

# KINFRA DEFENCE PARK

## PALAKKAD, KERALA

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## **ADDENDUM/CORRIGENDUM TO REQUEST FOR PROPOSAL**

### **KINFRA DEFENCE PARK, PALAKKAD, KERALA**

**DECISION TAKEN AFTER PRE-BID MEETING, DATED AUGUST 3<sup>rd</sup>, 2015 At 14:00 Hrs**

<b>SCHEDULE FOR SELECTION PROCESS</b>	
Bid Document Submission	Before 10:00 hrs on 11 <sup>th</sup> August 2015
Technical Bid Opening	At 10:30 hrs on 11 <sup>th</sup> August 2015
Shortlisting After Initial Screening	At 19:00 hrs on 11 <sup>th</sup> August 2015
Presentation By The Qualified Bidders	At 14:00 hrs on 12 <sup>th</sup> August 2015 (Maximum 30 Minutes Including Discussion)
Financial Bid Opening Of The Final Shortlisted Bidders	At 17:30 hrs on 12 <sup>th</sup> August 2015

**Please Note the followings decisions:**

- No documents will be accepted after final bid submission date.
- The term blacklisted mentioned in point 4 of clause 7 means, Consultants or any of its Associates/ Subsidiaries should not have been debarred/blacklisted by any Central/State Governments/Govt Departments/ Govt Bodies/PSU's. A self attestation in this regard should be submitted.

**MINUTES OF PRE-BID MEETING IN CONNECTION WITH REQUEST FOR PROPOSAL DOCUMENT FOR THE SELECTION OF CONSULTANTS FOR MARKET SURVEY AND DEMAND ASSESSMENT OF DEFENCE PRODUCTS/ANCILLARY EQUIPMENTS AND FEASIBILITY REPORT PREPARATION FOR DEFENCE PARK AT PALAKKAD, KERALA.**

*Date: 03.08.2015;*

*Time: 14.00 HRS;*

*Venue: KINFRA Annex 1*

**Present from KINFRA:**

1. Mr.K.Sudhakaran  
General Manager (Projects)
2. Mr.Sunil G  
Manager (Technical)
3. Cmde.S.Saseendran  
Senior Consultant
4. Mr. A.Michael Suresh Raj  
Senior Consultant
5. Mr. S.R.Panicker  
Senior Consultant
6. Mr.Midhun Krishna C.M  
PMT, Planning
7. Ms.Amrudha Romeo  
PMT, Planning
8. Mr. Nived S  
PMT, Planning
9. Mr. Aswin R Krishnan  
PMT, Allotment

**Present from various Consultancies:**

1. Mr.S.N.Thakkar  
Abhyuday Techno Economic Consultants Pvt.Ltd.
2. Mr.Prasad Unnikrishnan  
KPMG
3. Mr.Santhosh A.K  
KITCO Ltd
4. Mr.H.Gautam  
Grintex India ltd
5. Mr.Janesh Janardanan  
Frost & Sullivan
6. Mr.Abdul Bai  
KPMG
7. Mr.Udit Narula  
E&Y
8. Mr.J. Madhan  
Mukesh & Associates
9. Mr.A. Selvaraj  
Mukesh & Associates

**Items:-**

In response to queries raised on the Request for Proposal (RFP) issued, following clarifications were provided in the Pre-Bid meeting held at KINFRA Annex 1 at 14.00 hrs on 03.08.2015. The clarifications are given below, and this will form part of the RFP document.

