

**Development of Transport Nagar at Tewar Village, Jabalpur
on DBFOT (Design, Built, Finance Operate and Transfer)
Basis under PPP Mode**

**Request for Qualification cum Proposal (RFP)
Volume I: Project Information Memorandum (PIM)**

Issued By:

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Project Consultant:-



BENGAL SREI INFRASTRUCTURE DEVELOPMENT LIMITED
(A Joint Venture Company of WBIDC & SREI)



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Neither the information in this RFP nor any other written or oral information in relation to the selection process of the Bidder or otherwise is intended to form the basis of or the inducement for submission of the Bids by the Bidders or for any investment activity or any decision to enter into any contract or arrangement in relation to the Project and should not be relied as such. Neither Jabalpur Smart City

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Nothing contained in this RFP is, or shall be relied upon as, a representation of fact or promise as to the future. Any summaries or descriptions of documents or contractual arrangements contained in any part of this RFP are only indicative and cannot be and are not intended to be comprehensive, nor any substitute for the underlying documentation (whether existing or to be concluded in the future), and are in all respects qualified in their entirety by reference to them.

This RFP outlines Jabalpur Smart City Limited expectations in relation to the Bids to be submitted by the Bidders. The Jabalpur Smart City Limited , its respective advisers, consultants, contractors, servants and/or agents do not accept any responsibility for the legality, validity, effectiveness, adequacy or enforceability of any documentation executed, or which may be executed, in relation to the Project or its operation and maintenance.

Nothing in this RFP shall constitute the basis of a contract which may be concluded in relation to the Project and its operations and maintenance nor shall such documentation/ information be used in construing any such contract. Each Bidder must rely on the terms and conditions contained in any contract, when, and if, finally executed, subject to such limitations and restrictions which may be specified in such contract.

Laws of the Republic of India are applicable to this RFP.

Each Bidder's acceptance of delivery of this RFP constitutes its agreement to, and acceptance of, the terms set forth in this Disclaimer.

The Jabalpur Smart City Limited, may, at its sole discretion, but without being under any obligation to do so, update, amend or supplement the information, assessment or assumptions contained in this RFP.

The issue of this RFP does not imply that the Jabalpur Smart City Limited, is bound to select a Bidder or to appoint the Selected Bidder or Developer, as the case may be, for the Project and the Jabalpur Smart City Limited reserves the right to reject all or any of the Bidders or Bids without assigning any reason whatsoever.

The Bidder shall bear all its costs associated with or relating to the preparation and submission of its Proposal including but not limited to preparation, copying, postage, delivery fees, expenses associated with any demonstrations or presentations which may be required by the Jabalpur Smart City Limited or any other costs incurred in connection with or relating to its Proposal. All such costs and expenses will remain with the Bidder and the Jabalpur Smart City Limited shall not be liable in any manner whatsoever for the same or for any other costs or other expenses incurred by a Bidder in preparation or submission of the Bid, regardless of the conduct or outcome of the bidding process.

1. Background and Brief on the Project

1. Jabalpur Smart City Limited (JMC) proposes to set up a Transport Nagar at Village Tewar, Jabalpur, Madhya Pradesh in order to decongest the city from goods traffic plying on the roads as well as to create integrated infrastructure facility for transporters. JMC has already identified the site measuring 80.65 acres, located at Village Tewar, Jabalpur for the Project.
2. The proposed Transport Nagar (“**Project**”) is expected to have parking bays for trucks and support facilities for truck terminal. It will provide the adequate facilities for storage, loading / unloading of goods, vehicle repairs shops, idle parking, weighing and other commercial amenities. Therefore primarily the project has been divided into two zones :-
 - a) Transport Zone
 - b) Support Services cum Commercial Zone.
3. The project will provide modern and functionally efficient truck terminal for the city, beneficial to the transport operators, lorry booking agents and public facilities. It shall be planned in such a manner that it will provide adequate facilities for storage, loading / unloading of goods, vehicle repairs, idle parking and other amenities and services required for the transport operators.
4. The proposed Project is to be implemented on Public Private Partnership mode . In the PPP model, the private developer shall be responsible for design, finance, build, own and operate the Project facility for the concession period of 30 years and transfer the project facility to the JMC after efflux of concession period. The JMC will provide land to the private developer for the development of the project and also act as facilitator for obtaining various clearances for the project.
5. The private developer will recover the investment through truck parking charges and other support services provided at the Transport Nagar; hence capacity planning is the critical part of the project factoring the expected returns on the investment.
6. Based on the primary traffic demand survey, around 1000 Truck parking bays are required to cater to the next 30 years projected traffic demand. It is prudent to implement the project in two phases to reduce the capital investment because the parking demand will gradually rise over the years. Hence 500 bays planned in Phase I and remaining 500 bays shall be created after 10 years to meet the traffic demand.
7. The estimated project cost is around Rs.32.58 crore of Phase I and additional Rs.12 crore capital investment is required to complete the Phase II of the project.
8. After the end of Concession Period the Concessionaire shall transfer the Project Facility/ Assets to Jabalpur Smart City Limited in working condition as per terms and conditions of the Concession Agreement signed.
9. The Private Party shall make a detailed project proposal along with the estimated cost (the capital cost of the project excluding cost of land should be supported by documentary evidence and certified by chartered engineers and chartered accountants).
10. The bid parameter shall be the combination of highest one time upfront premium and yearly concession fee for the first year quoted by the private bidder. The 1st Years Annual

