

KINFRA DEFENSE PARK

PALAKKAD, KERALA

REQUEST FOR PROPOSAL (RFP)

SELECTION OF MARKETING CONSULTANT

[For Understanding Investor Challenges, Exhibit KINFRA to Potential Investors and Obtaining Investor Commitments for Starting Units for Manufacture / Testing of Defense Products / Ancillary Equipment at KINFRA Defense Park, Palakkad, Kerala]

APRIL 2016



KERALA INDUSTRIAL INFRASTRUCTURE DEVELOPMENT CORPORATION

(A Statutory Body of Government of Kerala)

KINFRA Corporate Office, KINFRA House, TC 31/2312, Sasthamangalam P.O,
Thiruvananthapuram, Kerala, India - 695 010

| Tel: 0471-2726585 | Fax: 0471-2724773 | Web: www.kinfra.org |

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DISCLAIMER

1. This RFP is not an agreement and is neither an offer nor invitation by Client (KINFRA) to the prospective applicant (Bidder) or any other person. The purpose of this RFP is to provide interested applicants with information that may be useful in the formulation of proposal pursuant to this RFP. The information is not intended to be exhaustive. Bidders are required to make their own inquiries and satisfy themselves regarding the completeness and reliability of the information and not to rely solely on the information in this document.
2. Neither KINFRA nor their employees, consultants, advisors or agencies make any representation or warranty as to the accuracy, adequacy, correctness, completeness or reliability of the RFP and any assessment, assumption, statement or information contained therein or deemed to form part of this RFP. Each prospective applicant should conduct its own investigations and analysis and check the accuracy, adequacy, correctness, completeness or reliability of the information in this RFP document and obtain independent advice from appropriate source before submission of the proposal against this RFP.
3. KINFRA may, in its absolute discretion but without being under any obligation to do so, update, amend or supplement the information, assessment or assumptions contained in this RFP.
4. Neither KINFRA nor their employees, consultants, advisors or agencies will have any liability to any prospective bidder or any other person under the law of contract, for any loss, expense or damage which may arise from or be incurred or suffered in connection with anything contained in this RFP document.
5. KINFRA reserves the right to reject any or all of the proposals submitted in response to this RFP document at any stage without assigning any reason whatsoever. KINFRA also reserves the right to hold, withdraw or cancel the process at any stage under intimation to the applicants who submit the proposal against this RFP.
6. KINFRA reserves the right to modify or amend or add to any or all of the provisions of this RFP document or cancel the present invitation and call for fresh invitations.

7. Neither KINFRA nor their employees, consultants, advisors or agencies will have any liability in case of non-receipt of any correspondence from them to the applicants due to postal delays.
8. The applicable laws for the purpose are the laws of INDIA. Courts of Kerala will have the jurisdiction concerning or arising out of this RFP document.
9. The applicants are expected to know the relevant rules and regulations of the respective local authorities concerning the site, master plan and the construction works.

1. PROJECT BACKGROUND

Defence has been identified as one of the sectors under “***Make in India***” initiative of Government of India (GOI) to provide a major thrust to in-house manufacturing of equipment 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 equipment sector is dominated by DPSUs and ordinance factors. The Indian manufacturing supplier firms are few and scattered. As a result the defence requirements are indigenously met only to the extent of 30% and the remaining through imports.

Taking into consideration the potential market, 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, with GOI support, in 60 acres land at Ottappalam in Palakkad District, Kerala. The proposed Defence Park 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 Products / Ancillary Equipment Manufacturers with 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 already acquired the land for development in Ottappalam, Palakkad. KINFRA has earmarked 60 acres of land for setting up

Defence Park at this location. The Industrial units in the cluster will be given shared infrastructure facilities.

KINFRA now intends to select a **Marketing Consultant** for **“Understanding Investor Challenges, Exhibit KINFRA to Potential Investors and Obtaining Investor Commitments for starting Units for Manufacture / Testing of Defense Products / Ancillary Equipment in the Defense Park at Palakkad, Kerala”**, through a transparent, competitive bidding process and invites Technical and Financial bids from Consultants in accordance with this “Request for Proposal”.

