



KAMARAJAR PORT LIMITED

(Erstwhile Ennore Port Limited)
(A Mini Ratna Government of India Undertaking)

Information Memorandum

For

Participation in Foreign Currency Loan facility

DATE & SUBMISSION OF DOCUMENTS

Pre-bid Meeting on	06.12.2016 @ 1500 Hrs
Last date & time submission of Documents	19.12.2016 @ 1500 Hrs
Date & time of opening Technical Bid	19.12.2016 @ 1530 Hrs
Date & time of opening of Price Bid	Eligible Bidders will be informed separately.
Venue for Submission / Opening of Documents -	Registered Office: Kamarajar Port Limited, 4th Floor, ChPT Super Speciality Hospital, Rajaji Salai, Chennai 600 001.
For any queries, Please contact	General Manager (Finance) Kamarajar Port Limited, <u>accounts@kplmail.in</u>

INFORMATION MEMORANDUM

1. Introduction

Kamarajar Port Limited (KPL) (erstwhile Ennore Port Limited), the 12th Major Port was commissioned in 2001 under the Ministry of Shipping, Government of India. The Port which was looked upon initially as a mono commodity coal port dedicated to handling Thermal Coal requirements of Tamilnadu Generation and Distribution Corporation Limited (TANGEDCO) formerly Tamilnadu Electricity Board (TNEB), has over the period developed as a multi cargo port. It has a distinction of being the only corporate port amongst the Major Ports administered by the Central Government.

2. Port Management Model

In a radical departure from the prevalent practice of declaring the newly developed major ports as Major Port Trusts under the Major Port Trusts Act, 1963, the Govt of India (GOI) decided to establish the new port of Ennore as a separate autonomous entity in line with the liberalized economic process launched by it. Accordingly Ennore Port was incorporated as a company in October, 1999 under the Indian Companies Act, 1956 and is come to be known as Ennore Port Limited (EPL). Later on, the company was renamed as 'Kamarajar Port Limited in 2014.

3. Institutional Setting/Private Sector Involvement

As a corporate port, the Kamarajar Port has chosen to function on "Landlord" concept whereby the Port will provide the basic infrastructure like dredged basin / channel, road and rail infrastructure, aids to navigation, fire fighting facilities, utilities, water and power supply etc. apart from overall development and regulatory functions. Development and operation of cargo handling terminals will be through private sector participation on BOT / captive basis.

4. Existing berthing Facilities:

S. No.	Berths	Capacity	Operated by
1	Coal Berth 1 (CB1)	8 MTPA	Captive User (TANGEDCO)
2	Coal Berth 2 (CB2)	8 MTPA	Captive User (TANGEDCO)
3	Marine Liquid Terminal	3 MTPA	BOT operator (ETTPL)
4	Common User Coal Terminal	8 MTPA	BOT operator (CICTPL)
5	General Cargo Berth	3 MTPA	Operated by KPL
6	Iron Ore Terminal (now being converted into coal terminal)	6 MTPA	BOT operator (SIOTL)

5. Ongoing Projects:

S. No.	Name of the project	Rs. in Crores
1	Construction of Coal Berth 4 (for TANGEDCO)	250
2	Capital Dredging - Phase III	350
3	Construction of General Cargo Berth- II	320
4	Capital Dredging – Phase IV	300
	Total	1220

Construction of Coal Berth 3 & 4 - dedicated berths for TANGEDCO.

Considering the expansion of the existing thermal power plants of and new TANGEDCO, TANGEDCO - NTPC JV project, TANGEDCO had requested KPL to establish additional coal berths. KPL initiated action and awarded the contract for construction of additional two coal berths at a own investment of Rs.480 Crore. The proposed coal berth to accommodate capsized vessel of 18 m draft and handling capacity of 9MTPA each. As per the Business model adopted by KPL, TANGEDCO is investing, operating and maintaining all top side facilities like shore unloaders, conveyor system, etc. Schedule of completion of construction of the berth is 2017-18.

Capital Dredging

Capital Dredging (Phase III) to provide 16 mtr depth at container terminal Phase 1 berth, multi cargo berth, CB-3 berth areas. This will be taken up in synchronization with berth construction.