Premium/yearly concession fee quoted in Indian Rupees shall be increased by 15% after every 3 years.

11. The project is located around 2 km from the NH, therefore an approach road is to be provided for site accessibility to the private developer. The Jabalpur Smart City Limited shall construct this approach road for providing access to the site.
12. The Road users have to bear with traffic problems caused by the plying of goods carriers due to non-availability of adequate or integrated truck terminal facility in the Jabalpur region and also there is requirement for additional facilities like godown with storage facilities to reduce the wastage of goods. The proposed facility will not only decongest the traffic but also improves the overall traffic condition of the city which would lead to fewer accidents.
13. The objective of the RFP is to successfully select the Private Developer for implementation of the project through single stage bidding process selected by the Jabalpur Smart City Limited.
14. The single stage bidding process comprises of single stage two envelop bidding process comprises of Technical Proposal and Financial Proposal. The bidders shall submit the Technical Proposal and Financial Proposal in separate envelope. The Financial Proposal of those bidders will be opened who will be able to qualify the technical eligibility criteria.
15. The preferred bidder shall form the SPV and sign the concession agreement with the Jabalpur Smart City Limited for development of the “**Project**” per the stipulated conditions of the bid documents.
16. The scope of the private developer shall mean design, build the required facilities, finance, procure required machineries, installation and commissioning, operate and maintain the “**Project**” upon Site for the defined concession period i.e. 30 years as per Good Industry Practice. After completion of the concession period i.e. 30 years, the private developer shall transfer the Project/Project Facility to the Jabalpur Smart City Limited as per the conditions of RFP document.
17. The indicative details of the project are given in the table below:-

Name of the project	Project Output Requirement	Selected Developer Minimum Obligation	Maximum Land Area	Estimated Project Cost (Rs. crore)
Development of the Transport Nagar at Tewar Village, Jabalpur, Madhya Pradesh on Design, Built , Finance , Operate and Transfer (DBFOT) Basis under PPP Mode.	The Concessionaire will be responsible for required designing, building, financing of the facility. The Concessionaire shall operate and maintain the facility for the defined Concession Period and transfer the existing facility to Jabalpur Smart City Limited upon expiry of the Concession Period.	Combination of Highest one time Upfront premium and annual premium for the first year.	80.65 acres	Phase – I : Rs.32.58 crs. Phase – II : Rs.12.00 crs. Total Phase I and II : Rs. 44.58 crs.

Note: The Project Information Memorandum (PIM) is being issued to bidders as Volume I of the Request for proposal (RFP) document and must be read in conjunction with the other volumes of the RFP as given below

Volume - II: Instruction to Bidders (ITB)

Volume - III: Draft Concession Agreement (DCA)

2. Development Guidelines for the Logistics Hub

The proposed project is envisaged to be implemented under PPP mode in which the private developer / Concessionaire shall be responsible for designing, financing, construction and procurement of the project facilities, their commissioning, operation & maintenance, charging user fee and marketing of the project for the defined concession period i.e. 30 years and handing over full and peaceful possession of the Project Assets to the Jabalpur Smart City Limited at the end of the Concession Period, without any Encumbrance and/or liability and at value to the effect that the Concessionaire shall have no claim on the aforesaid Project Property.

The Concessionaire will be responsible for required design, construction, procurement, installation and commissioning of the various facilities under the purview of the project as per specifications and agreement set forth with the Jabalpur Smart City Limited.

