

**COCHIN PORT AUTHORITY**

**REPLIES TO THE QUERIES RAISED BY THE PARTICIPANT FIRMS DURING THE ONLINE PRE-BID MEETING THROUGH GOOGLE MEET, CONDUCTED ON 19.04.2022 AT 11.00 HRS IN CONNECTION WITH THE TENDER FOR LEASING OF A PLOT WITH EXISTING PORT OWNED BUILDINGS (MALABAR HOTEL) IN W/ISLAND FOR A PERIOD OF 30 YEARS WITH ANNUAL LEASE RENT AS TENDER VARIABLE ON TENDER-CUM-AUCTION FOR HOSPITALITY PURPOSES.**

**TENDER NO.MSTC/TVC/COCHIN PORT TRUST/4 /WILLIGDON ISLAND/22-23/930**

Sl. No.	Matter	Page No.	Clause No.	Relevant Section	Query	CoPA's Responses
1	Right of First Refusal	10	Clause 2.27	In the case of renewal of lease, the existing lessee of the tendered land should participate in the tender, if they wish to renew the lease. The Right of First Refusal (RoFR) will be extended to the existing lessee and they will be allowed to match the H-1 bid after tender-cum-auction process. In case the existing lessee is not willing to match the H-1 bid, the tendered asset will be considered for awarding to the H-1 bidder after observing all conditions stipulated in the tender document.	Kindly provide clarity on this point, whether OHL also has to participate in the Financial bid in order to avail of the ROFR.  Request to kindly amend the tender document to include elaboration on ROFR process and timelines.	Tender condition already specifies that, In the case of renewal of lease, the existing lessee of the tendered land should participate in the tender, if they wish to renew the lease.  Tender condition shall prevail.
2	Earnest Money Deposit	7	Clause 2.6.2	Bidder has the option to remit EMD in the form of DD/ Banker's Cheque from a Scheduled / Nationalized bank, drawn in favour of FA&CAO, Cochin Port Authority, payable at Cochin. Original DD/ Banker's Cheque in lieu of EMD should be put into an envelope superscribed with tender number, due date, name of bidder, unit number for which the bid is submitted.	While tender suggests that Land & Building EMD Amount Rs. 2.07 crores can be furnished by bank guarantee, request to amend the tender to also include EMD towards annual lease rent for the plot of Rs. 0.03 crores to also be furnished vide a bank guarantee.	Tender condition shall prevail. EMD in the form of Bank Guarantee is acceptable only for EMD towards building cost. EMD amounting to Rs.3,14,000/- for the plot shall be paid in the form of DD/Bankers Cheque/RTGS.

			EMD for the building/structure as at Section 1.1 can be secured through BG also, apart from the above modes of payment (RTGS/NEFT, DD/Banker"s Cheque), in which case the BG as per the Proforma of BG as at Section 12 in lieu of EMD should be put into an envelope superscribed with tender number, due date, name of bidder, unit number for which the bid is submitted. The envelope containing EMD should be dropped in the tender box marked "Estate Division", placed in the reception area, in the Ground Floor of Administrative Building, Cochin Port Authority, prior to the due date and time for submission of bid, failing which the bid will be rejected. EMD in the form of Cheque will not be accepted.		
3	Re-Auction and RoFR at the end of proposed lease term	31	Clause 4 (k) Lease deed Upon expiry or termination of the lease for any reason whatsoever, if the lessor decides not to re-auction the land, the lessee shall remove the structures erected/existing or other improvements made by him/it on the leased premises without any claim to compensation whatsoever and restore the leased premises to its original condition, within three months or such further time as permitted by the lessor. However, if the lessor decides to re-auction the land, the land will be put to tender-cum-auction with the Right of First Refusal (RoFR) extended to the existing lessee upon confirming that	The Lessor shall not re-auction only if it needs the premises for its own purpose and so long as it does not want to operate a hotel. Request that in all other circumstances, there should be re-auction and ROFR right should be given to existing lessee, request to kindly suitably modify the tender.	Lease deed condition shall prevail.

