



**REQUEST FOR PROPOSAL
FOR
INTEGRATED PROPERTY DEVELOPMENT AROUND METRO RAIL STATION AT
BAIYAPPANAHALLI, BENGALURU**

Executive Summary

1. Background

1.1 Bangalore Metro Rail Corporation Limited (the “**Authority**” or “**BMRCL**”), a joint venture company constituted by Government of Karnataka and Government of India principal objective is to plan, design, develop, construct, maintain, operate and finance mass transit and other urban transport facilities in the Bengaluru Metropolitan Region. As part of this endeavour, the Authority has decided to undertake development of about 7 acres 29 Guntas¹ of land along the Metro Stations & Terminal Stations in order to provide various facilities and amenities to the commuters and also to have more footfalls in the metro and also to generate additional revenue and to provide amenities to the metro travellers (hereinafter referred to as the “**Project**”) through Public-Private Partnership (PPP) on a Design, Finance, Build, Operate and Transfer (“**DFBOT**”) framework. The Authority has decided to carry out a competitive and transparent bidding process for selection of a private entity as the Bidder to whom the Project may be awarded.

1.2 The Bidder may propose to develop any facilities as permissible under the applicable laws within the Project site area for better commercial utilisation of the Project Site. The said 7 acres 29 Guntas of land is divided into Part A and Part B. Details of the same is provided in Schedule 1 to the Project Development and Implementation Agreement. The successful Bidder may integrate the said property to the Metro Rail Station at Baiyappanahalli, Bengaluru subject to obtaining the approval of BMRCL and providing easy temporary access to connect to the metro station during the construction period by way of staircase, lift, elevators etc. If the integration is not feasible, BMRCL has the discretion to reject the integration of the property to the metro station.

2. Eligible Bidders

In order to participate in the Selection Process, the Bidder should be a single business entity (the “**Single Business Entity**”). A Single Business Entity shall mean a company incorporated under Companies Act, 1956/2013. A Single Business Entity can also claim the experience of its Associate as defined in Clause 3.3.3 of the RFP Document.

3. Eligibility Criteria

The Bidders’ competence and capacity is proposed to be established based on experience (“**Technical Capacity**”) and in terms of net worth (“**Net Worth**”) and average annual turnover (“**Average Annual Turnover**”) (The “**Financial Capacity**”) as set out below:

¹ 40 Gunta make 1 acre

A. Technical Capacity

The Bidder should demonstrate experience under Criteria 1 AND Criteria 2 as set out below. For avoidance of doubt, in case of Criteria 1, the Bidder shall demonstrate either Criteria 1(a) or 1(b) and in case of Criteria 2, the Bidder shall demonstrate either Criteria 2(a) or 2(b):

Criteria 1	Criteria 2
<p>Criteria 1(a) The Bidder shall have over the past 5 (five) financial years preceding the Bid Due Date developed and commissioned 1(one) project in Real Estate Sector having a project cost (excluding the cost of land) of Rs. 150 Crores (Rupees One Hundred Fifty Crores).</p> <p>or</p> <p>Criteria 1(b) The Bidder shall have over the past 5 (five) financial years preceding the Bid Due Date developed and commissioned projects in Real Estate Sector such that summation of the project cost (excluding the cost of land) is more than Rs. 300 Crores (Rupees Three Hundred Crores Only).</p> <p>Provided that the project cost (excluding the cost of land) of each such project should be at least Rs.100 Crores (Rupees One Hundred Crores Only).</p>	<p>Criteria 2(a) The Bidder shall have over the past 5 (five) financial years preceding the Bid Due Date constructed 1 (one) project in Real Estate Sector such that the total payment received from the said project for construction is at least Rs. 150 Crores (Rupees One Hundred Fifty Crores).</p> <p>or</p> <p>Criteria 2(b) The Bidder shall have over the past 5 (five) financial years preceding the Bid Due Date constructed two projects in Real Estate Sector such that sum total of the payments received for construction of such projects is at least Rs.300 Crores (Rupees Three Hundred Crores Only).</p> <p>Provided that the payment received for each such project is atleast Rs.100 Crores (Rupees One Hundred Crore Only).</p>

The Entity claiming experience under Criteria 1 shall, during the last 5 (five) financial years preceding the Bid Due Date, should have paid for development of the project (excluding the cost of land).

For the purpose of this RFP:

The Real Estate Sector is deemed to include residential complex, townships, industrial parks, commercial buildings, auditoriums, hotels/ multiplexes, malls, office complexes, business/IT parks, resorts, hotels and SEZs excluding plotted development.

The Entity claiming the experience in Criteria 1 should have held in the company that has developed the project, a minimum of 26% (twenty six percent) equity on the date of commissioning of project.

B. Financial Capacity

The Bidder shall demonstrate adherence to the Financial Capacity based on the following criteria:

- i. The Bidder shall have minimum Net worth of Rs. 300 Crores (Rupees Three Hundred Crores Only) (the “Financial Capacity”) as at the close of the preceding financial year.

And

- ii. The Bidder shall have minimum Average Annual Turnover of three completed financial Years of Rs. 300 Crores (Rupees Three Hundred Crores Only) and each year the annual turnover should not be less than Rs.100 Crores (Rupees One Hundred Crores Only).