The Project shall be developed adhering to the latest building bye-laws, regulations and guidelines of Jabalpur Smart City Limited and latest specifications of P W D Govt. of Madhya Pradesh and good industry practices.

Jabalpur Smart City Limited shall provide the land to the private developer / Concessionaire.

The Concessionaire shall meet the minimum development obligations while constructing the project facilities:

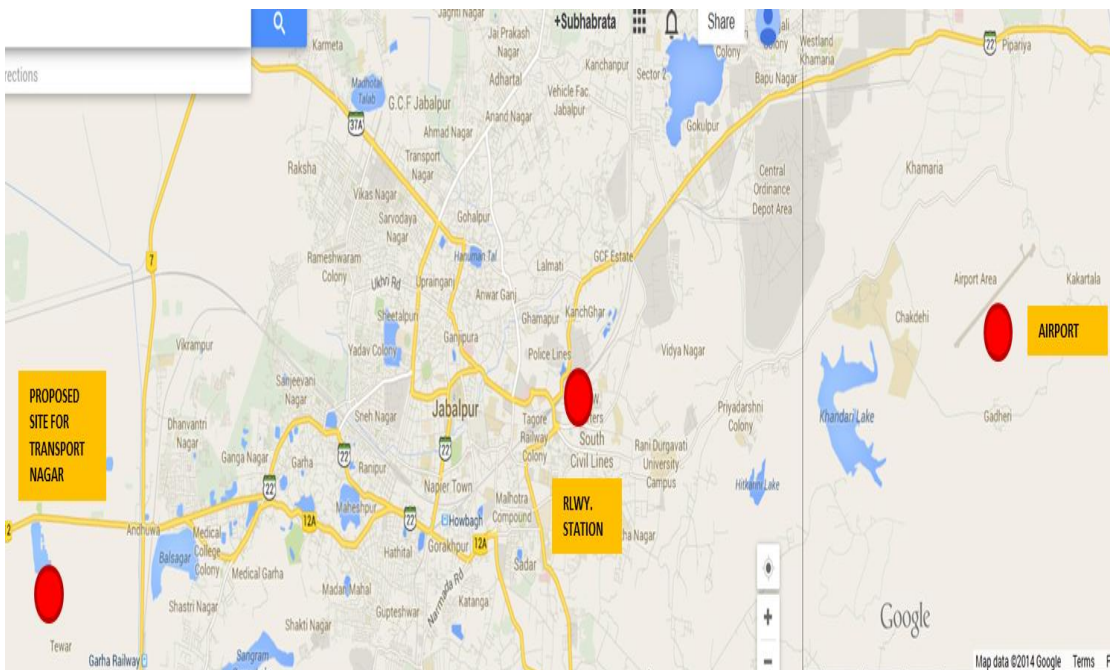
- a. Shall design, construct, procure, install and commission of the various facilities under the purview of the project.
- b. Operation and Maintenance of the Project Facilities in accordance with provision of this Agreement and as per the best Industry Practices as well as marketing of the project to the end users;
- c. The Property, and Project Assets under consideration shall be used only for providing parking with other support services and commercial activities like warehousing, eateries, entertainment zones;
- d. Create an adequate waste disposal system for management and disposal of the waste generated through the Project;
- e. Maintain hygiene and quality standards and providing quality services;
- f. Provide for adequate security and insurance and ensuring there is no damage or loss to Project Assets;
- g. The Concessionaire shall be required to undertake all the necessary and ancillary work related to the logistics hub.
- h. Charge parking fee from the parkers and user fee from other users.

- i. Provision of services, performance and fulfillment of all other obligations of the Concessionaire in accordance with the provisions of Volume – III : DCA and matters incidental thereto or necessary for performance of any or all obligations of the Concessionaire under DCA.

3. Site and Project Location

The location of the proposed Transport Nagar is shown in Figure 1. Jabalpur is a city in the state of Madhya Pradesh. The city of Jabalpur is the administrative headquarters of the district. It is the third most populous city of Madhya Pradesh after Indore and Bhopal.

Figure 1: Location of the Proposed Transport Nagar



VIEW OF THE PROJECT SITE NEAR TEWAR VILLAGE



4. Location Advantages

The city has good connectivity by Roads and Railways. Longest National Highway no.7 and National Highway no.12 run through the city.

