

Operation and Management of KSWC Warehouses by the  
Private Partners

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Expression of Interest

April 2017



Karnataka State Warehousing Corporation

"Beeja Bhavan"

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## EXPRESSION OF INTEREST

# Operation and Management of KSWC Warehouses by the Private Partners

*Partnering to Accelerate Investment and Infrastructure Development*

### Introduction

Karnataka stands as a role model among states in India having witnessed rapid economic growth. Setting up of industrial zones, infrastructure development, development of roads, rails, regional airports and ports makes it the heart of warehousing and logistics operations in India.

Karnataka has rich biodiversity and ten agro-climatic zones which can grow majority of the agricultural & horticultural crops. Karnataka contributes around 7% of the agricultural production and 15% of the horticultural production in the country. State is a major producer of pulses with much of its yield coming from the dry-lands of the northern belt. Pulses are in demand globally due to it being rich in nutrients and India has remained a major exporter of pulses.

Karnataka State Warehousing Corporation ("KSWC") operates with a vision to develop scientific storage facility to the agricultural produces & other commodities and to minimize the storage losses and to support the market to overcome from volatile market prices of agricultural commodities to the possible extent.

With an objective to enhance the capacity of warehouses KSWC has decided to expand the footprint in terms of storage capacity from existing 14.19 Lakhs MTs to 25.08 Lakh MTs. Warehouses constructed are well equipped with ample open space and high compound wall. Warehouses area designed having ample covered space for the safe storage with modern and scientific infrastructure and storage capability at key locations with easy access and transport/shipment connectivity.

**Current Proposal:**

To bring in private sector expertise to enhance operational utilisation and efficiency, KSWC proposes to entrust the operation and management of warehouses to private entities on Operate, Manage and Transfer (“OMT”) on revenue sharing basis during the period of contract.

The scope of work for operation and management shall include:

1. Preservation, maintenance and custody of stocks.
2. Inventory management.
3. Operation of Minimum Support Price, Price Support Scheme, Public Distribution System etc.
4. Warehouse based online sales.
5. Providing value added services.
6. Providing technically qualified staffs for managing scientific warehouses as per WDRA norms.

The warehouses have been segregated into seven tender packages spread across the state as indicated below;

Sl. No:	Package Based on Districts	Own Storage Capacity (in MTs)	Estimated Package Value (In Rs. Crore)
1	Shivamogga, Chikkamagalur, Dakshina Kannada, Udupi,	56,957	14.35
2	Bengaluru (U) , Bengaluru (R) , Kolar, Tumkur, Ramanagar, Chikkballapur	97,888	24.66
3	Davanagere, Chitradurga, Haveri	1,31,375	33.10
4	Mysuru, Chamarajanagar, Hassan, Mandya, Kodagu	1,66,936	42.06
5	Dharwad, Gadag, Bagalkot, Belagavi, Uttara Kannada	1,74,230	43.90
6	Kalaburgi, Yadagiri, Bidar, Vijayapura	1,78,122	44.80
7	Raichur, Koppal, Bellari	1,87,131	47.15
	<b>Total</b>	<b>9,92,639</b>	<b>250.02</b>

NOTE: For the convenience, the KSWC may merge all these package into one or more packages at the time of calling tender.

In this context, Karnataka State Warehousing Corporation proposes to invite Expression of Interest (EOI) from the competent Firm/Consortium/ Company to undertake operation and maintenance of warehouses on as is where is basis under PPP model on revenue sharing basis. The storage capacity as a whole may vary  $\pm$  20%. During the period of contract and the prospective bidder shall abide by the same.

**Additional Infrastructure:**

Scope of work also includes provision of the following by Private operators wherever it's not existing;

- (i) Electronic platform scales for Warehouses below 5000 MT capacity and weigh bridges for warehouses above 5000MTs
- (ii) Laboratory facilities
- (iii) Warehouse management and ERP software

**EOI Issuing Authority:**

This Expression of Interest (EOI) is issued by the Karnataka State Warehousing Corporation (KSWC), to invite the interested Private Partners for Operation and Management of KSWC Warehouses.