3. SCHEDULE OF SELECTION PROCESS

Sl. No.	ACTIVITY	DATE
1	Release of Bid Notification	25.04.2016
2	Last date of receipt of queries, if any.	07.05.2016
3	Pre Bid meeting	11.05.2016(11:00Hrs)
4	Submission of Bid	20.05.2016(15:00 Hrs)
5	Technical bid opening	20.05.2016(15:30 Hrs)
6	Short listing of Pre-Qualified Bidders	25.05.2016
7	Technical Presentation by Pre-Qualified bidders	03.06.2016(10:30 Hrs)
8	Final short listing based on Technical Proposal submitted along with Bid and Technical Presentation	03.06.2016(17:00 Hrs)
9	Financial Bid opening of final shortlisted Bidders	03.06.2016 (17:30Hrs)

4. SCOPE OF WORK

1. Understanding Investor Challenges.
2. Identifying Key Needs of the Potential Investor and the measures that KINFRA shall take to satisfy the needs.
3. Benchmark KINFRA against similar Industrial Parks and Craft Unique Value Proposition.
4. Exhibiting KINFRA to Potential Investors from Defence Electronics, Defence Industries, Aerospace etc., by organising:

- a Road shows / B2B Meetings (Minimum one each at Delhi, Mumbai, Pune, Bangalore & Hyderabad). Events to be organised at a Hotel not below the category of 4 Star rating.
- b Face-to-Face Meetings between GoK / KINFRA and Key Decision makers.
- c C-Level Conclaves preferably with the participation of Senior level Defence Personnel
- d Any other Measures (To Specify by the Bidder)

Bidder shall clearly mention the count and location of the activities elaborated in Clause:4.4 above, in the Technical Proposal submitted along with the Bid.

5. Brand Enhancement of KINFRA Defence Park.
6. Firm commitments from Investors for setting up Units at the KINFRA Defence Park. Minimum 50% of allocable bare land of 34.24 acres and Minimum 75% of Common Facilities Centre of Phase 1 and Minimum 50% of Common Utilities Building of Phase 1 to be ensured.
 - a Common Facilities Centre:
Common Facilities Centre is Standard Design Factory having approximately 200000 Sq.ft. in Phase 1
 - b Common Utilities Building:
Common Utilities Building will include the following utilities and will be having an approximate area of 39000 Sq.ft. in Phase 1:
 - Compressed Air facility
 - Paint Booth
 - Rapid Prototyping
 - Electrical Workshop for Winding, Baking, Testing etc.
 - Testing & QA Lab (NABL Accredited)
 - Climatic Chamber for Accelerated Aging and Thermal Shock Testing

 - EMI / EMC Testing facility
 - Vibration Test
 - Bump Test

The above list is only indicative and not exhaustive. Actual requirement is based on the type of the Industries that will be set up in the Defence Park. Marketing Consultant's effort has to be in bringing as much as different type of Common Utilities as possible.

7. The Consultant should deploy sufficient number of key personnel with adequate qualification and experience in relevant field to undertake the work as per the scope. Details of key personnel should be made available to KINFRA. They should not be changed during the period of consultancy without prior permission of KINFRA.

8. Only Projects or Activities not requiring prior Environmental Clearance will be considered. Refer Notification dated 14th September 2006 Published in the Gazette of India, Extraordinary, Part-II, and Section 3, Sub-section (ii) Ministry of Environment and Forests and its subsequent amendments.
9. Marketing Consultant shall work in tandem with the Project Management Consultant

5. DELIVERABLES

1. Report on 4.1, 4.2 & 4.3 above. ***[Report to be submitted within 30 days of release of Order by KINFRA].***
2. Organising 4.4 & 4.5 above. ***[To Organise and Complete the Events within 180 days of release of Order by KINFRA].***
3. Application for Registration for Allotment as per Allotment procedure, in relevant Format, along with Registration fee, to be submitted by the interested Investors for the minimum commitment as detailed in Clause 4.6, 45 days before Target date. Refer Clause 6.3.c for Allotment procedure.
4. Firm Allotment as detailed in Clause 6.3.c.

6. METHOD OF PAYMENT (Lump Sum Amount + Incentive)

1. **Lump Sum Amount:** Bidder shall quote a lump sum amount including all Taxes & Duties for the entire scope of work elaborated in Clause 4.

The Quote shall cover all expenses including rent for Conference Hall, Travel & Stay of Senior Level Defence Personnel, Travel & Stay of Key Decision Makers for Face-to-Face Meetings, Printing of Brochures, Out of Pocket expenses etc.

