

Request for Proposal

For

Participation in Term Loan Facility

For

7-ACA Project (7-Aminocephalosporanic Acid)

At

DMIC Vikram Udyogpuri Ltd, Ujjain, Madhya Pradesh



**RFP No: KAPL/PROJECT/1/24-
25/PROJECT TERM LOAN**

Date: 28.08.2024

Contents

DISCLAIMER..... 3

Section-1: Introduction and information on Company and Project 4

Section-2: Instruction to Bidders..... 6

Section-3: Preparation & Submission of Bids 8

Section-4: Evaluation of Bids 11

Section-5: Formats 13

 Undertaking..... 13

 Term Sheet 14

 Financial Bid..... 16

DISCLAIMER

The information contained in this Request for Proposal document (the "RFP") or subsequently provided to Bidder(s), whether verbally or in documentary or any other form by or on behalf of Karnataka Antibiotics and Pharmaceuticals Ltd (herein after called as KAPL/Company) or any of its employees or advisors, is provided to Bidder(s) on the terms and conditions set out in this RFP and such other terms and conditions subject to which such information is provided.

This RFP is not an Agreement and is neither an offer nor invitation by KAPL to the prospective Bidders or any other person. The purpose of this RFP is to provide interested parties with information that may be useful to them in making their financial offers (BIDs) pursuant to this RFP. This RFP includes statements, which reflect various assumptions and assessments arrived at by KAPL in relation to the Project. Such assumptions, assessments and statements do not purport to contain all the information that each Bidder may require. This RFP may not be appropriate for all persons, and it is not possible for KAPL, its employees or advisors to consider the investment objectives, financial situation and particular needs of each party who reads or uses this RFP. The assumptions, assessments, statements and information contained in the Bidding Documents, especially the [Feasibility Report], may not be complete, accurate, adequate or correct. Each Bidder should, therefore, conduct its own investigations and analysis and should check the accuracy, adequacy, correctness, reliability and completeness of the assumptions, assessments, statements and information contained in this RFP and obtain independent advice from appropriate sources.

Information provided in this RFP to the Bidder(s) is on a wide range of matters, some of which may depend upon interpretation of law. The information given is not intended to be an exhaustive account of statutory requirements and should not be regarded as a complete or authoritative statement of law. KAPL accepts no responsibility for the accuracy or otherwise for any interpretation or opinion on law expressed herein.

KAPL, its employees and advisors make no representation or warranty and shall have no liability to any person, including any Applicant or Bidder under any law, statute, rules or regulations or tort, principles of restitution or unjust enrichment or otherwise for any loss, damages, cost or expense which may arise from or be incurred or suffered on account of anything contained in this RFP or otherwise, including the accuracy, adequacy, correctness, completeness or reliability of the RFP and any assessment, assumption, statement or information contained therein or deemed to form part of this RFP or arising in any way for participation in this BID Stage.

KAPL also accepts no liability of any nature whether resulting from negligence or otherwise howsoever caused arising from reliance of any Bidder upon the statements contained in this RFP. KAPL may in its absolute discretion, but without being under any obligation to do so, update, amend or supplement the information, assessment or assumptions contained in this RFP.

The issue of this RFP does not imply that KAPL is bound to select a Bidder or to appoint the Selected Bidder for the Project and KAPL reserves the right to reject all or any of the Bidders or BIDs without assigning any reason whatsoever.

The Bidder shall bear all its costs associated with or relating to the preparation and submission of its BID including but not limited to preparation, copying, postage, delivery fees, expenses associated with any demonstrations or presentations which may be required by KAPL or any other costs incurred in connection with or relating to its BID. All such costs and expenses will remain with the Bidder and KAPL shall not be liable in any manner whatsoever for the same or for any other costs or other expenses incurred by a Bidder in preparation or submission of the BID, regardless of the conduct or outcome of the Bidding Process.

