

# **KINFRA DEFENSE PARK**

## **PALAKKAD, KERALA**

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### **REQUEST FOR PROPOSAL**

**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.**



## 1. PROJECT BACKGROUND

Defence has been identified as one of the sectors under “**Make in India**” initiative of Government of India to provide a major thrust to in-house manufacturing of equipments to meet most of the varied requirements of defence. This is mainly to achieve self-reliance and to reduce dependency on foreign countries which has become a necessity today rather than a choice, both for strategic and economic reasons. The Indian defence equipments sector is dominated by DPSUs and ordinance factors. The Indian manufacturing supplier firms are few and scattered with very limited contribution from MSMEs. As a result the defence requirements are met only to the extent of 30% and the remaining through imports.

The aerospace and Defence industry is of strategic importance to any nation. The Ministry of Defence acknowledges the fact that India needs to increase self reliance in its own national interest. On the other hand, the international Defence industry today is global in nature with a complex network of global supply chains. Therefore, it is imperative for Indian companies, especially SMEs, to integrate themselves into the supply chains of national and international Defence majors in order to reduce dependence on foreign supplies and also to gain a foothold in the international aerospace and Defence market. India’s offset policy will also go a long way in ensuring this objective in the long run.

The recent amendment to the Defence procurement procedures by incorporating a new category “Buy and Make (Indian)” highlight the importance of indigenous production . SMEs along with major players would form a critical component of this exercise of building up a robust supply chain for the aerospace and Defence industry. In India, a large number of SMEs serve as suppliers to Defence PSUs and have a role to play in the Indian Defence market but their contribution has somewhere gone unnoticed. Hence, in order to achieve self reliance in Defence production and subsequently emerge as a significant Defence player, India needs to improve the competitiveness of its SMEs and enhance their role in the Indian Defence industry.

Taking into consideration the potential offered by indigenization of Defence industry, KINFRA the nodal agency for Industrial Infrastructure development for the state of Kerala, got approval from GOI to establish a Defence Park in 60 acres land at Ottappalam in

Palakkad District, Kerala. The proposed Defence Park shall be positioned as an industrial infrastructure facility catering to the Defence industry which is the first of its kind in the country.

## **2. PROJECT OBJECTIVES**

The proposed project envisages providing complete infrastructure facility for the establishment of KINFRA Defence Park. The project is intended to create a Defence Park with all modern facilities exclusively for Defence equipment manufacturers with Central Assistance from, Government of India under 'Modified Industrial Infrastructure Upgradation (MIIU)' Scheme. The scheme is implemented by Department of Industrial Policy and Promotion.

Kerala Industrial Infrastructure Development Corporation (KINFRA) has acquired the land for development in Palakkad having easy access of Road ways, Railways, Airport and Sea port. KINFRA has earmarked 60 acres of land for setting up Defence Park at Ottappalam, Palakkad with the aim of providing Infrastructure facilities for Defence equipment manufacturers. The Industrial units in the cluster will be given shared infrastructure facilities of the Defence Park.

KINFRA proposes to develop infrastructure facilities in the proposed Defence Park which includes dedicated power, continuous water supply, communication facilities, offering plug and play arrangement for easy start up of Industrial units at minimum cost and time. It is also being envisaged to create facility for instant global access through a state-of-the-art communication network.

The MIIU scheme can be utilized for efficient implementation of the project. The land is in possession with KINFRA which can commence the project with no delay. The output from the proposed park can increase the indigenous production of Defence equipments/components which will have a huge impact in the economy and self reliance in Defence sector.

KINFRA now intends to select a consultant for market survey and demand assessment of Defence products / Ancillary Equipments and preparation of Feasibility Report through a

transparent, competitive bidding process and invites technical and financial bids from consultants in accordance with the “Request for Proposals” prepared by KINFRA for the above said project.

### **3. SCHEDULE OF SELECTION PROCESS**

<b>Sl. No.</b>	<b>ACTIVITY</b>	<b>LAST DATE</b>
1	Release of Bid Notification	27.07.2015
2	Last date of receipt of queries, if any.	03.08.2015(10:00Hrs)
3	Pre Bid meeting	03.08.2015(14:00Hrs)
4	Submission of Bid	07.08.2015(15:00 Hrs)
5	Technical bid opening	07.08.2015(16:00 Hrs)
6	Short listing after initial screening	07.08.2015
7	Technical presentation by shortlisted parties	12.08.2015
8	Final short listing	12.08.2015
9	Financial Bid opening of final shortlisted Parties	12.08.2015(17:00Hrs)

### **4. SCOPE OF WORK**

1. Market survey and demand assessment of Defence Products/ Ancillary equipments.
2. Identifying manufacturers interested in setting up units in the proposed Defence Park in Palakkad, Kerala.
3. Preparation of Feasibility Report (FR).