*Expenses pertaining to KINFRA as well as Government of Kerala personnel attending Road Shows, B2B Meetings, Face-to-Face Meetings with Key Decision Makers, C-Level Conclaves, etc. **not to be included** in the Quote.*

2. **Incentive:** For achievement over and above the minimum commitment, Incentive as elaborated in Payment Schedule as per clause 6.3(b) below will be made.
3. **Payment Schedule:**

- a. **Lump Sum Amount**

Sl. No.	Description	Target Date	Payable Amount
1	Allocation of First 25 % (8.56 Acres) of allocable bare land	Within 12 Months of release of Work Order	20% of Quoted Amount
2	Allocation of 75% (150000 Square feet) of Common Facilities Centre	Within 24 Months of release of Work Order	40% of Quoted Amount
3	Allocation of Second 25 % (8.56 Acres) of allocable bare land	Within 24 Months of release of Work Order	20% of Quoted Amount
4	Allocation of 50% (19500 Square feet) of Common Utilities Building. Minimum three different types of Utilities to be ensured in this stage of Allotment.	Within 24 Months of release of Work Order	20% of Quoted Amount

b Incentive:

Sl. No.	Description	Target Date	Payable Amount
1	Allocation of Third 25 % (8.56 Acres) of allocable bare land	Within 24 Months of release of Work Order	10% of Quoted Amount
2	Allocation of last 25 % (8.56 Acres) of allocable bare land	Within 24 Months of release of Work Order	10% of Quoted Amount
3	Allocation of balance 25% (50000 Square feet) of Common Facilities Centre	Within 30 Months of release of Work Order	10% of Quoted Amount
4	Allocation of balance 50% (19500 Square feet) of Common Utilities Building. Balance essential Utilities to be ensured in this stage of Allocation.	Within 30 Months of release of Work Order	20% of Quoted Amount

c. Note:

- i All Allotments are “**Firm Allotments**”
- ii Brief details of Allotment procedure is given in Annexure B. Also please refer KINFRA Website for detailed Allotment Procedure (www.kinfra.org/investor-zone).
- iii Allotments, if any, subsequent to the period of 30 months from the release of Work Order will not be considered for any payment.
- iv Normally 10 Cents to 1 Acre of Bare Land will be allotted per Investor. But on case-to-case basis allotment of more Bare Land will be considered by KINFRA based on the amount of Investment and employment generation.

7. DIRECTIVES TO BIDDERS

1. The Bidder shall furnish an Earnest Money Deposit (EMD) of **Rupees Five Lakhs** only (Rs.5,00,000/-) 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 Marketing Consultant DEFENCE PARK, PALAKKAD**”.
2. The Document can be downloaded from KINFRA’s Web site www.kinfra.org. A non-refundable Bid Document fee of Rs.15,000 + Service Tax (Rupees Fifteen Thousand + Service Tax) by way of **Demand Draft** drawn in favour of **The Managing Director, KINFRA** payable at **Trivandrum** shall be enclosed with the Technical Bid in a cover super scribed “**Bid Document Fee for Marketing Consultant DEFENCE PARK, PALAKKAD**”.
3. **Security Deposit:** EMD of the successful bidder shall be converted into Security Deposit.
4. 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.
5. All enquiries should be submitted on the following address in writing, by letter or email or facsimile transmission;

ADDRESS: **The Managing Director,
Kerala Industrial Infrastructure Development Corporation
(KINFRA)
KINFRA House, 31/2312,
Sasthamangalam,
Thiruvananthapuram- 695010 ,Kerala
Tel : 0471 2726585
Fax : 0471 2724773
Email :prkinfra@gmail.com, rfp.query@outlook.com**

6. **Bid Validity** :-Each bid shall indicate that it will remain valid for a period not less than **120 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
7. **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 envelopes containing the Bid Document Fee and 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 Marketing Consultant for KINFRA Defence Park, Palakkad**”.
8. The envelope shall be addressed to:

**The Managing Director,
KINFRA, KINFRA House, 31/2312
Sasthamangalam, Thiruvananthapuram-695010
Kerala, India.
Tel No: 0471 2726585**
9. 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.
10. **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 assigning any reason and 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.

11. The Financial Bid shall include:

- a) 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. Refer Clause 6.1
- b) No subjective condition will be accepted in the Financial Bid.

12. 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 fulfilment 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.

