or circumstances of FM as soon as practicable after the occurrence of a FM event including the expenditure of reasonable sum of money and to co-operate with the other party to develop and implement a plan of remedial and reasonable alternative measures to remove the effects of the FM events.

41. The obligations/responsibilities to be performed by both the parties under the agreement shall be suspended during the occurrence of Force Majeure event.
42. The Third Party will be allowed additional time to complete the work envisaged in this agreement equivalent to the number of days FM event prevailed if the work is affected by such an FM event during the project implementation period. However no change in commercial grounds shall be allowed on account of FM event during Project implementation period.
43. The Third Party shall be allowed to make the payment due to First Party as per the terms to First Party if the operations are affected by any Force Majeure event during operations. Such additional time will not be more than that of the duration of the Force Majeure event.

However, payments of money due and payable prior to occurrence of Force Majeure events under the agreements shall not be suspended or excused due to the occurrence of a Force Majeure event.

- i. The Third Party shall give First Party a written notice describing the particulars of the Force Majeure event as soon as practicable after its occurrence but not later than 5 days.
- ii. The scope and duration of suspension of performance shall not be greater than justifiable by the Force Majeure event.
- iii. When the Third Party is able to resume performance of its obligations under the agreements, it shall give First Party a written notice to that effect.

In no event shall a Force Majeure event excuse the obligations of the Third Party that are required to be completely performed prior to the occurrence of a Force Majeure event.

44. If any Force Majeure event has resulted in damage/partial damage to the building and other facilities, Third party shall expeditiously secure the assessment of the claim from the Insurance and utilize the proceeds to rebuild the facilities within a reasonable period as mutually agreed.
45. That Either party to the agreement claiming Force Majeure, shall make reasonable efforts to mitigate and overcome effects of any act, event or circumstances of FM as soon as practicable after the occurrence of a FM event

including the expenditure of reasonable sum of money and to co-operate with the other party to develop and implement a plan of remedial and reasonable alternative measures to remove the effects of the FM events

- a. If any Force Majeure event has resulted in damage/partial damage to the building and other facilities, the Successful Bidder shall expeditiously secure the assessment of the claim from the Insurance and utilize the proceeds to rebuild the facilities within a reasonable period as mutually agreed.
46. The agreement would be valid for a specified period of years as was detailed in Annexure to this RFP Document.
47. That the parties agrees that the possession of land and the entire immovable structure with fixtures and fitting there on shall stand transferred to the First Party at the expiry of BOT period and lease period without any charges, claims or compensation. All franchise/sub-contract agreements made by the Third Party would also stand terminated. The parties are also hereby agreed to dissolve the Project Company immediately.
47. The First Party shall reserve the right to invite bids to reissue the operation of the facility at the end of the concession period. The originally successful bidder shall have the option to match the financial order of the highest rank bidder and renew the BOT in his favour. In case the First Party desires to start a new Project at the same site at the end of the concession period, the existing manufactures / operators shall have the option to match the financial offer of the highest ranked Bidder and get the BOT in his favour. This is subject to his meeting the eligibility criteria for the new Project.
- 48 Any dispute shall be attempted to be resolved by referring the matter to the court of law having jurisdiction in Ernakulam.
49. While the several documents forming the agreement are to be taken as mutually explanatory to one another, the priority of the document shall, in the event of any conflict between them, be in the order set out below.
- a) Bid Documents
 - b) Memorandum of understanding
 - c) BOT Concessionaire agreement
 - d) Lease agreement
 - e) letter of Intent
 - f) performance guarantee
 - g) Detailed Project Report
 - h) Forms submitted as part of the RFP

50. In the event of failure to fulfill any of the obligations by the second party the first party shall be entitled to terminate BOT Concessionaire agreement by giving one months notice provided that before such termination the second party shall given an opportunity to rectify the default within 15 days. Consequently the bid security amount shall be forfeited.

The Second party shall be entitle to terminate the agreement in the event of any default in fulfilling the obligations by the first party by giving one months notice provided that the First part party shall be given 15 days time to rectify the defects.

In the event of termination of the BOT agreement by the first party consequent to any default on the part of the second party the land and other facilities shall revert to the First Party and accordingly the second party will not be entitles to do anything further relating to the Project.

A suitable clause in this respect shall be included in the Articles of Association of the Project Company.