***Please Note: The queries include those received through the mail and the same addressed during the pre bid meeting.***

## CLARIFICATION FOR THE QUERIES

S.No	Question	Reply
1	For the proposed study, what are the defence products and equipment that KINFRA would like to prospective consultant to focus on.	That's the job the consultant needs to sort out, but to an extent KINFRA prefer non polluting industry.
2	Will the scope of the study be constricted to those with application in defence equipment or will it include components of civil aerospace manufacturing as well; these domains are complimentary and often components have applications in both domains	Proposed study should focus on defense sector and as long as it is complimentary, item mentioned in the question can be possible. However consultants can give their suggestions regarding the option such as those mentioned in the queries.
3	What will be the scope of demand assessment. Will it be confined to the demand arising from the Indian aerospace and defence procurement regime or will it include the prospective global demand.	We are looking at this from a global scenario, if such companies are ready to setup their industry in the proposed KINFRA Defense Park.
4	Would KINFRA like to include foreign facilities (especially regional facilities) while assessing available installed capacities in the identified areas.	Consultants have to identify all the possibilities for the proposed KINFRA, Defense Park.
5	What will be the time period over which the demand needs to be assessed and projected.	All the manufacturing activities should start within 2 to 3 years.
6	What are the various categories of manufacturers that KINFRA intends to attract for the proposed defence park including MSMEs, Indian business conglomerates, foreign OEMs. Is any particular category preferred over the others.	To identify all these possibilities we asked to conduct Market Survey and Demand Assessment of Defence Products/Ancillary Equipments. We are looking for the consultants to study this and recommend.
7	Would KINFRA like to include the possibility of including agencies of the MoD including DPSU units, DRDO labs etc.	KINFRA welcomes defence manufactures from both public/private sectors.

8	<p>Is the scope of facilities to be restricted to manufacturing facilities or the following are also welcome:</p> <ul style="list-style-type: none"> <li>i. Design &amp; engineering services companies</li> <li>ii. Research establishments</li> <li>iii. Academic establishments</li> <li>iv. MRO facilities</li> <li>v. Testing establishments</li> </ul>	<p>Establishing Defense Park is a part of Govt of India's, "Make in India" programme so whatever mentioned in Make in India programme under defence sector is welcome.</p>
9	<p>How does KINFRA quantify the term interested? Considering there are only 30 days, is there an expectation of a written Lol from the SMEs?</p>	<p>Our intention is to get Lol.</p>
10	<p>How many industrial units/ SMEs is KINFRA envisaging within this 60 acres defence park?</p>	<p>Depending on the size of units, few can be large and others can be SMEs. For SME's, SDF (Standard Design Factory) can be proposed to rent out (SDF in build up modules).</p>
11	<p>Being a Defense park, are there any lucrative offerings by KINFRA for the SMEs, like subsidized power/ water rates, SEZ advantages, etc.</p>	<p>14% Kerala VAT which was applicable now is reduced to 5% in electronics manufacturing. The park is likely to establish with Govt of India grand of Rs.50Cr. The costing of the park is worked out accordingly.</p>
12	<p>In addition to the above analysis and considering there are only 15 days, what additional constituents are expected in this feasibility report.</p>	<p>In addition to the points 1 &amp; 2 of scope of work mentioned in the RFP, Business Plan, Financial Model, Risk analysis, Mitigation Plan etc are also required in the feasibility report.</p>
13	<p>Will the feasibility report include a business plan/financial model.</p>	<p>It should include all the details.</p>

14	Can KINFRA please elaborate on the term “strategic planning exercises”, who all need to be part of these exercises and what is the expectation from these exercises?	The idea is to understand the approach and methodology that will be adopted by the consultant in the Market Survey. Demand Assessment, Identification of manufactures and preparation of feasibility report.
15	Can KINFRA please elaborate on the constituents of the “technical reporting” mentioned above, what sort of details are being expected from this?	
16	What will be the duration of the technical presentation?	Duration will be 15minutes for presentation followed by 15minutes discussion.
17	Considering the sensitive nature of engagements in the defence sector and our Non-Disclosure Agreements particularly with international clients, it is requested that international engagement details be allowed to be cited by the consultants without providing supporting documents.	Acceptable with self certification of the company.
18	We would like to highlight that the process of finalization of financial statements for the year 2014-15 is still underway. In this regard, it is requested that copies of Audited Statement of Accounts and Balance Sheets for the years 2011-12, 2012-13 and 2013-14 be accepted.	In the case of financial year 2014-15, a Provisional certificate certified by the CFO and CEO of the company should be submitted.
19	We would like to highlight that the process of finalization of financial statements for the year 2014-15 is still underway. In this regard, it is requested that net worth certificate and income tax returns be accepted for 2013-14.	