13. **LIQUIDATED DAMAGES**

- a) In the event of a delay in completion of work as per the Schedule for which Consultant is solely responsible, the Consultant shall pay Liquidated Damages to KINFRA at the rate of a quarter of a percent (0.25%) per day of delay, subject to a maximum of ten percent (10%) of the Consultant fees.

14. **TERMINATION OF CONTRACT**

- a) KINFRA may terminate the Contract if the Consultant causes a breach of the Contract. Breach of Contract would include but not limited to:
- i. Repeated shortfall in achieving targets / intermediate targets / milestones.
 - ii. Non-completion of any item of work in scheduled time.
 - iii. Non-deployment of key personnel or deployment of key personnel with inadequate qualification and / or experience.
 - iv. KINFRA gives notice that failure to correct a particular defect is a breach of Contract and the Consultant fails to correct such defect within a reasonable period of time as determined by KINFRA
 - v. Consultant becomes bankrupt or goes into liquidation.
 - vi. Consultant indulging in corrupt or fraudulent practices
 - vii. Sub-contracting without permission
 - viii. Contract obtained by submission of false/forged documents/details
- b) On Termination of the Contract, on account of the above, KINFRA reserves the right to get the balance work done at the risk and cost of the Consultant without prejudice to the right of KINFRA to claim any other damages as per the provision of the Contract.

15. **CONSORTIUM**

- a) Consortium not allowed.

8. PRE-QUALIFICATION CRITERIA (MINIMUM ELIGIBILITY)

1. **Experience in Marketing of Similar Industrial Infrastructure Projects (Minimum 1 Project),** [Signed, dated and sealed copies of work orders and the work completion certificate/client certificate shall be submitted. Only completed Projects will be considered. 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. **Minimum Annual Turnover of Rs.50 Crores each in the preceding three years starting from 2012-13 onwards.**[Documents elaborated above shall be submitted].
4. **Positive net-worth in the preceding 3 years starting from 2012-13 onwards**[The net-worth certificate by a Chartered Accountant shall be provided]
Net worth shall be calculated as below:
Net worth = Share Capital + Reserves & Surplus - Miscellaneous expenditure to the extent not written off

OR

Net worth = Total Assets - External Liabilities
5. **Consultant or any of its Associates / Subsidiaries should not have been debarred/blacklisted by any Central/State Governments/Govt Departments/ Govt Bodies/PSU's.** [Certificate in this regard shall be submitted in the Company Letter Head and signed by the Authorised Signatory].
6. Copies of PAN card, Income Tax Returns related documents, Service Tax returns etc., also shall be enclosed.

9. SELECTION PROCESS

1. Those who meet the minimum eligibility criteria as mentioned above only shall be invited to make the Technical Presentation on Methodology, Work plan, Time Line, Deployment of professional team etc.
2. The Technical Presentation and Technical Proposal submitted along with the Bid shall be evaluated by a committee constituted by KINFRA. This committee will short list Consultants based on the Evaluation Parameter given in Clause 9.3
3. Technical Proposal Cum Technical Presentation Evaluation Parameter:

Sl. No.	Evaluation Parameter	Maximum Score
A	Bidder's Experience	
1	No. of Offices of the Bidder World wide	10
2	Overall Clientele list of the Bidder	10
3	Bidder's experience as a Lead Consultant / Project Advisor in investment promotion program in India in the past five years	10
4	Bidder's experience as a Lead Consultant / Project Advisor in investment promotion program Internationally in the past five years	10
B	Approach & Methodology and Work Plan	
1	Proposed Approach and Methodology for undertaking the assignment	15
2	Work Plan	15
C	Technical Presentation	30
Total Technical Score		100
Minimum Score required for short listing		60

4. The Financial Bid of those Bidders, who are short listed by the evaluation committee only will be opened after intimating the short listed Bidders.

10. SIGNING OF THE AGREEMENT

1. Agreement format duly incorporating all the above terms and conditions for signature by KINFRA and successful bidder is enclosed. 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 forwarded by KINFRA to the consultant.