			<p>he/it is not in default. The existing lessee shall be allowed to match the H-1 bid. Any structures constructed by the existing lessee will be valued by a third party valuer to be agreed upon by the lessor and the existing lessee. The successful bidder has to remit the value of the structures which would be passed on to the existing lessee in case he/it is not the successful bidder, after adjusting any dues payable to the lessor. If there are no successful bids for the land, the existing lessee shall remove all structures at his/its own cost within three months or such further time as permitted by the lessor. If the existing lessee does not remove the structures or restore the leased premises to its original condition as required and within the time prescribed, then the lessee will not be entitled to remove the building thereafter, and the building would vest with the lessor without any right to compensation to the lessee, and the lessor would be entitled to deal with the building as its own, or at its discretion the lessor shall have the right to remove the said structures and restore the leased premises to its original condition, and recover the cost of such removal and restoration and any other amounts that may be due from the existing lessee from the sale of materials, and balance, if any, from the existing lessee.</p>		
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4	Payment To Lessee For The Structure				The existing Lease document has provision for payment to lessee for 63 rooms of the structure upon termination of lease. Request for the new lease to also have this provision. Request to kindly suitably modify the tender document to this effect.	Valuation / payment for compensation shall be governed by Clause 4 (k) of the lease deed
5	Force Majeure		Force Majeure		Request to kindly suitably modify the tender to add a force majeure clause which have an inclusion of the below points: i) Epidemic, pandemic or quarantine conditions would be Force Majeure conditions under the Agreement; ii) During the prevalence of the Force Majeure conditions, the obligation of the Lessee to pay Lease Fee shall stand waved	Not agreeable.
6	Forfeiture of EMD	11	Clause 2.32	2.32.1. If the price quoted in the price bid is not above the Reserve Price for the land. 2.32.2. In the event of the bidder withdrawing / modifying his bid before the expiry of bid validity of 180 days from the due date of the tender or as extended pursuant to Section 2.30. 2.32.3. Failure to pay Security Deposit, upfront payment (if applicable) and depreciated cost of building (if applicable) within the stipulated/extended time, upon issue of pre-acceptance letter.	It is our understanding that EMD is being paid for the Technical Bid submission. Will the non-participation in Financial fee stay as point for EMD forfeiture. Request to kindly confirm on the same.	If the existing lessee is interested for renewal, they shall participate in the technical and financial part of the tender. The tender condition as per clause 2.32 is applicable to the existing lessee also. Existing lessee is free to decide regarding participation in the auction process.

7	Allotment for Existing Structure	27	Clause 2 (c)	<p>The lessee shall utilize the land for the purpose for which it is allotted within 2 years from the date of taking over/allotment of the site. If the lessee fails to utilize the land within such period, the lessor at its discretion shall be entitled to either terminate the lease, or at the request of the lessee, extend the period of construction subject to the lessee paying additional 50% of the normal lease rent payable as per the then prevailing SoR for the extended period. However, the Lessee is free to propose stage wise construction, and if approved by the lessor, such construction period can be counted for utilization of land stage wise. If the lessee fails to abide by the timelines of such stage wise construction, the lessor at its discretion shall be entitled to either terminate the lease or at the request of the lessee, extend the period of construction subject to the lessee paying additional 50% of the normal lease rent payable as per the then prevailing SoR for the extended period for the portion of the land on which the construction is delayed.</p>	<p>Currently there is an existing operational Hotel on the land which is operated by OHL the existing lessee. However the Tender Lease Deed stipulates timelines for construction and utilisation of land. It is confirmed that if the new lease is allotted to OHL then OHL is not obligated to construct but operate the existing Hotel.</p>	<p>Clause 2(c) in the lease deed is applicable for lease of bare land in general. This particular tender , being lease of land with existing building, the construction period stipulated is not applicable.</p>
8	Advertisement withing Premises	29	Clause 2 (p) lease deed	<p>Hoarding or advertisement board shall not be erected in the leased premises without the written permission of the Lessor.</p>	<p>Request to kindly amend tender lease deed to be inline with current lease with OHL where lessee is permitted Hoarding or advertisement board shall to be erected in the leased premises without consent if it is</p>	<p>Lease deed condition shall prevail.</p>

