



**MINISTRY OF PORTS, SHIPPING AND WATERWAYS
INVITES**

**Expression of Interest (EoI) for Development of Products
Specific Warehousing Space at various Ports and alongside
Inland Waterways in India**

Ref. No.: SDCL/NIT/20-21/07

December 2020

Contact

**Sagarmala Development Company Ltd. (SDCL)
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Disclaimer

The information in this document has been prepared to assist the applicants in preparing the non-binding EoI and it is clarified that

- (1) It does not constitute an invitation to offer or an offer in relation to the transaction.
- (2) This document does not constitute any contract or agreement of any kind whatsoever.
- (3) This document does not purpose to contain all the information that interested firms and their advisors would desire or require in reaching decisions as to the transactions. Interested applicant should form their own view as to what information is relevant to such decisions and make their own independent investigations in relation to any additional information.
- (4) Neither the information in this document nor any other written or oral information in relation to the transaction is intended to form the basis of or the inducement for any investment activity or any decision to enter into any contract.
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Notice Inviting Expression of Interest (EoI) for Development of Product Specific Warehousing Space at various Ports and alongside Inland Waterways in India

Ministry of Ports, Shipping and Waterways (MoPSW) invites “Expression of Interest (EoI) for Development of Product Specific Warehousing Space at various Ports (including both Major and Non-Major Ports), MMLP (located near the Port area) and alongside Inland Waterways” from Indian companies which are engaged in the business of Logistic Operations/FTWZ Operation/Manufacturers/Freight Forwarders/ ICD/CFS operations/ Inland Waterways Terminal Operations/Port Operations and Infrastructure Developers

I. Background

- (1) Ministry of Ports, Shipping and Waterways (MoPSW) intends to create Product Specific Warehousing Space with state of art technology, design, and automation at various Ports (including both Major and Non-Major Ports), MMLP (located near Port area) and alongside the Inland Waterways (**hereinafter referred as Specialized Warehouses**) to reduce the storage losses, minimize overall logistic costs and also to facilitate the consolidation and distribution of cargo in the hinterland.
- (2) The above initiative as a part of ambitions Sagarmala Programme of Ministry of Ports, Shipping and Waterways aims to reduce logistic cost with adequate infrastructure interventions.
- (3) The above infrastructure interventions will allow users to better plan & manage their inventory, promote the concept of Just in time, reduce losses as compared to traditional warehousing and facilitate the unitization of the cargo at the last point of supply chain thereby providing more robust and cost effective supply chain
- (4) As per India Warehousing Market Report 2019, warehousing accounts for 15-35% of the total logistic cost and plays a significant role in the smooth functioning of the supply chain networks. Based on estimates provided in the aforesaid report, after studying specific industry allocations, a total warehousing space requirement of 739 mn sqft for 2019 is projected to grow at an annual growth rate (CAGR) of 5% in the next five years to reach 922 mn sqft in 2024 reflecting the demand in the sector going forward.
- (5) In order to augment the warehousing space, MoPSW would like to develop the following Product Specific warehouses at Port and alongside Inland Waterways
 - (a) Cement Silos
 - (b) Liquid Tanker
 - (c) Chemicals Tankers
 - (d) Cold/Refrigerated Storage
 - (e) Electronics Product Storage
 - (f) Pharmaceutical Storage
 - (g) Auto Spares Parts & Components Storage
 - (h) Any other suggested format of warehousing space



- (6) Further, MoPSW would like to support this initiative if required by the Applicants by way of equity support to the project through SDCL, which is a CPSE under the administrative control of Ministry of Ports, Shipping and Waterways (MoPSW), Government of India. The company was incorporated on 31st August 2016, as part of ongoing efforts to promote port led development in the country under the ambitious Sagarmala Programme of the Government of India.

