Dedicated Freight Corridor Corporation of India Limited (A Government of India Enterprise)



Expression of Interest (EOI) Document For

Consultancy Services related to Setting of Multi-Commodity Multi Modal Logistics Park along the Dedicated Freight Corridor

August 2008

EOI Document No.: HQ/BD/Logistics Park/RFP

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NOTICE INVITING EXPRESSION OF INTEREST

Dedicated Freight Corridor Corporation of India Limited (A Government of India Enterprise) Invites Expression of Interest (EOI) for Consultancy Services relating to Setting up of Multi-Commodity Multi Modal Logistics Parks

Along Dedicated Freight Corridor

- 1. Ministry of Railways, Government of India has planned to construct Dedicated Freight Corridor (DFC) covering about 3,287 route kms on two corridors, Eastern Corridor from Ludhiana to Sonenagar / Dankuni (including Sonenagar to Dankuni, a section of 525 route kms) and Western Corridor from Jawaharlal Nehru Port, Mumbai to Tughlakabad / Dadri along with inter-linking of the two corridors at Khurja. The project entails construction of mostly double-track railway lines capable of handling 32.5 tonnes axle load and for running double-stack container trains, particularly so on the Western Corridor. Dedicated Freight Corridor Corporation of India Limited (DFCC) is a Government of India Enterprise setup for implementation of the DFC Project.
- 2. DFCC invites Expression of Interest (EOI) from Consultancy services related to Setting up of Multi-Commodity Multi modal Logistics Park along the Dedicated Freight Corridor encompassing identification of location of land, its adequacy for setting up such parks, assessment of traffic for the next 30 years-commodity-wise, layout design, the extent of railway and road infrastructure, type and number of handling equipment, requirement of covered warehousing, open storage, paved stacking areas, circulating area, truck park, different value added services to be provided inside the Logistics Park, development of suitable PPP model for financing and development, preparation of model financial and bid document, suggest suitable governance structure, regulatory mechanism, development of business plan and bankability report and assist the client in bidding, and finally leading up to identification of a preferred concessionaire and execution of concession agreement.

Expression of Interest Document for Consultancy Services related to Setting Up of Multi-Commodity Multi-Modal Logistics Park

3. The information about the project, scope of work and the format for submitting EOI will

be provided in the EOI document, which can be downloaded from the website:

www.dfcc.in from 27/08/2008 onward.

4. The EOI shall be received until 29/09/2008 in the office of Dedicated Freight Corridor

Corporation of India Limited, 2nd Floor, Palika Bhawan, Sector XIII, R.K.Puram, New Delhi

110066.

5. This invitation of EOI is not a part of the Bidding Process.

6. DFCC intends to gather information about the technical and financial capabilities of

interested consulting companies / joint ventures through this EOI before initiating the

Bidding process.

7. DFCC may organize an interaction meeting, at its own discretion, with selected

companies/joint ventures submitting the Expression of Interest sometime in the month of

October/November 2008. Details for the same shall be posted on the website of DFCC.

8. The contact details of the designated official are given below:

General Manager (Business Development)

Email: gm.bd@dfcc.in

Tel/FAX: 011-26111038

9. Website:

www.dfcc.in

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Section 1 – Introduction

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- 1. Ministry of Railways (MOR), Government of India have planned to construct Dedicated Freight Corridor (DFC) covering about 3,287 route kms on two corridors, Eastern Corridor from Ludhiana to Sonenagar/Dankuni (including Sonenagar to Dankuni, a section of 525 route kms) and Western corridor from Jawaharlal Nehru Port, Mumbai to Tughalkabad/Dadri near Delhi along with inter-linking of the two corridors at Khurja. The proposal entails construction of mostly Double track railway lines capable of handling 32.5 ton axle load and running double stack container trains, particularly so on the Western Corridor. Dedicated Freight Corridor Corporation of India Limited (DFCC), a Government of India Enterprise, is set up to implement this project. The information regarding DFC Project is given in Section 3 of this document.
- 2. DFCC invites Expression of Interest (EOI) from Consultancy services related to Setting up of Multi-Commodity Multi modal Logistics Park along the Dedicated Freight Corridor encompassing identification of location of land, its adequacy for setting up such parks, assessment of traffic for the next 30 years-commodity-wise, layout design, the extent of railway and road infrastructure, type and number of handling equipment, requirement of covered warehousing, open storage, paved stacking areas, circulating area, truck park, different value added services to be provided inside the Logistics Park, development of suitable PPP model for financing and development, preparation of model financial and bid document, suggest suitable governance structure, regulatory mechanism, development of business plan and bankability report and assist the client in bidding, and finally leading up to identification of a preferred concessionaire and execution of concession agreement.
- 3. This Expression of Interest is not a part of the bidding process. DFCC intends to gather information about the technical and financial capabilities of interested consulting companies/Joint Ventures through this Expression of Interest, before finalizing the Bid Document for initiating the Bidding process for selection of consultant.
- 4. This Expression of Interest contains following sections.