In computing the Technical Capacity and Financial Capacity of the Bidder, the Technical Capacity and Financial Capacity of their respective Associates would also be eligible hereunder.

4. Bid Parameter

- 4.1 Financial Bids are invited for the Project on the basis of the development premium (“**Development Premium**”) to be quoted by a Bidder. The Development Premium shall constitute the sole criteria for evaluation of the Financial Bids. Project will be awarded to the Bidder quoting the highest Development Premium. The Authority has fixed minimum development premium to be quoted by the Bidder [the “**Minimum Development Premium**”] as provided in the table below:

Name of the Project	Minimum Development Premium (in Rs. Cr)
Integrated Property Development around Metro Rail Station at Baiyappanahalli, Bengaluru	150

- 4.2 The Bidder should quote the Development Premium above the Minimum Development Premium. Only the Financial Bid which is above the Minimum Development Premium shall be considered for evaluation. The Authority shall reject all the Bids being less than the Minimum Development Premium. The highest Development Premium shall constitute the sole criteria for evaluation of the Financial Bids.
- 4.3 60% (Sixty Percent) of the Development Premium shall treated as **Non refundable upfront Development fee** payable by the Developer on the date of execution of the Project Development and Implementation Agreement.
- 4.4 Apart from payment of Development Premium, the Developer is also required to pay annual fee (the “**Fee**”) equal to 4% (Four Percent) of the **Non Refundable Upfront Development Premium** payable equal quarterly instalments in advance to the Authority from the 5th anniversary of execution of the Project Development and Implementation Agreement.

For illustration:

5. If the highest Development Premium quoted by the Bidder is Rs.155 Crores, then the Development Premium payable to the Authority on execution of the Project Development and Implementation Agreement shall be:

Non Refundable Upfront Development Premium = 60% of Development Premium

$$= 60\% \times 155 \text{ Crores}$$

$$= \text{Rs.}93 \text{ Crores}$$

$$\text{Fee} = 4\% \times \text{Non Refundable Upfront Development Premium}$$

$$= 4\% \times 93 \text{ Crores}$$

$$= \text{Rs.}3.72 \text{ Crores per annum}$$

- 5.1 The Fee shall be escalated by 7% (Seven Percent) beginning of every anniversary throughout the Agreement Period from the 6th (Sixth) anniversary of execution of the Project Development and Implementation Agreement.

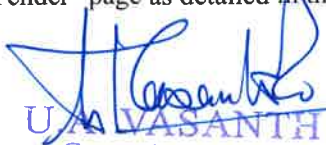
- 5.2 The Fee shall be payable on quarterly basis to the Authority, on or before 5th (fifth) day of the respective quarter. The re-conciliation of Fee and other dues shall be carried out quarterly. Based on re-conciliation, the adjustment of Fee payable to the Authority shall be carried out along with payment of Fee of next quarter.
- 5.3 The Developer should pay the Fee to the Authority notwithstanding the fact that, the construction of Project facilities is not completed within the Construction Period or Developer does not start the commercial operation of the Project. In other words, The Developer shall not be entitled to seek any reduction of Fee, claim, damages, compensation or any other consideration from the Authority on account of any reason.

6. Schedule of Bidding Process

The Authority shall endeavour to adhere to the following schedule:

Sl No	Event Description	Date
1.	Date of Issue of Bid Documents and Sale of Bid Document	On all working days between 11.00 am to 5. PM (IST) from 15 th June 2015 to 10 th July 2015.
2.	Address for purchase of Bid Document	Bangalore Metro Rail Corporation Limited BMTCL Complex, 3rd Floor, KH Road Shantinagar, Bengaluru - 560 027
3.	Last date for receiving queries	3 (three) days before the pre-bid meeting
4.	Site visit	11 th July 2015 at 1100 Hours at Baiyappanahalli Metro Station
5.	Pre-Bid Meeting	11 th July 2015 at 1500 Hours at BMRCL, 3 rd Floor, BMRCL Complex, KH Road, Bengaluru
6.	Bid Due Date	29 th July 2015 up to 1500 Hours
7.	Opening of Key Submissions, Qualification Submissions and Technical Bid	29 th July 2015 at 1530 Hours
8.	Opening of Financial Bid	To be intimated to the Technically Qualified Bidders
9.	Issue of Letter of Award	To be intimated to the Selected Bidder
10.	Bid Validity Period	180 days from Bid Due Date
11.	Signing of Project Development and Implementation Agreement	45 days from the acknowledgement of LOA
12.	Cost of the Bid Document	Rs. 25,000/- (Rupees Twenty Five Thousand Only) inclusive of KVAT in the form of DD in favor of "Bangalore Metro Rail Corporation Limited", drawn on any Nationalized or a Scheduled Bank in India, payable at Bengaluru.
13.	Cost of Bid Security	Rs. 1,50,00,000/- (Rupees One Crore Fifty Lakhs Only) in the form of DD in favor of "Bangalore Metro Rail Corporation Limited", drawn on any Nationalized or a Scheduled Bank in India, payable at Bengaluru.

The tender document can also be procured by paying online from the 17th June 2015 till 10th July 2015 from BMRCL website www.bmrc.co.in under "Tender" page as detailed in the line provided in the webpage.


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