

REPLY TO QUERIES (APPENDIX-I)

Allotment of KoPT land msg. about 40,468.55 sq.mtrs. (or 10 acres) in the Industrial Zone of Haldia Dock Complex at Haldia on lease on "as is where is" basis for setting up of LNG Terminal with storage & distribution facilities through tender-cum-auction.

TENDER NO. : AD/E/T/Land/10 acres(III)/2018 :: **E-Tender No. :** MSTC/HO/HALDIA DOCK COMPLEX/3/HALDIA/18-19/6998

Sl. No.	Query	Reply of HDC, KoPT
1	Schedule of tender (SOT) g(ii) – Is the tender fees required to be paid to KoPT or MSTC?	The Tender fees is required to be paid to Haldia Dock Complex, KoPT.
2	Schedule of tender (SOT) h – What is the transaction fess that needs to be paid three working days before the closing of the online bidding?	In case of land tenders, payment of transaction fee in favour of MSTC Ltd. is not applicable. This may be ignored.
3	<p>Minimum Guaranteed Traffic – H(f) <i>"Lease to be granted to the successful tenderer shall be liable to be terminated if they fail to achieve the MGT without any sufficient or genuine reason for 3 (three) consecutive years. " -</i></p> <p>It is requested to remove this clause, as the tenderer would have made a significant investment close to setup LNG storage and distribution infrastructure, so the lease cannot be terminated before 30 years. And in case of shortfall of traffic, the tenderer is already liable to pay penalty as covered in clause H (d).</p>	<p>This clause has now been included in all land tenders. The purpose of this clause is to ensure that the lessees actually handle cargo for the purpose of his business at the leased land. Moreover, it is clear from the clause that the question of termination will only arise in case the lessee fail to fulfill the without any sufficient and genuine reasons.</p> <p>Therefore, the clause will remain as it is.</p>
4	<p>Minimum Guaranteed Traffic – H(i) <i>"The above stipulation of handling of Minimum Guaranteed Cargo per annum and recovery of cargo related charge/ shortfall, if any, shall come into effect after completion of 3 (three) years from the date of commencement of lease (i.e. date of handing over possession of the concerned land on observance of the required formalities) and shall remain in force throughout the lease period thereafter. Accordingly, Bank Guarantee referred to above shall have to be submitted before commencement of the 4th year of the lease. –</i></p> <p>It is requested that MGT should be enforced after completion of 4 (four) years, as it will take a minimum of one year to secure all the regulatory approvals, and minimum of three years to complete the construction.</p>	<p>This is acceded to. The MGT will be reckoned after completion of 4 years from the date of commencement of lease i.e. the date of handing over of possession.</p> <p>The clause has been modified. Please refer to Corrigendum.</p>
5	<p>Acceptance to Port's offer of allotment –</p> <p>Q: After finalization of the tender-cum-auction,</p>	<p>The clause has been modified. Please refer to Corrigendum.</p>

	<p>the offer of allotment of land will be made to the concerned successful tenderer. The successful tenderer shall thenceforth be required to again formally accept the terms & conditions of the offer of lease and remit requisite Upfront Premium, Security Deposit, Advance Nominal Rent for 1st year etc. within a period of 2 (two) months from the date of issuance of offer letter irrespective of whether all the statutory clearances have been obtained or not, failing which the successful tenderer shall be liable to pay interest @ 12% on the amount of Upfront Premium upto the date of payment. If however, the successful bidder fails to comply with formalities as specified in the offer letter even within the extended period of validity of offer, if any, the offer may be cancelled and the Earnest Money deposited by the tenderer shall stand forfeited. –</p> <p>It is requested to increase the period to four months, as it will take time to mobilize the money, especially when it is Foreign Direct Investment.</p>	
6	<p>Definition of "Associate" – On page no 10 of the tender document the "Associate" has been defined as - <i>For purposes of this tender, Associate means, in relation to the Applicant / Consortium Member, a person who controls, is controlled by, or is under the common control with such Applicant / Consortium Member (the "Associate").</i></p> <p>But the Annexure -I requires the associate to be controlled by the applicant -</p> <p><i>Based on the authenticated record of the Company, this is to certify that more than 50% (fifty percent) of the subscribed and paid up voting equity of (Name of the Associate) is held, directly or indirectly,..... (Name of Applicant/Consortium Member). By virtue of the aforesaid share-holding, the latter exercises control over the former, who is an Associate in terms of B under Financial Capability (Page-10).</i></p> <p>It is requested that the language on Annexure I to be changed to -</p> <p>Based on the authenticated record of the Company, this is to certify that more than 50% (fifty percent) of the subscribed and paid up voting equity of (Name of the Associate/Consortium Member/Applicant) is held, directly or indirectly,..... (Name of the Associate/Consortium Member/Applicant). By virtue of the aforesaid</p>	<p>Agreed to. The clause has been modified .Please refer to Corrigendum.</p>

	share-holding, the latter exercises control over the former, who is an Associate in terms of B under Financial Capability (Page-10).	
7	Jetty to be earmarked and space to be allocated for setting up LNG unloading arms – The tender document should also cover the provision of earmarking the suitable jetty close to the land that can handle LNG, and space to be allocated on the jetty to setup LNG unloading arms. Also, right of way to lay cryogenic pipeline from Jetty to land should be made available.	As the land concerned of 10 acres is located close to 1 st oil jetty, it is intended that the LNG would be handled at 1 st oil jetty only. However, subject to the feasibility, LNG may also be allowed to be handled at other oil terminals of HDC.
8	Jetty availability – As the tender has a MGT of 200,000 MT, there shall be guaranteed availability of Jetty for LNG carriers to berth. A minimum berthing of 6 times in a month on regular intervals shall be guaranteed by port. Also LNG carriers shall be given the highest priority in allocating the berth, given the high charter rates of LNG carrier and complexities with high rate of boil of gas.	The request has been noted. However, the lessees will have to abide by the priority norms of Kolkata Port Trust prevailing from time to time.