Signed by

From the Part of the

First Party

Second Party

Third Party

(seal)

(seal)

(seal)

Witness

Witness

Witness

1.

1.

1.

2.

2.

2.

Annexure-IV**LEASE AGREEMENT**

(On a Stamp Paper of relevant value and duly attested by notary public)

THIS DEED OF LEASE is executed on this the..... day of,

BETWEEN M/S Kerala Small Industries Development Corporation Ltd, having its registered office at 6th floor, Housing board buildings, Santhi Nagar, Thiruvananthapuram - 695001 represented by its Managing Director aged years, S/o hereinafter referred as the **Lessor** on the one part **AND** M/S (name of the project company) having its registered office at,(address) represented by its Managing Director / Officer empowered / Power of attorney holder, aged, S/o hereinafter referred as the **Lessee** on the other part.

WHEREAS the Lessors are the absolute owners and are in possession and enjoyment of the property described in the schedule hereunder by virtue of the (details of the title of land) comprised in of Survey Nos: 340/1, 2,375,379,380/1, 2 of Elamkulam Village, Kanayannoor Taluk Kadavanthara, Ernakulam District, Kerala State, India and

WHEREAS the lessor has **invited Requests for proposals (RFP) for selection of successful bidder** in order to participate in its project for development, design, construction, build, operate, management and setting up of a **Multi storied commercial complex at Kadavanthara, by forming a Project company - special purpose vehicle on B.O.T basis and** subsequent lease agreement with the company and the pursuant setting up of the project and

WHEREAS the M/S had been selected as the successful bidder and whereas the first party herein, the above said successful bidder and the project company has entered into a **Build, Operate and Transfer (BOT) Concessionaire Agreement** and

WHEREAS in pursuance to the RFP documents, Memorandum of Understanding and BOT concessionaire Agreement and for the proper implementation of the proposed project the parties herein have mutually agreed to execute the lease deed on the following

TERMS AND CONDITIONS

1. The Lessor hereby lease the property scheduled in this deed to the Lessee for a period of 35 years including 2 years of construction period
2. The yearly rent shall be paid by the lessee on or before end of 1st month of every year.
3. The annual rent shall be Rs 9.5 Crores which shall be escalated @ 10% in every 10th year.
4. The amortized lease rent for a period of years amounting to Rs..... shall be paid in advance which will be up to the extent of 26% out of the 100% equity share to be paid in the event of increase of share capital of the project company from 50 lakhs to 45 crores.
5. The Lessee shall duly pay the annual rent after the above said period of amortization and the lessee also agrees to pay amortized rental amount for further periods if required and demanded by the Lessor.
6. The ownership of the land would remain with first party, at all time during the tenure of operations The Lessee is put on possession of the scheduled property simultaneous to the execution of this lease deed.

7. The Lessee shall properly maintain the schedule property without causing any damage to the same.
8. The Lessee shall be entitled to effect alteration in the property and also to make new construction by taking necessary building permit and approved plans etc.
9. The Lessee could obtain any loan or financial assistance from any nationalized / scheduled banks or any financial institution and the lessor hereby agree that the terms of the lease for a period of 35 years including 2 years construction period shall not be varied, altered or revoked during the subsistence of such loan or financial assistance.
10. The Lessee shall remit the electrical, water and other allied charges and outgoings due to the Government, Municipal Corporation or any authority.
11. The Lessee shall clear of the loan liability on their own responsibility before the term of lease for a period of 35 years including 2 years of construction period
12. On termination of lease for a period of 35 years including 2 years of construction period, the lessee shall surrender the property to the lessor together with all additions, structures and erections made on the property and shall not be entitled to claim any compensation thereof.
13. The Lessor its agents, Servants and assigns shall be entitled at all reasonable hours to enter into the scheduled property the buildings and structures therein, inspect the condition or to leave notice of all defects to be repaired.
14. The Lessee shall be entitled to sublease the property ensuring to the keep the property in good condition without any damages to the lessor.
15. The Lessee shall insure and shall at all times during the continuance in of this lease keep sufficiently insured, all the buildings that may be erected on the demised land against loss of damages, with an insurance company.

16. The Lessee shall not use the demised land and the buildings therein for any use other than the special purpose envisaged for the project company (Lessee).