Expression of Interest Document for Consultancy Services related to Setting Up of Multi-Commodity
Multi-Modal Logistics Park

i. Section 1 – Introduction

ii. Section 2 – Instructions for submission of Expression of Interest

iii. Section 3 – Project Information

5. DFCC may organize an interaction meeting, at its own discretion, with selected companies/joint ventures submitting the Expression of Interest sometime in the October/November 2008. Details for the same shall be posted on the website of DFCC. i.e.

www.dfcc.in .

6. The contact details of the designated official are given below:

General Manager (Business Development)

Email: gm.bd@dfcc.in
Tel/FAX: 011-26111038

Section 2

Instructions for submission Of

Expression of Interest

Section 2: Instructions for submission of Expression of Interest

- 2.1 The Expression of Interest may be submitted by either interested individual Consulting Companies or Groups of Consulting Companies, who propose to form a Joint Venture to bid for this work. At this stage, there is no need to submit any document regarding formation of JV.
- 2.2 Expression of Interest should contain following information:
 - (i) A covering letter addressed to Managing Director, Dedicated Freight Corridor Corporation of India Limited on the official letter head of company duly signed by authorized signatory.
 - (ii) A Write-up broadly covering following issues:
 - (a) Work to be taken individually or as a group in the form of Joint Venture
 - (b) Profile/ Strength of the company /JV
 - (c) Major Projects completed/ under execution including a separate list of works relevant to the purpose of this EOI
 - (d) Strategy of Company / JV to execute this work including assessment about the completion period of the work
 - (e) Time estimate for study of one location
 - (f) Any other issue considered relevant
 - (iii) Following details to be given in the formats given in the annexures:
 - Details of the Company / JV as per format given in Annexure-1
 - Details of the Financial Performance of the Company/JV as per format given in Annexure-2
 - Details of past work experience (completed works in previous 7 years) as per the format given in Annexure-3 *
 - Details of works under execution as per format given in Annexure-4 *

*Consulting works experience in development, designing, construction and successful implementation of Mega Multi Modal Logistics Park covering capital structuring, regulatory mechanism and financing options would be preferred. Firms/JVs can also quote relevant experience in Infrastructure projects specifically in the rail sector.

- (iv) Copy of annual report of the company/JV for the financial year 2006-07 (2006 in Case of foreign companies)
- 2.3 Information may be submitted in the same order as mentioned in para 2.2.
- 2.4 Please do not submit any document in proof of formation of JV, technical strength, financial strength etc. at this stage.
- 2.5 The EOI shall be received until <u>29/09/2008</u> in the office of Dedicated Freight Corridor Corporation of India Limited, 2nd Floor, Palika Bhawan, Sector XIII, R.K.Puram, New Delhi 110066.
- 2.6 The invitation of EOI is not a part of the Bidding Process.
- 2.7 Subsequent to the EOI, a two stage RFQ/RFP selection procedure is proposed to be adopted to select preferred applicant for the consultancy services. The EOI will be used to get an assessment of the market as well as for framing documents for the RFQ/RFP documents:
 - i. RFQ Stage: The RFQ will be used to pre-qualify a set of consulting firms that meets the eligibility criteria for successful completion of the consulting project. The RFQ document will include, inter alia, the estimated value of the consulting contract, the qualifying criteria, the scale and scope of relevant consulting experience being sought, as well as the detailed terms of reference. At the end of the RFQ stage, a set of firms will be short-listed, based on their qualifications, experience and technical/financial standing.
 - RFP Stage: In the second stage, short-listed and qualified Applicants only shall be invited to submit their technical and financial proposals,

in response to the Request for Proposal (RFP) Document that shall be issued by DFCCIL.

- 2.8 This Expression of Interest (EOI) is being issued with the objective of obtaining information from interested consulting companies who have the experience and competence to provide services as listed in para 2 of the Section-1 and Part II of Section-3 of this document. The EOI will be used to get an assessment of the market as well as for framing the RFQ/RFP documents.
- 2.9 The Expression of Interest should be submitted in an envelope addressed to Managing Director Dedicated Freight Corridor Corporation of India Ltd., 2nd Floor, Palika Bhawan, Sector-13, R. K. Puram, New Delhi 110066. The envelop should be marked as:

"EXPRESSION OF INTEREST FOR CONSULTANCY SERVICES RELATED TO SETTING UP OF MULTI-COMMODITY MULTI MODAL LOGISTICS PARK".