Development of 2nd Automobile Export Terminal

To meet the export demand of automobile exporters, KPL to initiate action for development of 2nd Automobile export terminal consists of berth and parking yard for automobile by own investment at an estimated cost of Rs.320 Crores. The capacity of the Terminal is 3,00,000 cars. Tendering process has been initiated and commence the construction work is after receipt of Environmental Clearance & CRZ clearance. Schedule of completion of construction of the berth is 2018-19.

BIDDING PROCESS AND GENERAL GUIDELINES

DEFINITIONS:

Competent Authority / Authorized Signatory shall mean the General Manager – International Banking or such other senior official not below the rank of GM or his equivalent.

Bid shall mean Proposal along with documents and certificates as mentioned in the Information Memorandum.

Bidder is an eligible lender as per the extant of ECB Guidelines of Reserve Bank of India.

PRE-QUALIFICATION CRITERIA

1. The Bidder is an eligible lender as per the extant ECB guidelines of Reserve Bank of India.
2. The Bidder confirms its willingness to participate as per the Indicative Terms of the facility mentioned in Annexure
3. Un-qualified acceptance of Bidder that KPL reserves the right to reject any or all the bids without assigning any reason.
4. The Bidder should not have been black listed by any Central Govt Department / State Govt Department / PSU.
5. The Bidder shall submit all documents, duly signed by the Competent Authority.

FACILITY

KPL proposes to avail Foreign Currency Loan **upto USD 100 Million**. The FCL facility shall be used for the above ongoing CAPEX projects

The Bidder shall submit the proposal in Two cover systems as indicated below:

Technical Bid:

1. The Bidder shall give a duly accepted copy of the Term sheet attached herewith (**Annexure A**) along with the Bid. All the pages of the term sheet shall be duly stamped and initiated by Competent authority.
2. Proof of Sanction letter to any Indian PSU as per pre-qualification criteria
3. Certificate duly signed by the competent Authority confirming Un qualified acceptance fo Bidder that KPL reserves the right to reject any or all the bids without assigning any reason.
4. Please note that no price is to be quoted in the Technical Bid.
5. Bidder shall write conspicuously in bold letters “**Technical Bid – For participation in Foreign Currency Loan facility**” on the face of the envelope.
6. Conditional bid is liable for rejection.

Price Bid:

1. Price Bid duly signed by the Competent authority. The pricing shall be quoted as per the format enclosed (**Annexure B**).
2. Bidder shall write conspicuously in bold letters – “**Price Bid – For participation in Foreign Currency Loan facility**” on the face of the envelope.
3. Conditional bid is liable for rejection.

Annexure A**INDICATIVE TERM SHEET**

1.	Borrower	Kamarajar Port Limited (KPL)
2.	Amount of Loan	USD 100 Million
3.	Facility	Foreign Currency Loan
4.	Availability	One year from the date of sanction
5.	Moratorium period	One year from the date of first disbursement
6.	Tenor of the loan	Five Years from the date of first disbursement including a moratorium of one year
7.	Payment of Interest	Monthly (Dollar but payable in equivalent rupees)
8.	Repayment of Loan	Equal Quarterly installments (i.e. 16 Equal quarterly installments) (Dollar but payable in equivalent rupees)
9.	Commitment Fees & Partial usage charges	Nil . No penalty or any other charges for partial usage.
10.	Transaction Cost	A fixed amount of Rs.15000 + ST will be payable at the time of disbursement of the loan.
11.	Upfront fee	Nil (To be included in Rate of Interest)
12.	Hedging	Not necessary, natural hedging is available
13.	Security	Receivables
14.	Rate of Interest / Spread (All in all costs)	All in costs to be quoted in the Price Bid inclusive of upfront fees, if any. The spread/rate of interest will remain same during the entire tenure of the loan. No change / reset of interest rates is allowed.
15.	Pre-payment	Prepayment of loan can be made by the company through internal accruals without penalty.
16.	Bid Validity	90 days

Annexure B

PRICE BID

Facility	Rate of Interest / Spread
Foreign Currency Loan – USD 100 Million	6 Months LIBOR + BPS (Spread / interest rate shall not exceed three decimals)