Item	Description
Title of the Project	Operation and Management of KSWC Warehouses by the Private Partners
Department	Karnataka State Warehousing Corporation
Address	BEEJA BHAVAN, 4th and 5th Floor, Bellari Road, Hebbala, Bengaluru 560024.
Contact Person	Managing Director
Contact Details	Phone: 080-23415679 E-Mail: <a href="mailto:md@karnatakawarehousing.in">md@karnatakawarehousing.in</a>
Website	<a href="http://www.kswc.in/">http://www.kswc.in/</a>

**Tentative Calendar of Events:**

The following table enlists important milestones and timelines for the activities:

Sl.No.	Milestones	Date and Time
1	Release of Expression of Interest (EOI)	15.04.2017
2	Last date for submission of EOI by the Private Partners.	24.04.2017

**Availability of EOI documents:**

EOI can be downloaded from the KSWC website given under Section "EOI Issuing Authority". The Private Partners are expected to examine all instructions, forms, terms, project requirements and other details in the EOI documents.

**FORM I: COVERING LETTER**

(Company letterhead)

[Date]

To,

The Managing Director,  
Karnataka State Warehousing Corporation  
BEEJA BHAVAN, 4th and 5th Floor,  
Bellari Road, Hebbala,  
Bengaluru- 560024.

Dear Sir,

**Sub: Expression of Interest for Operation and Management of KSWC Warehouses by the Private Partners**

Having examined the Expression of Interest (EOI), the receipt of which is hereby duly acknowledged, we, the undersigned, intend to submit our Interest in response to the Expression of Interest (EOI) for Operation and Management of KSWC Warehouses by the Private Partners.

Dated                      this Day of 2017

(Signature)                      (In the capacity of)

(Name)

(Name and Address of Company)      Seal/Stamp of Private Partner

**FORM II: GENERAL DETAILS OF THE ORGANIZATION**

Name of organization
Nature of the legal status in India
Legal status reference details
Nature of business in India
Date of Incorporation
Date of Commencement of Business
Address of the Headquarters
Address of the Registered Office in India
Other Relevant Information
Mandatory Supporting Documents: a) Certificate of Incorporation

Primary and Secondary contacts for our company are:

Particulars	Primary Contact	Secondary Contact
Name		
Title		
Company		
Address		
Phone No(s)		
Fax		
Web:		
Email		

**FORM III: FINANCIAL DETAILS OF THE ORGANIZATION Financial Information**

Sl. No.	Financial Year	Annual Turnover (Rs. in Crore)	Net worth (Rs. in Crore)
1	2015 – 2016		
2	2014 – 2015		
3	2013 – 2014		
<b><u>Certificate from the Statutory Auditor</u></b>			
<p>This is to certify that..... (Name of the Applicant) has registered an annual turnover shown above against the respective years.</p> <p>(Signature, name and designation of the authorised signatory)</p> <p>Date: _____ \ Name and seal of the audit firm</p>			

Note: In case the firm does not have a statutory auditor, it shall provide the certificate from its chartered accountant that ordinarily audits the annual accounts of the firm.

**FORM IV: Relevant Project Experience**

<b>General Information</b>
Name of the project
Client for which the project was executed
Name and contact details of the client
Current Status
<b>Project Details</b>
Description of the project
Geographical Scope
Outcomes of the Project
Scope of Transition
Number of Locations / Sites
<b>Other Details</b>
Total Duration of the project
Total cost of the project
Total cost of the services provided by the Private Partner
Other Relevant Information
Supporting Documents: a) Letter from the client / auditor duly indicating the salient points like cost, period, scope of services and successful completion of the projects

NOTE: If the Private Partner desire to furnish any additional information may submit additional sheets along with EOI.



Operation and Management of KSWC Warehouses by the Private Partners