Annexure- 1

Details of Company submitting EOI

(To be filled separately for each constituent member of proposed JV)

- Name of Company
- Type of Constitution
- (Partnership/ Pvt Ltd/Public Ltd/ Public Sector/Joint Venture)
- Date of Incorporation / Commencement of Business (Please specify)
- Place of Incorporation
- Details of Main line Business
- Registered Office/Place of Business
- Name of Contact Person / Designation/ Address
- Telephone No. Fax No. E-Mail Address
- Foreign Companies to give following additional details :
 - o Is 100% subsidiary registered in India?
 - If no, is there plan to register 100% subsidiary in India? If yes, please give details.
 - o Do they have permission to do business in India?
 - o Do they have registered office in India? If yes please give details.

Annexure-2

Financial Performance (To be filled separately for each constituent member of proposed JV)

Name of Company:

Years	Annual Turn Over	Profit/Loss Before Tax	Net Worth
April 2003-March 04 *January - December 03			
April 2004-March 05 *January - December 04			
April 2005-March 06 *January - December 05			
April 2006-March 07 *January - December 06			
April 2007-March 08 *January - December 07			

^{*}For foreign companies

Annexure-3

Past Consultancy Experience

Details of Consultancy Works Completed During Last Seven Years (To be filled separately for each constituent member of proposed JV)

S.No.	Description of Work/ Brief Scope of Work	% share , if executed as part of JV	Name of Employer / Client	Completion Cost	Original Date of completion	Actual Date of Completion	Main reasons for delay , if any	Completion time

Note: The work should be listed in descending order as per the cost of the work.

^{*}Consulting works experience in development, designing, construction and successful implementation of Mega Multi Modal Logistics Park covering capital structuring, regulatory mechanism and financing options would be preferred. Firms/JVs can also quote relevant experience in Infrastructure projects specifically in the rail sector.

Annexure – 4

Details of Works under Execution (To be filled separately for each constituent member in case of JV)

Name of Company:

S.No.	Description/ Brief Scope of Work	Name of Employer/ Client	Contract Value	Original Date of Completion	Payments received till now	Expected Date of Completion	Main reasons for delay (if applicable)
	_						

Total Value of Work in hand as on 01.03.2008: (Please indicated the total estimated cost of all works under execution on 01/03/2008)

Note: The work should be listed in descending order as per the cost of the work.

^{*}Consulting works experience in development, designing, construction and successful implementation of Mega Multi Modal Logistics Park covering capital structuring, regulatory mechanism and financing options would be preferred. Firms/JVs can also quote relevant experience in Infrastructure projects specifically in the rail sector.

Section 3: Project Information

Part I: Information about DFC Project

BACKGROUND

1. It has been planned to construct Dedicated Freight Corridors (DFC) covering about

3,287 route kms namely, Eastern Corridor from Ludhiana to Sonenagar / Dankuni

(including Sonenagar to Dankuni, a section of 525 route kms) and Western Corridor

from Jawaharlal Nehru Port, Mumbai to Tughlakabad / Dadri along with inter-linking

of the two corridors at Khurja.

2. Dedicated Freight Corridor Corporation of India Limited (DFCC) is a Public Sector

Undertaking of Ministry of Railways incorporated to undertake planning &

development, mobilization of financial resources and construction, maintenance and

operation of the Eastern & Western Dedicated Freight Corridors. DFCC has been

registered as a Schedule "A" company under the Companies Act 1956 on 30th

October 2006.

3. The Eastern Corridor encompasses a double line electrified traction corridor from

Dankuni on Eastern Railway to Khurja on the North Central Railway (1345 Km),

Khurja to Dadri on NCR Double Line electrified corridor (46 Km) and Single electrified

line from Khurja to Ludhiana (412 Km) on Northern Railway. The total length works

out to 1804 Km. The traffic on the Eastern Corridor mainly comprises of coal for the

power plants in the northern region of U.P., Delhi, Haryana, Punjab and parts of

Rajasthan from the Eastern coal fields, finished steel, food grains, cement, fertilizers,

lime stone from Rajasthan to steel plants in the east and general goods.