20	Are the soil investigation and Geo technical survey to be carried out by the consultant?	It's not included in the scope of feasibility report.
21	Clarification regarding with the role of consultant during implementation stage, if any ?	
22	Experience in conducting market survey/demand assessment/preparation of DPR in Defence related areas (at least 1 Project).	Project experience in India is mandatory. However international experience can be furnished.
23	Will you accept Work completion certificates as emails received from the client from their official email id.	Acceptable with self certification of the company.
23	In the absence of completion certificate which may not be got on account of prevailing practice, can the bidder submit a self-certification supported with last invoice and payment receipt proof	
24	It is understood that the contractual terms & conditions would be shared and negotiated with the successful bidder. In this regard, it is requested that reasonable time be provided to execute the contract agreement from the date of issue of the Letter of Award.	<b>As Per RFP</b>
25	It is requested to please provide the acceptance criteria as well as the acceptance period, for the release of the payment per deliverable.	



26	<p>Details of technical scoring required in Clause 8 and 11. Without objective scoring / weightage to different parameters given, it would be difficult for consultants to present their solutions to match with KINFRA’s expectations.</p>	<h2 style="margin: 0;">As Per RFP</h2>
27	<p>Clause (7) (3) identifies net worth as a criteria for pre-qualification. Net Worth is not a good measure for financial capacity in consulting business. Instead, a minimum turnover of 50 cr can be considered</p>	
28	<p>Clause 9 – Payment Schedule – the final 10% payment is tied to DIPP approval. This should be qualified with a time commitment from DIPP – if they do not provide feedback within 2 weeks, the recommendations must be deemed accepted and payment released.</p>	
29	<p>Clause 10 – “nothing extra shall be payable” – in consulting industry, a certain percentage of the fee is kept for Out-Of-Pocket (OPE) expenses such as travel. The same may be considered for inclusion in the cost.</p>	
30	<p>The duration of 30 days is considered inadequate for these two activities; duration should be increased to 45 days + 45 days for these two activities (draft deliverables).</p> <p>Once the draft report is submitted to KINFRA, Final Report (FR) can be submitted in 30 days subject to KINFRA giving final comments on draft within 15 days.</p>	

31	<p>The Taxes payable to the government should be extra (eg present Service Tax is @ 14%). The same should be re-imbursed at actual against production of documentary evidence.</p> <p>Further any variation in the tax rate promulgated by GOI/MoD after the date of bid submission should be re-imbursed at actual.</p>	<h2>As Per RFP</h2>
32	<p>The responsibility of submitting Final FR to DIPP (a government body) should be of KINFRA . The Consultant can provide necessary support / assistance to get the same approved.</p>	
33	<p>The 10% payment should not be linked with acceptance of Final FR by DIPP since it is a separate government body.</p> <p>The Consultant is already providing 20% bank guarantee at the beginning of project for 4 months. This can be retained by KINFRA till DIPP approval is accorded.</p>	
34	<p>Whether the land identified for the KINFRA defence park is as extension of the already existing BEML project.</p>	<p>The area marked for the park is at Ottapalam, Palakkad and it has no connection with the BEML project.</p>
35	<p>What all are the soft infrastructure available for the project.</p>	<p>The land is already in procession of KINFRA and it is declared as industrial land with notification for single window clearance. KINFRA already obtained in-principle approval for the defence park and land is enclosed with</p>

		compound wall from all sides with controlled single entry.
36	The time duration KINFRA takes in submitting the report to DIPP	Once the report is approved by the KINFRA, it will be forwarded to the DIPP with no delay.
37	For demand assessment should the consultant consider the national as well as regional scenarios	The consultant can study and recommend.
38	In case of the interested manufacturers, do foreign players have a chance to participate?	Interested foreign manufacturers can form an Indian subsidiary company/ JV registered under the Registrar Of Companies under Ministry of Corporate Affairs (under Indian Companies Act ), provided that they follow all the Govt of India regulations .