					relating to the legitimate business of the hotel	
9	Provisions with regard to Construction / Upgradation	31	Clause 5 (a)	<p>a) It is agreed between the parties that notwithstanding any other provisions herein contained, subject to Six (6) months prior notice by the Lessor, the Lessor shall be entitled to cancel the lease either in respect of the whole leased premises or any part thereof, with improvements thereon, if any, before the expiration of the lease period specified herein if the leased premises or part thereof, is required for Ports development purposes / activities and in that event, the Lessee shall be entitled to corresponding remission of the Lease Rent where applicable and compensation payable will be worked out by the Chief Engineer of the lessor, Cochin Port Authority in accordance with the formula provided in (b) below, in respect of the buildings and fixtures, if any, which at any time during the currency of the lease may have been erected or affixed by the Lessee upon the leased premises. Provided, however, that in case of any dispute between the parties hereto regarding the rate or quantum of compensation payable under the aforesaid provision, the decision of the Board of the Lessor shall be final and binding. In case of such cancellation of lease by the Lessor for Port's development purposes / activities, after paying compensation, the</p>	<p>It is submitted that OHL would spend considerably on the upgradation and other related operational expenses. Hence termination by giving 6 months notice may be deleted and there should be no unilateral termination by Lessor.</p>	<p>Lease deed condition shall prevail.</p>

				Lessee shall execute and register a release deed in respect of the buildings/fixtures in favour of the Lessor within a period of 3 months from cancellation of lease. The Lessor is entitled to enforce execution of such release deed through Court of law, if necessary.		
10	Payment of Depreciated cost of Assets	11	Clause 2.36.3	Depreciated Cost of Building/Structure: In case there is existing building/structure in the allotted land, the successful bidder, in addition to the payments mentioned above, should remit value of all the building/structures in the land as at Section 1.1. The lessee, on paying the depreciated cost/ valuation by the / Cochin Port of the building/structures, shall enjoy ownership rights of the buildings, and shall be free to remove the building/structures from the site, if required with the approval of the Port, except otherwise specified. The lessee shall be liable to pay the applicable property tax for the building / structures to the Municipal Corporation / Panchayat including arrears, if any, for the past period.	Request to kindly clarify that, as the existing Lessee, in the event of renewal of the lease is in favour, the provisions of point 2.36.3 are not applicable to the existing Lessee and request to kindly amend the tender suitably.	Clause 2.36.3 of the tender document is applicable to existing lessee also
11	Cost of building				Confirm whether cost of building payable is Rs. 20 Crores	See Corrigendum - II. The depreciated cost of the building payable by the successful bidder is Rs. 19,69,76,865/-
12	Security deposit				Confirm whether Security deposit is 2 years annual lease rent	Security deposit payable by the successful bidder is the 2 years

					annual lease rent at the offered rate.
13	Annual Lease rent for one year			Confirm whether Annual lease rent is the bidding price.	The tender variable is the annual lease rent and the bidder has to offer annual lease rent above the Reserve price.
14	Mode of payment			Confirm whether all the payments to be paid through RTGS and Rs 2 crores towards EMD through Bank Guarantee. Both the RTGS & BG should be done within one month from winning the bid.	<p>All the bidders should pay EMD amounting to Rs. 3,14,000/- by way of DD/Bankers cheque/RTGS. However EMD towards depreciated value of the building amounting to <b>Rs 1,96,98,000/-</b> can be paid by way of Bank guarantee (see Corrigendum-II). All EMDs are payable before the due date of tender</p> <p>The successful bidders within 30 days of receipt of pre-acceptance letter shall pay the security deposit and cost of building by way of DD/Bankers cheque/RTGS.</p> <p><b>If the successful bidder opt for remission of lease rent on Upfront basis lease rent and SD is payable as per clause 2.36.1.2 &amp; 2.36.2.2 of tender document respectively.</b></p>
15	Exemption from payment			TDLCCS is a Co operative society with Kerala Govt. accreditation and exempted from furnishing the	Exemption from paying EMD & SD cannot be agreed to.



	of EMD and SD				EMD and security deposit in tender as per Kerala Government GO's, So in that aspect can TDLCCS get exemption from furnishing EMD and Security Deposit.	
16					Need a clarity on EMD calculation as whether the said amount is arrived on the basis of the lease rent quoted by the highest bidder or the amount is constant as shown in clause 1.1 of the tender.	The amount is constant as shown in clause 1.1 of the tender document.
17					Details of Number of rooms (category wise) sq. ft of rooms and wash rooms, bar, gym facilities, Ayurveda, Spa, swimming pool facilities, Banquet area or convention centre	Old Blding-33 rooms(2 suites) New Bldg- 62 rooms(7Suites) Ayurveda spa(GF + FF) – 610.60 M2 Swimming pool 1 No. Further details can be ascertained during site inspection as per Corrigendum-I
18					Life span of existing chiller and details of working conditions of non-movable items	May be ascertained during the site inspection scheduled at 14.30 hrs on 25.04.2022.
19					List of movable items not removed by the lessee.	May be ascertained during the site inspection scheduled at 14.30 hrs on 25.04.2022.
20					Details of contingent, statutory liabilities all known and unknown	May be ascertained during the site inspection scheduled at 14.30 hrs on 25.04.2022.
21					List of intangible properties, (software, licenses etc)	May be ascertained during the site inspection scheduled at 14.30 hrs