- ✓ Jabalpur is strategically located in the centre of the country thereby enhancing the connectivity potential to all other regions in the country. The proposed project location is in the vicinity of major industrial areas in MP. The location is also under the DMIC project influence area which has potential for industrial development.
- ✓ Madhya Pradesh ranks 1st in acceleration in agriculture during 1991-2008. The State is the highest producer of soya bean, oilseeds, spices and garlic in India. Potatoes, wheat and oranges are other major agriculture produce of the State. There is a marketable surplus of key commodities which require adequate storage and preservation facilities. A substantial portion of agricultural produce is perishable in nature that requires special storage and handling facilities.
- ✓ The sector has been witnessing double digit year-on-year growth rate since 2002. The logistics sector in India is expected to reach USD 120 billion (Rs. 5400 billion) by 2015. The end user industries like auto, consumer durables, organised retail, etc. are direct triggers for the growth of the logistics sector in India.
- ✓ Some of the other growth drivers include increased demand of 3PL (Third Party Logistics) services, streamlining of indirect tax structure, investments in transportation infrastructure, recognition of logistics management as a strategic tool by organisations, globalising of manufacturing systems and infusion of qualified work force.
- ✓ The models in logistics industry have evolved over time to address the changing needs of the market and vary based on scope of service offerings, degree of collaboration, levels of asset intensity and IT capabilities across the supply chain. The logistics model has been evolving from a specialized function to fourth party Logistics (4PL) and fifth Party Logistics (5PL) companies. Newer concepts of 3PL logistics, integrated logistics services providers, cargo consolidators etc. are introduced and well received by the market. There is also increasing demand of centralised warehouses due to introduction of state level value added tax system and abolishment of Central Sales Tax.
- ✓ In addition, enhanced corporate focus on core operations, competitive pressure, increasing global trade and MNCs investments in India will provide an impetus to logistics outsourcing

which most growing sector. The sector presently is not confined only to Government and new trends in the industry require combined efforts of both Government and private players.

- ✓ Madhya Pradesh Warehousing & Logistics Corporation Ltd. (MPWLC) is the nodal agency for development of logistics and warehousing facilities in MP. The current Joint Venture scheme by MPWLC provides for development of warehousing facility through a joint venture between private player and MPWLC. Presence of such an agency will help this project immensely.
- ✓ Jabalpur is strategically located in the centre of the country thereby enhancing the connectivity potential to all other regions in the country. The proposed project location has good connectivity with major industrial areas in MP. The location is also under the DMIC project influence area which has potential for industrial development.
- ✓ Land is available in Jabalpur in ample at lesser rates than other regions in India. The labour rate in MP is Rs.135-150 per hour as compared to Rs. 225-250 per hour in metros. There is larger pool of qualified manpower available in Madhya Pradesh.
- ✓ Madhya Pradesh has total road length of 91968 km all over the State. There are 16 national highways passing through the state with total length of 4670 km. MP has the 3rd largest network of highways among all the states in India. The length of state highways in the state is 10249 km. MP is well connected with the rest of India through railways with almost 425 trains passing through the State on a daily basis. Itarsi railway station strategically located in the centre of country.
- ✓ Central location of the state gives it inherent potential to become the logistics hub of the country.
- ✓ There are 5 operational airports in MP. Indore airport has the capability of handling international cargo. An international airport is under construction in Bhopal.
- ✓ Industrial development in MP and Jabalpur is also on rise. Various projects under different industrial sectors are coming up in the region.