Section-1: Introduction and information on Company and Project

1. Background

Karnataka Antibiotics and Pharmaceuticals Ltd is the Government of India undertaking under the Department of Pharmaceuticals (DOP), Ministry of Chemicals & Fertilizer incorporated in the year 1981 with 59% share by Government of India and 41% share by Government of Karnataka through Karnataka State Industrial and Infrastructure Development Corporation(KSIIDC). The Company has WHO-GMP Certified manufacturing facilities for Dry Powder Injectables, Liquid Injectables, Tablets, Capsules, Dry Syrups and Suspensions. The paid-up share capital of the Company as on date is Rs. 13.49 crores. At Bangalore Plant, Pharmaceutical Products are being manufactured and at Kotur, Dharwad, Karnataka State, Ayurvedic Products are being manufactured.

About the Project

Government of India sanctioned for construction of unit for manufacturing 7-ACA (Aminocephalosporanic acid) under Production linked incentive scheme(PLI). 7ACA Project Approved for Product Linked Incentive (PLI) as per PLI Scheme of Govt. of India. 7ACA Project Approved by 175th Board Meeting of KAPL. 50 Acres Land allotted by Madhya Pradesh Govt. at free of cost for 99 years Lease. **7-ACA (7-aminocephalosporanic acid)** is the core chemical molecule required for the synthesis of cephalosporin antibiotics and intermediates. It can be obtained by enzymatic hydrolysis of cephalosporin C. Under PLI scheme 1000 MT/ annum is allocated to KAPL. Presently India import annually more than ~4000 MT of 7-ACA from China and European countries. The approximate value of 4000 MT is INR 2000 Cr. / \$ 270 MN.

Total cost of the project is Rs 436 Crores (Appx).

The Land development and other activities of the project are commenced and the scheduled completion of the project is expected by December 2025.

KAPL now proposes to raise institutional finance to the maximum extent of total estimated project cost of Rs 436 Crore (approx.).

Proposals are invited from scheduled commercial banks / Financial Institutions (FIs) incorporated in India to finance **7-ACA Project (7-Aminocephalosporanic Acid) located at DMIC Vikram Udyogpuri Ltd, Ujjain, Madhya Pradesh**

2. Brief Description of Bidding Process

It is proposed to follow a single stage two Cover process (referred to as the "Bidding Process") for selection of the Bidder. Under this process, the Bid shall be invited under two Covers. Eligibility and qualification of the Bidder will be first examined based on the details submitted under first Cover (Technical Bid) with respect to eligibility and qualifications criteria prescribed in this RFP (Annexure I & 2). The Financial Bid under the second Cover (Annexure 3) shall be opened of only those Bidders whose Technical Bids are responsive to eligibility and qualifications requirements as per this RFP. All the pages of bid being submitted must be signed wherever required, and sequentially numbered by the bidder irrespective of nature of content of the documents before uploading. The offers submitted by Telegram/Fax/email shall not be entertained and bid would be summarily rejected. No correspondence will be entertained in this matter.

3. Schedule of Bidding Process

S. No	Particulars Timeline	Particulars Timeline
1.	RFP Issuance Date	28.08.2024
2.	Last date for submitting any queries/Pre bid meeting date	05.09.2024
3.	Pre bid meeting	Date: 06.09.2024 Time: 11: A.M. Venue: Confrence Hall, Arka The Business Centre, Plot No 37, NTTF Main, Road ,2nd Phase,Peenya Industrial Area,Bengaluru Pin Code:560058
4.	Last Date of response to queries (Closing Date)	09.09.2024
5.	Last date of bid submission	11.09.2024 up to 1500 hours IST
6.	Opening of technical bids	12.09.2024 at 1500 hours IST
7.	Opening of Financial bids	13.09.2024 at 1500 hours IST
7.	Bid Validity	180 days from the last date of bid submission

In case any of the above dates fall on Saturday/Sunday/statutory/public holiday then the first working date following such date shall be considered for the purpose of this RFP.