4. The Western Corridor comprises of 1483 km of a double line diesel track from JNPT

to Dadri via Vadodara-Ahmedabad-Palanpur-Phulera-Rewari along with a single line

connection of 32km long from proposed Pirthala Junction Station (near Asaoti on

Delhi-Mathura line) to Tughlakabad. The traffic on the Western Corridor mainly

comprises of ISO containers from JNPT and Mumbai Port in Maharashtra and ports

of Pipavav, Mundra and Kandla in Gujarat destined for ICDs located in northern India, especially at Tughlakabad, Dadri and Dandharikalan. Besides Containers, other commodities moving on the Western DFC are POL, Fertilizers, Food grains, Salt, Coal, Iron & Steel and Cement.

- 5. The alignment of the two proposed corridors has been generally kept parallel to existing lines. However, due to non availability of space along the existing corridor particularly near important city centers and industrial townships, the alignment of the corridor takes a detour to bypass such urban/industrial conglomerate.
- 6. It is proposed to set up state of the art multi commodity Multimodal Logistics Parks at 7 locations viz. Mumbai area, particularly in the vicinity of Kalyan-Ulhasnagar or Vashi-Belapur in Navi Mumbai, Vapi in southern Gujarat, Ahmedabad area in Gujarat, Gandhidham in the Kutch region of Gujarat, Jaipur area in Rajasthan along the Western Corridor and Kanpur and Ladhowal (Ludhiana) along the Eastern Corridor as a common user facility. These parks are proposed to be developed on Public Private Partnership in collaboration with State Governments.

Part-II Multi Commodity Multimodal Logistics Park

1. Transport markets have gradually shifted from pure transport to logistics. Indian Railways traditionally have been handling freight traffic only at freight terminals without any allied services like storage distribution and other value added services. With the anvil of Dedicated Freight Corridor, both Eastern & Western, logistic park have been conceptualized in the study report submitted by RITES. This report envisages the need of logistic parks at six locations of Western corridor, viz. Mumbai area, particularly in the vicinity of Kalyan-Ulhasnagar or Vashi-Belapur in Navi Mumbai, Vapi in southern Gujarat, Ahmedabad area in Gujarat, Gandhidham in the Kutch region of Gujarat, Jaipur area in Rajasthan and NCR of Delhi. Similarly, on the Eastern corridor, the locations have been identified as Kanpur and Ladhowal (Ludhiana).

2. A multimodal logistic hub refers to a wide range of activities which includes handling of traffic containerized, bagged and loose, bulk commodities, high value traffic like automobiles and even carrying road vehicles on rail wagons. Apart from transportation, storage, distribution, consolidation/deconsolidation, transshipment is also undertaken as allied activity. In nutshell, the logistic park act as transport zone even covering allied activities like hotels, banking, food parks, entertainment etc. The story of transportation is likely to be re-written with the logistic park facilities which will provide express cargo services through and from railways dedicated freight corridor which proposes to run trains with guaranteed transit. These terminals will be located at strategic locations to operate as hubs for all types of goods. Clients in logistic park could be transport companies, freight forwarders, third party logistic firms, importers or exporters, large retailers etc. a specialized logistic facility providers would be the most likely candidates to establish and operate such facilities. Such functions would not be part of core competence of IR.

3. The key objectives in developing the MMLPs are:

- Setting up state of the art integrated multi modal logistics park equipped with mechanized handling and intelligent inventory management so as to reduce the overall logistics cost in the supply chain for the customers and ultimately increase the rail share.
- ii. Customer benefits and choice will be of prime importance. The changing trend of outsourcing activities of logistic functions such as warehousing, distribution needs of customers, eliminating the need of multiple steps and operation of convenient inter modal transport will result in reduction in logistics cost. The multi-modal logistic parks will be equipped with rail sidings, sheds, container terminals, warehouses, office buildings.
- iii. The parks would include even smaller units for processing (imported and domestic) raw materials, possibly for export. Such parks could be built in special economic zones along the strategic locations on the Dedicated Freight Corridor.

- 4. The scope of the works envisages that the Consultant shall propose suitable options, including PPP, for financing and development of multimodal logistic parks for the DFC and raw up the Model Financial and Bid Documents ready for bidding in a manner similar to the PPP packages. The Consultant shall further suggest governance structure, regulatory mechanisms for fixing rental charges etc. for these developments so that they serve as Logistics Parks open to all customers. The Consultant shall also assist the client in the business planning and bid process management. The consultant shall undertake all business plan related activities, traffic assessment, and cost and revenue assessment for a 30 year period. The Consultant shall be required to prepare all project specific bid documents including a bankability report and assist the client in bidding, finally leading to identification of a preferred concessionaire.
- 5. It is proposed to develop the Multimodal Logistics Parks on Public Private Partnership (PPP) mode in collaboration with respective state governments as a 'Common User Facility.'