### **5. DELIVERABLES**

1. Report on Market Survey and Demand Assessment of Defence products/ Ancillary equipments within 30 days of release of order by KINFRA.
2. List of manufacturers who are interested in setting up units in the proposed Defence Park in Palakkad, Kerala within 30days of release of order by KINFRA.

3. Preparation and submission of Final Feasibility Report (FR) including items 5.1 and 5.2 above, within 45 days from the date of release of order by KINFRA.

## 6. DIRECTIVES TO BIDDERS

- The Bidder shall furnish an Earnest Money Deposit (EMD) of **Rupees Five Thousand only (Rs.5,000/-)** by way of **Demand Draft** drawn in favour of **The Managing Director, KINFRA** payable at **Trivandrum** along with the Technical Bid in a cover super scribed **“Earnest Money Deposit for DEFENCE PARK, PALAKKAD”**.
- The EMD of all unsuccessful bidders will be returned within a period of thirty (30) days from the date of signing of the agreement with the successful bidder. The EMD of any bidder, whose bid is rejected on account of being non-responsive or non-reasonable in accordance with the RFP, will be returned within a period of thirty (30) days from the date of intimating the rejection of bid by KINFRA to the bidder.
- All enquiries should be submitted on the following address in writing, by letter or e-mail or facsimile transmission;

**ADDRESS:**

**The Managing Director,  
KINFRA,  
KINFRA House, 31/2312,  
Sasthamangalam,  
Thiruvananthapuram- 10 ,  
Kerala  
Tel : 0471 2726585  
Fax : 0471 2724773  
Email : prkinfra@gmail.com**

- **Bid Validity** :-Each bid shall indicate that it will remain valid for a period not less than **90 days** from the due date of the submission of the bid (**Bid due date**). KINFRA reserves the right to reject any bid, which does not meet this bid validity requirement
- **Sealing and Marking of Bids:-** The bidder would provide all the information as per this RFP, and KINFRA would evaluate only the bids received in the required format. The Technical Bids and Financial Bids should be separately submitted in sealed

envelopes, super scribed “Technical Bid” and “Financial Bid” respectively in separate envelopes. In the envelope super scribed ‘Technical Bid’, the Bidder should enclose the envelope containing the EMD along with the Technical Bid. Both these envelopes (*envelope super scribed ‘Technical Bid’ and envelope super scribed ‘Financial Bid’*) should be enclosed in another envelope super scribed **“Application for Selection of Consultants for Defence Park, Palakkad”**.

- The envelope shall be addressed to:

ADDRESS:c **The Managing Director,  
KINFRA, KINFRA house, 31/2312  
Sasthamangalam, Thiruvananthapuram-10  
Kerala, India.  
Tel No: 0471 2726585**

- KINFRA assumes no responsibility for the misplacement or premature opening of the bids submitted not in accordance with the prescribed procedure as above. KINFRA will not be responsible for any postal delays or delay in transit for submitting the Bids.

- **Right to accept any Bid and to reject any or all bids**

Notwithstanding anything contained in this RFP, KINFRA reserves the right to accept or reject any Bid/ Bids and to annul the bidding process and reject all bids, at any time prior to the signing of the agreement without incurring any liability to the rejected Bidder/ Bidders or any obligation to inform the affected Bidder/ Bidders of the grounds for rejection. The evaluation of the applications submitted by the firms shall be undertaken based on details submitted by them as per the requirement of this RFP document. No clarification/additional information in this regard will be sought from the applicants. Applicants shall not be required to submit on their own, additional information or material subsequent to the date of submission and such material, if submitted, will be disregarded. It is thereof essential that all the details are submitted by the applicants accurately and specifically as per the requirement of this RFP. However KINFRA reserves the right to ask any clarification from the applicant for details submitted, if it so desires during evaluation.

➤ **The Financial Bid shall include:**

- ✓ The Bidder should submit the quotations of professional fees in Indian Rupees. The Financial Bid should have the Total Price of the bid inclusive of all taxes.
- ✓ No subjective condition will be accepted in the Financial Bid.