5. Connectivity

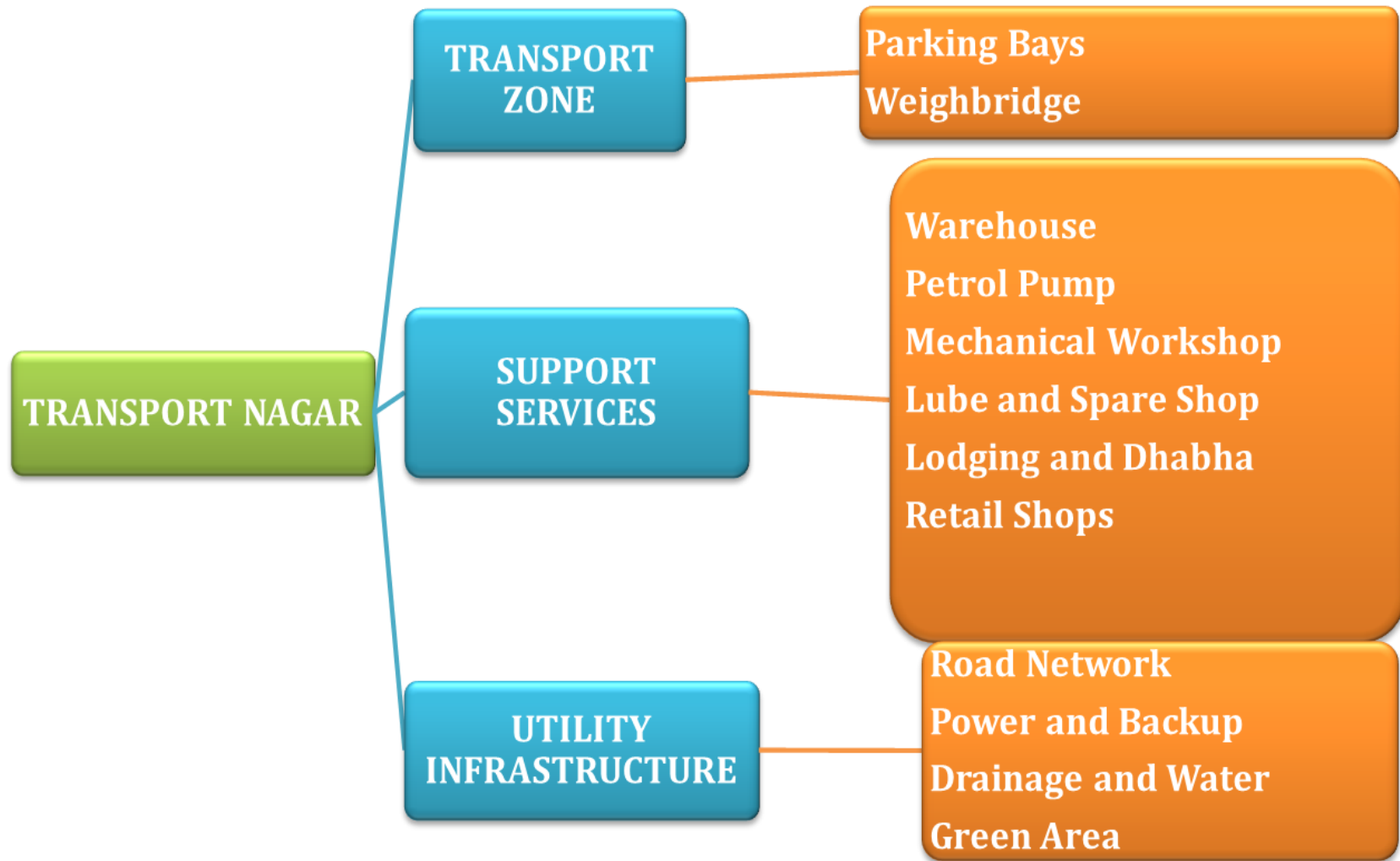
Jabalpur City is connected to other parts of the state and country by road and railway line. National Highway No. 7 connecting Varanasi and Nagpur traverses the city from north to south. National Highway No. 12, leading to Jaipur links the city to Bhopal and the western part of the state and country.

The city is also well connected to other regional nodes like Damoh, Dindori, Amar Kantak and Mandla by state highways. In terms of railway linkage, Jabalpur lies on the Mumbai-Kolkata (via Allahabad) trunk railway route and is the zonal headquarter for the railways. Jabalpur is also connected to Balaghat and Gondia towns by a narrow-gauge railway line, which is undergoing up gradation to broad gauge. However, in terms of connectivity by air, the city has limited options with only one flight operating between New Delhi and Jabalpur.

6. Proposed Project Implementation Structure

The various role of the key project entities shall be as detailed below –

- The Private Investor shall set up the SPV for development, operation and maintenance of the project.
- The SPV will construct and / or procure and install and commission the various facilities under the purview of the project as per specifications and agreement set forth in the concession document signed with Jabalpur Smart City Limited.
- In return the SPV has the right to charge regulated parking fee from end users and user charges for other support facilities
- The SPV bears the cost associated with operational and maintenance of the facility as per standards agreed upon and collect revenue from users.
- Private developer shall pay one time upfront concession fee and yearly concession fee to the Jabalpur Smart City Limited based on its assessment of the commercial viability of the project.
- At the end of the concession period, the SPV shall transfer the project to Jabalpur Smart City Limited as per conditions of the agreement.



The Flow Chart – 1 below provides a representation of the above structure.

Flow Chart:-