Section-2: Instruction to Bidders

1. Bids shall be submitted online only through KAPL e-procurement website: <https://www.tenderwizard.com/KAPL>. Bidders are advised to follow the instructions provided in the 'Instructions to the Bidders for the e- submission of the bids online through the KAPL e-procurement for e Procurement at <https://www.tenderwizard.com/KAPL>.
2. No Manual bids shall be accepted.
3. Bidder, who has downloaded the tender from the KAPL e-procurement website <https://www.tenderwizard.com/KAPL>, shall not modify the tender form including downloaded price bid template in any manner. In case if the same is found to be tempered/modified in any manner, bidder will be completely rejected.
4. The prospective bidder is advised to visit KAPL e-procurement Portal website <https://www.tenderwizard.com/KAPL> for any Corrigendum/ Addendum/ Amendment/ Clarifications, if any, before uploading its bid and if the bid has been uploaded, same could be detached/withdrawn and resubmitted taking into account Corrigendum/ Addendum/ Amendment/Clarifications. Notwithstanding, anything contained in this bid document, it is unequivocally clarified that if any Corrigendum/Addendum /Amendment/Clarifications issued after submission of the bid and before closing of the bid date and time, such bid would be treated as nonresponsive.
5. The bidders are required to submit soft copies of their bids electronically on the KAPL e-procurement, using valid Digital Signature Certificates (here in after referred to as DSC). The instructions given below are meant to assist the bidders in registering on the KAPL e-procurement, prepare their bids in accordance with the requirements and submitting their bids online on the KAPL e-procurement Portal. More information useful for submitting online bids on the KAPL e-procurement may be obtained at: <https://www.tenderwizard.com/KAPL>.
6. **Registration**
 - a) Bidders are required to enroll on the e-Procurement module of the KAPL e-procurement Portal (URL: <https://www.tenderwizard.com/KAPL>) by clicking on the link "**Registration** "on the KAPL e-procurement Portal which is free of charge.
 - b) As part of the enrolment process, the bidders will be required to choose a unique username and assign a password for their accounts and KAPL will approve suitable Bidder.
 - c) Bidders are advised to register their valid email address and mobile numbers as part of the registration process. These would be used for any communication from the KAPL e-procurement Portal.
 - d) Upon enrolment, the bidders will be required to register their valid Digital Signature Certificate (Class III Certificates) issued by any Certifying Authority recognized by CCA India (e.g. Sify / nCode / eMudhra etc.), with their profile.
 - e) Only one valid DSC should be registered by a bidder. Please note that the bidders are responsible to ensure that they do not lend their DSC's to others which may lead to misuse.

- f) Bidder then logs in to the site through the secured log-in by entering their user ID / password and the password of the DSC / e-Token.
- g) KAPL will also upload tender documents in Central Public Procurement Portal (CPPP).

7. Qualification Criteria

- 1) The Bidder must be a scheduled commercial bank/Indian Financial Institution as defined by Reserve Bank of India.
- 2) The Bidder confirms its willingness to participate as per the Terms of the Loan mentioned in Annexure - 2.
- 3) The Bidder is willing to participate in the bid process for a minimum commitment of loan of **Rs. 360 crore.**
- 4) Un-qualified acceptance of Bidder that KAPL reserves the right to reject any or all the bids without assigning any reason.
- 5) Un-qualified acceptance of Bidder that KAPL reserves the right to decide the amount of Loan to be availed after the opening of the bids.
- 6) The Bidder shall be a single entity and not a group of entities/Joint Venture/ Consortium.
- 7) The Bidder shall submit all documents, duly signed by the Authorized Signatory.