ANNEXURE: A

I. PRE-QUALIFICATION FORMAT

A. Experience in Marketing of Similar Industrial Infrastructure Projects.

a) Name of Client(Promoters)	
b) Location of Project (also include District/ State)	
c) Project Cost	
d) Project Details	
e) Date of Work Order issued	
f) Date of Completion of Project	
g) Documents Submitted <ul style="list-style-type: none"> • Work Order • Client Certificate/Completion Certificate 	
h) Remarks	

B. Financial Details

Year	Annual Turnover	Annual Profit	Net Worth	Documents enclosed
2012-13				
2013-14				
2014-15				

Note: Net worth to be calculated as defined in the Pre-Qualification Criteria clause and the above statement to be **certified by a Chartered Accountant and countersigned by Authorised signatory.**

C. Undertaking on whether the Firm or its Associates / Subsidiaries is debarred / blacklisted by any Central/State Governments/Govt Departments/ Govt Bodies/PSU's or Not

Certificate as per the below draft to be signed by the Authorised Signatory and to be provided in the Company Letter Head.

"This is to certify that <Company Name> and its Associates / Subsidiaries has not been debarred / black listed by any Central / State Governments / Government departments / Government bodies / PSUs"

II. TECHNICAL BID FORMAT

A. Name of the organization :

Address with contact details :

B. Bidder's experience as a Lead Consultant / Project Advisor in investment promotion program in India in the past five years

a) Name of Client	
b) Location of Project (also include District/ State)	
c) Project Cost	
d) Project Details	
e) Date of Work Order issued	
f) Date of Completion of Project	
g) Documents Submitted <ul style="list-style-type: none"> • Work Order • Client Certificate/ Completion Certificate 	
h) Remarks	

[Note: Repeat above data for each project]

C. Bidder’s experience as a Lead Consultant / Project Advisor in investment promotion program Internationally in the past five years

a) Name of Client(Promoters)	
b) Location of Project	
c) Project Cost	
d) Project Details (Descriptions)	
e) Date of Work Order issued	
f) Date of Completion of Project	
g) Documents Submitted <ul style="list-style-type: none"> • Work Order • Client Certificate/ Completion Certificate 	
h) Remarks	

[Note: Repeat above data for each project]

D. Proposed Approach and Methodology for undertaking the Assignment

Write-up to be enclosed

E. Work Plan

Write-up to be enclosed

F. Miscellaneous Details of the Bidder:

a Details of Offices of the Bidder World wide

Sl. No.	Office Name	Full Address	Contact person's name and phone number	Nature of Business

b Overall Clientele list of the Bidder

Sl. No.	Client Name	Full Address	Contact person's name and phone number	Brief Description of the Project

G. 20 Minutes Presentation on the Understanding of the Assignment and the Methodology proposed to be adopted.

Only Pre-qualified Bidders will be called for Presentation

III. FINANCIAL BID FORMAT

A. Name of the organization :

Address with contact details :

B.

Quoted Amount (Including all taxes)	Rs. (In words)
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No subjective conditions will be accepted in the price bid.

Name of the organization

Signed by

Seal of the organization

Designation

Date:

ANNEXURE: B**ALLOTMENT PROCEDURE**

- Application for Registration in Form A (Format enclosed) to be submitted with project profile indicating raw material, process flow diagram, end product and accompanied by a Registration fee of Rs.5000/- plus Service Tax by way of Demand Draft drawn in favour of KINFRA payable at Trivandrum.
- Land Lease period is for 30 years and subsequently extended in multiples of 30 years.
- Lease of Built up Space is for a period of 10 years and subsequently extended in multiples of 10 years.
- Proposal to be placed before KINFRA Land Allotment Committee.
- Once the proposal is cleared by the Land Allotment Committee, intimation letter (Form B) will be issued to the allottee and allottee shall remit 10% of the total amount of lease premium as Earnest Money Deposit (EMD) within 30 days. (Service tax applicable)
- On remitting EMD, allotment letter (Form D) will be issued and allottee shall remit 50% of lease premium within 15 days. (Service tax applicable)
- On remitting lease premium, License Agreement (Form E) to be executed between KINFRA and the allottee, the validity of the Agreement is for 24 months, during which the allottee has to submit the drawings, construct the building, installation of plant and machinery and the unit shall be ready for commercial production. Also note that the balance lease premium is to be remitted in 2 equal instalments with interest @ 14.75 % within 24 months. (Service tax applicable)
- Once the unit is ready for commercial production, Lease Deed (Form F) will be executed for 28 years. Please note that the deeds are exempted from Stamp duty and Registration.
- In case of cancellation of the allotment, 10% EMD will be forfeited