					on 25.04.2022.
22				Details of central reservation system	The question is outside the scope of tender
23				Details of business contracts.	The question is outside the scope of tender
24				Retaining or recruitment of manpower	The question is outside the scope of tender.
25	<b>Extensi on of timel ines for bidding</b>			Being an investment proposal, and considering the evaluations required at various levels the timeliness given for submission of bids are too short. Request for an extension of timelines for bidding by a minimum of 45 days.	See Corrigendum-III
26	Section 1.1			What does the Average Annual Turnover specify? Does it refer to hotel average turnover?	It is the average financial turnover of the bidder for the past 3 years ie. for FY 2018-19, 2019-20 & 2020-21. It should be more than Rs. 1,67,75,000/- for the bidder to qualify in the bidding process.
27	Section 1.1			When is the EMD for land and Building payable?	Both EMDs are payable prior to the due date of tender. See clause 2.6.2.
28	Section 1.1			Does the depreciated cost of building/structure amounting to 20.73 crores include the cost of all Plant & Machinery & Furniture and Fittings of the hotel? Will the bidder get only the civil structure or the entire building along with existing Plant &	See Corrigendum-II regarding depreciated cost of buildings. The depreciated cost of building does not include movable items. Further details can be ascertained at the time of site inspection.

					Machinery & Furniture and Fittings?	
29	Section 2.5.2				<p>“Average annual turnover of the bidder for the last 3 years/applicable years ending on 31stMarch, 2021 should be a minimum of the amount specified for each plot at Section 1.1. Annual Turnover shall be derived at 30% of the Net Present Value (NPV) of the annual lease rent for the plot as per the SoR for the lease period, computed by cumulatively escalating the lease rent annually at 2%, and discounting annually at 6%.”</p> <p>Request for a clarification on derivation of the average annual turnover of the bidder for last 3 years.</p>	In order to technically qualify the bidder one of the condition is that the average Financial turn over of the bidder for the last three years ie 2018-19, 2019-20 and 2020-21 shall be more than Rs 1,67,75,000/- See Clause 2.5.2 &2.5.3 of tender condition.
30	Section 2.5.3				As per section 2.5.3, Financial Eligibility Criteria: “Copies of audited Annual Accounts/ Annual Accounts/ Turnover duly certified by the Chartered Accountant for the last 3 years / applicable years to prove average annual turnover should also be submitted along with the bid.”	Signed Copies of audited Annual Accounts , Profit/Loss statement and balance sheet are suffice.

					Being a listed company, is there a requirement of separate certificate from a CA, or the signed Copies of audited Annual Accounts will suffice?	
31	Site Plan				Request to share the site plan in PDF format	See Section-7 of the tender document.
32	Building drawings				Request to share the drawings of the building. As the lessee will be investing INR 20 crores (approx.) towards the building, building, civil, electrical and mechanical drawings are required.	The details may be ascertained during the site inspection scheduled on 25th April 2022 .
33	Development norms				Request to provide with the applicable FAR /FSI /Development norms for the subject site.	As per Kerala Building Rules.
34	-				Please share the details about the existing property w.r.t the no. of rooms, no. of F&B outlets and other allied facilities i.e. the product profile. Also request to provide the past 5 years performance of the property.	Details of structures in the land area are furnished in Clause 1.1 of tender document. Question regarding Performance of the property is outside the scope of tender
35	-				Will the authority assist the successful bidder to obtain necessary approvals/sanctions from the government in case of change in name of the subject property?	As per clause 5.2 of Tender document, it is the responsibility of the successful bidder to obtain all statutory clearances.
36	-				Is there a requirement of forming a separate company for signing	The successful bidder has to execute the Lease deed on

					and execution of lease agreement?	production of sufficient supporting document as detailed in clause 2.5 of tender document.
37					What is the expected handover date of property to the lessor?	The leased area can be handed over to the successful bidder other than existing lessee within 3 months after issuance of Allotment order.

The above replies to queries forms a part of the tender and should be signed and uploaded along with tender document.

Encl: 1. Corrigendum-II  
2. Corrigendum-III

Sd/-  
SECRETARY