Section-3: Preparation & Submission of Bids

1. Preparation Of Bids

- a) Bidder should take into account any corrigendum published on the tender document before submitting their bids.
- b) Please go through the tender advertisement and the tender document carefully. The bidders are cautioned to take note of two stages of bid i.e. Technical Bid and Financial Bid which are to be in two separate covers duly written in bold together with specified documents to be attached with each bid. Any deviations from these may lead to rejection of the bid summarily.
- c) Bidder, in advance, should get ready the bid documents to be submitted as indicated in the tender document / schedule and generally, they can be in PDF / XLS /JPG formats. Bid documents may be scanned with 100 dpi with black and white option which helps in reducing size of the scanned document.
- d) To avoid the time and effort required in uploading the same set of standard documents which are required to be submitted as a part of every bid, a provision of uploading such standard documents (e.g.PAN card copy, annual reports, auditor certificates etc.) has been provided to the bidders.

2. Submission Of Bids

- a) Bidder should log in to the site well in advance for bid submission so that they can upload the bid in time i.e. on or before the bid submission time. Bidder will be responsible for any delay due to other issues.
- b) The bidder has to digitally sign and upload the required bid documents one by one as indicated in the tender document.
- c) Bidders are requested to note that they should necessarily submit their financial bids in the format provided and no other format is acceptable.
- d) The server time (which is displayed on the bidders' dashboard) will be considered as the standard time for referencing the deadlines for submission of the bids by the bidders, opening of bids etc. The bidders should follow this time during bid submission.
- e) It is optional to the bidder to withdraw its bid and resubmit the same within specified time-line only.
- f) KAPL shall not be responsible in any manner whatsoever, in case the website/server become nonresponsive for any reasons whatsoever for the time being at any point of time/period including closing time/period of the bid. However, KAPL reserve unequivocal rights to extend the bid submission time and date prior to closing of time/date of bid notified in the bid document.
- g) All the documents being submitted by the bidders would be encrypted using PKI encryption techniques to ensure the secrecy of the data. The data entered cannot be viewed by unauthorized persons until the time of bid opening. The confidentiality of the bids is

Maintained using the secured socket layer 128-bit encryption technology. Data storage encryption of sensitive fields is done. Any bid document that is uploaded to the server is subjected to symmetric encryption using a system generated symmetric key. Further this key is subjected to asymmetric encryption using buyers/bid opener's public keys. Overall, the uploaded tender documents become readable only after the tender opening by the authorized bid opener.

- h) The uploaded tender documents become readable only after the tender opening by the authorized bid openers.
- i) Upon the successful and timely submission of bids (i.e. after Clicking "Freeze Bid Submission" in the portal), the portal will give a successful bid submission message & a bid summary will be displayed with the bid no. and the date & time of submission of the bid with all other relevant details.
- j) The bid summary has to be printed and kept as an acknowledgement of the submission of the bid. This acknowledgement may be used as an entry pass for any bid opening meetings.

3. Assistance To Bidders

Any queries relating to the tender document and the terms and conditions contained therein should be addressed to the Tender Inviting Authority for a tender or the relevant contact person indicated in the tender. Please contact below official for any queries relating to the process of online bid submission or queries relating to KAPL e-procurement Portal.

Name of the official	Designation	Phone No.	Email Id
Mr. Ramesha B	AGM(Purchase)	8546943055	hodpurchase@kaplindia.com

Proposal Preparation Cost

The Bidder shall be responsible for all costs associated with the preparation of its Proposal and its participation in the bidding process KAPL shall not be responsible nor in any way liable for any of such costs, regardless of the conduct or outcome of the bidding process.

4. Clarifications

All the interested Bidders, in case of any queries/clarifications relating to the project or bid, are advised to kindly contact any of the following officials vide email.

Name of the official	Designation	Phone No.	Email Id
Mr. Jagadish C	DGM(Finance)	9448559527	hodfinance@kaplindia.com

5. Amendment Of RFP

- a) Any variation / modification / amendment / extension or clarification whatsoever that may be required to be given to the entire class of Bidders in respect of / in connection with this invitation to bid will be hosted on : <https://www.tenderwizard.com/KAPL>. Bidders are hereby advised to visit the website regularly to keep themselves updated.

- b) KAPL reserves the right to increase or decrease the Loan amount or cancel the entire bidding process and shall not be liable to anyone on occurrence of the same.