17. The Lessee has hereby paid a sum of Rs 13,00,000/- (Rupees thirteen lakhs) interest free refundable security deposit for the due performance of the conditions hereof to the lessor which shall be returned without interest to the lessee on the termination to the lease.

18. This lease may be terminated by efflux of the limited thereby (Lease term) or by either party serving a 90 days written notice to the other party.

WITNESS WHEREOF the parties hereto have executed this lease deed on the day, month and year above written.

First Party

Second Party

Witnesses 1

2

First Party

Second Party

Schedule of property

Name of the project	:	Construction of Commercial Complex at Kadavanthara, Ernakulam
Area of plot	:	5.13 acres
Survey No	:	340/1,2,375,379,380/1,2
Village	:	Elamkulam
Taluk	:	Kanayannoor

Boundaries

East	:	Civil Supplies road
North	:	Private land and road to railway station
West	:	Parallel road to railway station and private land
South	:	Private land

ANNEXURE V**Statement showing yearly NPV of Annual Payments**

BOT OPERATION - SIDCO - KADAVANTRA							
Statement showing yearly NPV of Annual Payments							
YEAR			Discounted Factor @ 13%	Upfront payment & Annual Lease Rental Payment to Kerala SIDCO Ltd (In Lakhs)	Net present Value.(In Lakhs)	Proposed Dividend - 26% (Lakhs)	Net present Value of the Proposed Dividend - 26%(Lakhs)
0	2009	2010	1.00000	(1,900.00)	(1,900.00)	(1,300.00)	(1,300.00)
1	2010	2011	0.88496	-	-	-	-
2	2011	2012	0.78315	950.00	743.99	68.25	53.45
3	2012	2013	0.69305	950.00	658.40	68.25	47.30
4	2013	2014	0.61332	950.00	582.65	68.25	41.86
5	2014	2015	0.54276	950.00	515.62	68.25	37.04
6	2015	2016	0.48032	950.00	456.30	68.25	32.78
7	2016	2017	0.42506	950.00	403.81	258.07	109.69
8	2017	2018	0.37616	950.00	357.35	258.07	97.07
9	2018	2019	0.33288	950.00	316.24	258.07	85.91
10	2019	2020	0.29459	1,045.00	307.84	258.07	76.02
11	2020	2021	0.26070	1,045.00	272.43	258.07	67.28
12	2021	2022	0.23071	1,045.00	241.09	601.82	138.84
13	2022	2023	0.20416	1,045.00	213.35	601.82	122.87
14	2023	2024	0.18068	1,045.00	188.81	601.82	108.74
15	2024	2025	0.15989	1,045.00	167.09	601.82	96.23
16	2025	2026	0.14150	1,045.00	147.86	601.82	85.16
17	2026	2027	0.12522	1,045.00	130.85	665.89	83.38

18	2027	2028	0.11180	1,045.00	116.83	665.89	74.45
19	2028	2029	0.09982	1,045.00	104.31	665.89	66.47
20	2029	2030	0.08913	1,149.50	102.45	665.89	59.35
21	2030	2031	0.07958	1,149.50	91.48	665.89	52.99
22	2031	2032	0.07105	1,149.50	81.67	772.62	54.90
23	2032	2033	0.06344	1,149.50	72.92	772.62	49.01
24	2033	2034	0.05664	1,149.50	65.11	772.62	43.76
25	2034	2035	0.05057	1,149.50	58.13	772.62	39.07
26	2035	2036	0.04515	1,149.50	51.91	772.62	34.89
27	2036	2037	0.04032	1,149.50	46.34	911.44	36.75
28	2037	2038	0.03600	1,149.50	41.38	911.44	32.81
29	2038	2039	0.03214	1,149.50	36.95	911.44	29.29
30	2039	2040	0.02870	1,264.45	36.29	911.44	26.16
31	2040	2041	0.02562	1,264.45	32.40	911.44	23.35
32	2041	2042	0.02288	1,264.45	28.93	984.18	22.51
33	2042	2043	0.02043	1,264.45	25.83	984.18	20.10
34	2043	2044	0.01824	1,264.45	23.06	984.18	17.95
35	2044	2045	0.01628	1,264.45	20.59	984.18	16.03
Total NPV					4840.26		683.46

ANNEXURE VI
Site Sketch & Location Map