➤ **Force Majeure**

- i. War, invasion, revolution, riots, sabotage, lockouts, strikes, work shut-down imposed by Government Acts or legislature or other authorities, stoppage in supply of materials, fuel or electricity, breakdowns of machinery, act of God, epidemics, fires, earthquakes, floods, explosions, accidents, sea navigation blockades or any other acts or events whatsoever which are beyond reasonable control and which shall directly or indirectly prevent completion of the project within the time specified in the agreement, will be considered Force Majeure. The Consultants shall be granted necessary extension of time to cover the delay as caused by Force Majeure without any financial repercussions.
- ii. Should one or both parties be prevented from fulfillment of the contractual obligations by a state of force majeure, the two parties shall consult each other and decide regarding the future execution of the contract.

## **7. PRE-QUALIFICATION CRITERIA (MINIMUM ELIGIBILITY)**

- 1. Experience in conducting market survey/demand assessment/preparation of DPR in Defence related areas (at least 1 Project)**, [Signed, dated and sealed copies of work orders and the work completion certificate/client certificate shall be submitted. Projects mentioned without supporting documents will not be considered]
- 2. Annual Profit in each of the preceding 3 years starting from 2012-2013 onwards** [The Bidder shall provide copies of Audited Statement of Accounts and Balance Sheets. In case audited balance sheet is not available for the year 2014-15, Chartered Accountant certified balance sheet shall be provided].
- 3. Current net-worth** [The details of annual turnover and annual profits may be separately provided. The net-worth certificate by a practicing Chartered Accountant shall be

provided and copies of PAN card, Income Tax Returns related documents; Service Tax returns filed shall also be enclosed]

**4. Consultant should not have been debarred/blacklisted by any Central/State Governments/Govt Departments/ Govt Bodies/PSU's.**

## **8. SELECTION PROCESS**

- Those who meet the minimum eligibility criteria as mentioned above only shall be invited to make the Technical Presentation on Methodology, Work plan, Deployment of professional team etc.
- The technical presentation shall be evaluated by a committee constituted by KINFRA. This committee will short list Consultants based on their competence as revealed in the presentation.
- The Financial Bid of only those parties, who are short listed after the presentation by the evaluation committee, only will be opened after intimating the short listed consultants.

## **9. PAYMENT SCHEDULE**

- **20%** as advance after signing of Agreement, against Bank Guarantee for an equivalent amount, from a Nationalized Bank, valid for a period of 4months.
- **40% of Total Fee** on submission of Draft Report as in item no 1 and 2 of deliverables and on verification and acceptance of the same by KINFRA.
- **30%** on submission of Final Feasibility Report (FR) and on verification and acceptance of the same by KINFRA.
- **Remaining 10%** only after the acceptance of Final Feasibility Report (FR) by Department of Industrial Policy and Promotion (DIPP).

**Note:** - Changes, if any, required in the Final Feasibility Report is to be carried out by the consultant within the original order value itself.



## **10. SIGNING OF THE AGREEMENT AND CONSULTANCY FEE**

- KINFRA shall prepare the agreement duly incorporating all the above terms and conditions of for signature by KINFRA and successful bidder. The successful bidder will be required to execute the contract Agreement within 7 working days from the date of issue of the Letter of Award. One copy of the agreement duly signed by KINFRA and the consultant through their authorized signatories will be supplied by KINFRA to the consultant.
- The consultants shall be paid the consultancy fees as per the payment schedule (in para 9 above). The fee shall be inclusive of all taxes and nothing extra shall be payable.

## **11. THE TECHNICAL PRESENTATION SHALL INCLUDE FOLLOWING PARAMETERS**

### ***a. Proposed approach to the SOR tasks and methodology***

- ✓ *Demonstrated insight and understanding of the nature and scope of program of works*
- ✓ *Appreciation of the potential issues and risks associated with the project*
- ✓ *Proposed methodology and approach including ability to conduct strategic planning exercises, stakeholder consultation and technical reporting.*

### ***b. Experience and Quality of Personnel***

- ✓ *Demonstrated performance on Similar Projects*
- ✓ *past performance of contractual and project obligations*
- ✓ *description of proposed roles and responsibilities for the nominated key personnel*
- ✓ *quality and experience of key personnel*

### ***c. Capacity***

- ✓ *Respondent's ability to undertake the task including current workload and availability*
- ✓ *Schedule of resources allocated to the project (i.e. are there enough hours allocated to people, are the most appropriate people doing the right tasks)*