6. Non-Discriminatory & Transparent Bidding Proceedings

KAPL shall ensure that the rules for the bidding proceedings for the Project are applied in a non-discriminatory, transparent and objective manner. KAPL shall not provide to any Applicant information with regard to the Project or the bidding proceedings, which may have the effect of restricting competition.

7. Confidentiality

Information relating to the examination, clarification, evaluation, and recommendation for the Bidders shall not be disclosed to any person not officially concerned with the process. KAPL will treat all information submitted as part of Proposal in confidence and would require all those who have access to such material to treat the same in confidence. KAPL will not divulge any such information unless it is ordered to do so by any authority that has the power under law to require its disclosure.

Section-4: Evaluation of Bids

1. Opening And Evaluation Of Technical Bids

- a) KAPL shall open the Technical bid received online at 1500 hours IST on 10.09.2024, in the presence of the Bidders who choose to attend.
- b) KAPL will examine and evaluate the Bids in accordance with the provisions set out in this Section.
- c) To facilitate evaluation of Bids, KAPL may, at its sole discretion, seek clarifications in writing from any Bidder regarding its Bid.
- d) KAPL shall open at the intimated time, the Financial Bids received online of bidders found qualified as per their Technical Bid, in the presence of the Bidders who choose to attend.

2. Test Of Responsiveness

KAPL will determine whether each Proposal is substantially responsive to the requirements of the RFP. A Proposal shall be considered responsive if the Proposal satisfies the criteria stated below:

- 1) The Bid is received by the last date of submission of the Bid.
- 2) Each page of the Bid is signed and stamped/sealed.
- 3) The Bidder has submitted Annexure-1 and Annexure-2 as per the format and is signed by the authorised signatory.

3. Evaluation Parameters

The financial bids shall be based on Bank's annual MCLR/Financial institution's (FI) internal benchmark rate. To be evaluated as per below:

1. Bidders will be ranked as L1, L2, L3 and so on based on the effective rate of interest quoted (L1 bidder/s shall be bidder/s quoting the lowest effective rate of interest and this rate shall be L1 Rate and L2 bidder/s shall be those quoting the second lowest effective rate of interest and this rate shall be L2 rate and so on).
2. In case of bidders quoting the same effective rate of interest, preference will be given to those with commitment of higher loan amount.

3. General

- I. Bidders have to quote minimum loan amount of Rs. 360 crore
- II. The rate quoted by the bidder should have the breakup of Bank's MCLR/ FI's Internal Benchmark rate and spread.
- III. Bank'S MCLR/ FI's Internal Benchmark rate and spread quoted shall be both in terms of percentage up to two decimals.
- IV. Spread can either be positive or negative and the same shall be fixed throughout the tenure of the loan
- V. Lowest rate (L1) will be arrived based on the effective rate of interest.
- VI. The quoted Interest Spread shall be constant and uniform for the entire period of loan including construction period, moratorium period and repayment period.

Any deviation to above shall invite rejection of the bid.

Annexure 1.

Section-5: Formats

Undertaking

(To be forwarded on the letterhead of the Bidder)

1. We hereby confirm that _____ (Insert the name of Bidder) is a scheduled commercial bank/Indian Financial Institution.
2. We have examined the RFP document including addendum(s)/Corrigendum(s), if any, and undertake to abide by the same.
3. We solemnly undertake and confirm our acceptance of the terms of the Loan as mentioned in Annexure-2.
4. We solemnly undertake and confirm our unqualified acceptance to the fact that KAPL reserves the right to decide the time and amount of Loan to be availed after the opening of the bids within the Loan of Rs. **436 crore** of the project Cost.
5. We solemnly undertake and confirm our unqualified acceptance to the fact that KAPL reserves the right to reject any or all the bids without assigning any reason.