II. Objective

- (1) MoPSW is desirous of facilitating the development and operation of the Specialized Warehouses on the identified locations at the Ports and alongside Inland Waterways.
- (2) The objective of this EoI is to gauge the interest of the various Developers in the project and also to gather the information regarding locations which have a potential for such infrastructure intervention.
- (3) In addition to above MoPSW with this EoI intends to understand the support required by the Private Developer to make the project operational under PPP model.
- (4) In case any of the Applicants wants a support from SDCL/any agency of MoPSW in form of cash /land equity in the SPV, the same to be indicated in Annexure-II along with the amount of such support. In such cases, a Project SPV to be incorporated with the obligations of each parties as detailed out in section- IV.
- (5) The indicative list of product specific warehouses are provided in Section-I. However, commercial operations on the indicative Product Specific Warehouses shall subject to technical and Financial Feasibility, which needs to be conducted by the applicant at its own cost.
- (6) Applicants are encouraged to suggest any other product specific warehousing space format based on their experience and knowledge for our consideration. The Applicants should use Annexure-II to provide information to such suggested Product Specific Warehousing Space and also provide the details of format of warehousing provided in Section-I in which Applicant is willing to develop and operate.

III. Role of MoPSW/SDCL

- (1) MoPSW/SDCL may play the following role if required by the Applicants
 - (a) Provide facilitation, handholding and assistance in obtaining statutory approvals/permissions/clearances from the various Government Agencies etc for the identified Location
 - (b) Assist in the procurement of required infrastructure for operationalization of Specialized Warehouses
 - (c) Assist in land acquisition through Port/State Government
 - (d) Assist in obtaining finance from the Bank if required
 - (e) Any other facilitation/support required by the Applicant
 - (f) To provide Equity support to the project, if required (upto a max of 49%)



- (2) Applicants are required to submit the facilitation/support required from MoPSW/SDCL as per Annexure-II

IV. Obligations of Various Parties

(1) **Obligation of SPV (in case Applicant wants to make a SPV with equity investment from SDCL/Land equity from any of the MoPSW agency)**

- (a) SPV to conduct a detailed feasibility study for the development of Warehouse and devise a Business Plan
- (b) Based on the feasibility study, assess the requirement of land to be taken from Port/State Government for development of such infrastructure
- (c) Obtain all statutory permissions/clearances/approvals for the project
- (d) Firm up the amount of land lease charges in discussion with Port Authorities/State Governments
- (e) Prepare strategy to attract client to increase the revenue and profit of the SPV
- (f) Developing and operating Warehousing facilities
- (g) Collect Warehousing charges from the Customer at the rate approved by SPV Board.
- (h) Pay all dues and statutory user charges as per stipulation by Authorities
- (i) Appoint requisite number of officials for uninterrupted operation of Specialized Warehouse.
- (j) Coordinate with Authorities for all operational needs and discuss the issues if any
- (k) Undertake the maintenance of the warehouse as per Industry practice
- (l) Suitable safety measure to be inbuilt in the Specialized Warehouses to avoid any kind of accidents.
- (m) SPV to obtain the requisite insurance inclusive of third-party insurance as per the Industry practice
- (n) Any other activities required for developing, operating and maintaining the warehousing facility.

(2) **Obligation of SDCL/any agency of MoPSW**

The obligation of SDCL in the proposed SPV would be as follows –

- (a) Assist SPV in carrying out detailed assessment of the Project(s) including market / demand assessment study, develop feasible business model for operation of Specialized Warehouse
- (b) Assist in identifying and procuring land from Port Authorities and State Government
- (c) Assist SPV in obtaining permissions/clearances/approvals for the Project, if required.
- (d) Provide cash equity by SDCL into the SPV (maximum 49%)
- (e) Work with State Govt./Central Government/Foreign Government agencies for development of road connectivity if required from nearest State/National Highway as the case may be.
- (f) Land from the agency of MoPSW shall be treated as equity into the SPV.

(3) **Obligation of SPV Partner**

The obligation of SPV Partner in the proposed SPV inter alia includes the following:



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- (a) To create a SPV under Company Act, 2013
- (b) Assist SPV in carrying out detailed assessment of the Project(s) including market / demand assessment study, develop feasible business model for operation of Specialized warehousing.
- (c) Finalize the type of warehousing required at the identified locations
- (d) Assist SPV in obtaining permissions/clearances/approvals for the Project(s).
- (e) Assist SPV in developing and operating the facilities.
- (f) Finalize design and level of automation at Specialized Warehouses based on the requirement of the clientele of the region
- (g) Provide equity into the SPV
- (h) Prepare SOP for operation and maintenance of Specialized Warehouses
- (i) Depute experienced staff in consultation with SDCL in the proposed SPV for overall management and operations of the Project(s).
- (j) Provide technical inputs on operation and management of warehouse including safety and security.