(Name and signature of Authorised Signatory)

(Name of the Bidder)

(Address of the Bidder)

(Seal the Bidder)

Term Sheet

(To be forwarded on the letterhead of the Bidder)

Borrower	Karnataka Antibiotics and Pharmaceuticals Ltd (KAPL)	
Nature of Loan	Term Loan	
Amount	Up to INR 436 crore	
Purpose	For 7-ACA Project (7-Aminocephalosporanic Acid) located at DMIC Vikram Udyogpuri Ltd, Ujjain, Madhya Pradesh	
Interest (To be serviced monthly)	Bank's MCLR/Financial Institution's INTERNAL BENCHMARK RATE in %age Plus Spread in %age	
Interest reset	Annually, commencing from anniversary of first disbursement.	
Period of Loan	Door to Door Tenure	15 Years
	Expected Date of Completion of Project	December 2025
	Principal Moratorium Period	3 Years from first drawdown
Repayment terms	<p>Principal shall be repaid after 3 years from the first drawdown on monthly basis</p> <p>Expected date of first repayment – October 2027</p> <p>Indicative Schedule as below:</p> <ol style="list-style-type: none"> 8 % of loan amount each year for the first 5 years (i.e. 40 % in first 5 years). 8 % of loan amount each year for the next 5 years (i.e. 40 % in next 5 years) 10 % of loan amount each year for the last 2 year (i.e. 20 % in last 2 years) 	
Security – Prime	Exclusive charge on all immovable/moveable assets of the project 7-ACA Project (7-Aminocephalosporanic Acid) located at DMIC Vikram Udyogpuri Ltd, Ujjain, Madhya Pradesh	
Collateral Security	NIL	
Up Front Fee/ Processing Fee	NIL	
Prepayment Charges	NIL	
Commitment Charges	<p>NIL</p> <p>Note:</p> <ol style="list-style-type: none"> KAPL may, in a future date, decide to avail only a part of the sanctioned amount. In such case, KAPL shall not be liable to pay any charge(s)/claim(s)/levy. KAPL shall not be liable to pay any charge(s)/claim(s)/levy other than the interest on loan. 	
Default Interest Rate	The Borrower shall pay default interest at the rate of 1% p.a. over and above the Applicable Interest Rate, in case of default in payment of interest, principal or any other monies due on their respective dates, for the period of such default,	
Stamp Duty	KAPL will bear the stamp duty charges on loan documentation. No other charges shall be borne by the KAPL, the same shall be on account of the lender. Legal counsel fees, fees for lenders engineers, inspection fees etc. will have to be borne by the bidder/lender.	
Any other fee	Not acceptable	

Validity of Sanction	12 Months
Availability Period	The Loan shall be available for draw-down till 24 months from the date of Execution of the Loan Agreement.
Drawdown*	In multiple tranches (First draw down expected within 3 months from the date of Execution of the Loan Agreement).
Governing Law	Indian Law and Jurisdiction Indian Courts-Bengaluru

* Drawdown schedule shall be finalized on mutual discussion with the successful lender(s) at the time of entering into Loan agreement as the case may be

* KAPL reserves the right to draw lesser amount than the loan tied amount based on the project requirements. The schedule of drawdown shall also be flexible and subject to change as per requirements of the Project.

(Name and signature of Authorised Signatory)

(Name of the Bidder)

(Address of the Bidder)

(Seal the Bidder)

Annexure 3

Financial Bid*(To be forwarded on the letterhead of the Bidder)***Name of the Bidder:****Registered Address:****Name of the Authorised Signatory:****Designation of the Authorised Signatory**

S. No	Particulars	In figures	In words
1.	Minimum Commitment of Loan (Amount in Rs. Crores)		
	Bank's MCLR/Financial Institution's Internal Benchmark Rate offered (%age) (A)		
	Spread on Bank's MCLR/ Financial Institution's Internal Benchmark Rate (%age) (B)		
2.	Effective Rate of Interest (A) + (B)		

Bank's MCLR/ Financial Institution's Internal Benchmark rate and spread quoted shall be in terms of percentage up-to two decimals

(Name and signature of Authorised Signatory)

(Name of the Bidder)

(Address of the Bidder)

(Seal the Bidder)