- V. The above Obligation of SPV, SDCL and SPV Partner are indicative and will be finalized in due course of time after detailed consultation with the respondents of this EOI.
- VI. The purpose of this EoI is to gauge the interest of the various Developers in this project.
- VII. The Expression of Interest along with all the parts of Annexure-I, Annexure-II and supporting documents should be submitted as a single consolidated document (in PDF format) by email only to projects@sdclindia.com with the subject “Expression of Interest for Development of Product Specific Warehousing Space at various Ports alongside Inland Waterways in India” on or before 1500 hours IST on 14 January 2021 (EoI Due Date). Applications received after the EoI Due Date will not be considered for consultations. The prescribed formats for submission of EoI can be downloaded from www.shipmin.gov.in, www.sdclindia.com, www.ipa.nic.in, www.sagarmala.gov.in/notification/tender.
- VIII. SDCL reserves the right to annul or modify the process or issue another request for EoI at a later date without assigning any reason whatsoever. During Evaluation of the EoI, SDCL may seek additional information from Applicants who respond to this notice inviting EoI.
- IX. After the submission of response to EoI by the Applicants, SDCL will call all the EoI respondents (physically or through Video conferencing) to make presentation on the submission made by the respective Applicants and interact with SDCL on the project. The date and time of such presentation will be intimated by e-mail to all the EOI respondents after EOI Due Date.
- X. For any query, please write to projects@sdclindia.com .
- XI. Nothing in this advertisement shall be construed to be a commitment on the part of SDCL. SDCL does not guarantee to proceed further with this EoI, this invitation for EoI being neither an agreement nor an offer for award of work.

Annexure I

(1) Applicant Information

| S.No | Particulars | Details |
|-------|--|---------|
| (a) | Name of the Applicant | |
| (b) | Country and Year of Incorporation/Establishment | |
| (c) | Legal Status of the Applicant | |
| (d) | Address of corporate Headquarters | |
| (e) | Details of Individual(s) who will serve as point of contact: | |
| (i) | Name | |
| (ii) | Designation | |
| (iii) | Mobile Number | |
| (iv) | Email ID | |

Note: Enclosure

(a) Certificate of Incorporation

(2) Company Profile covering following heads

(a) Details of Existing Operation

(b) Company staff strength (both on rolls and on contract)

(c) Financial Parameters

(i) Turnover of the Company in the past two years

(ii) Networth of the Company as on 31st March 2020

(3) Details of Similar Facilities operated by the Applicant in the past seven years

| | |
|---|--|
| Name of the Project | |
| Role and Responsibility in the Project | |
| Location | |
| Description | |
| Time Taken to complete the project | |
| Time for which the Project has been successfully in operation | |
| Indicative Project Cost | |
| Any other information considered but not included above | |



Annexure-II

NAME OF THE APPLICANT:

Details of Product Specific/ any other Warehousing Space (Kindly fill separate sheet for each Locations)

(a) Locations and Type of Proposed Warehouse

| S.No. | Name of Location | Type of Proposed Warehouse | Name of Port/MMLP/Inland Waterways | Name of State and District |
|-------|------------------|----------------------------|------------------------------------|----------------------------|
| | | | | |
| | | | | |
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| | | | | |

(b) Details of Warehousing

- (a) Total Land Requirement for the proposed warehousing (in acre) :
- (b) Total Land Available with the Applicant :
- (c) Land to be procured from any agency for MoPSW/ State Government :
- (d) Capacity of the proposed warehousing :

(c) Is any study conducted for assessment of traffic and the viability of the project, if yes kindly share the copy of the study

(d) Status of Financial tie-up

- (i) Total estimated cost of the project
- (ii) Proposed means of Finance
- (iii) Total equity investment envisaged for the project
- (iv) Is any Equity support required (Yes/No)



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- (e) Kindly provide the details/status of clearance and permission required for operationalization of the Specialized Vessels such as License, Environmental/CRZ clearance etc with the indicative timelines for obtainment of such clearances and permissions.

| S.No | Name of Clearances/Permission required | Name of Authority | Indicative timelines |
|------|--|-------------------|----------------------|
| | | | |
| | | | |
| | | | |

- (4) **Indicate the facilitation and Support required from SDCL/MoPSW for Development and Operation of said Warehouse**