

RESPONSE TO QUERIES-REQUEST FOR PROPOSAL (RFP) FOR ESTABLISHMENT OF BIOPHARMA HUB (B-HUB) AT GENOME VALLEY IN RANGA REDDY DISTRICT OF TELANGANA STATE ON DESIGN, BUILD, FINANCE, OPERATE AND TRANSFER (DBFOT) BASIS

Sl.No.	Clause	Description	Clarifications required	Response by TSIC
1.	RFP-Pg 19-64 2.2.11 Evaluation criteria	Technical Qualification, Sl. No. 1: Experience in developing / designing / constructing / incorporating atleast 1 Biotech/Pharma/Medical Device/Business units/Parks/incubators in India: — 1 project: 10 marks — 2 projects: 20 marks — 3 projects or more (with atleast one life science park): 30 marks	We presume that the experience of all types of work executed under different categories also shall be considered. Kindly confirm. Also, kindly elaborate the term 'Business Units/Parks'. Please also clarify if construction experience alone of the said works qualify to bid.	Yes, experience in either developing or designing or constructing or incorporating Lifesciences business units/ Lifesciences Parks/ Lifesciences incubators in India shall be considered. Lifesciences entails Biotech/Pharma/Medical Device Business Units/Parks means Lifesciences Business Units/Parks Construction experience alone will also qualify.
2.	RFP-Pg 19-64 2.2.11 Evaluation criteria	Technical Qualification, Sl. No. 2: Experience of the firms in O&M of Life Science parks / incubators: — 5 years: 5 marks — 10 years or more: 10 marks	We presume that pharma sector comes under Life Science parks	Yes, pharma sector comes under Life Science parks
3.	RFP-Pg 19-64 2.2.11 Evaluation criteria	Technical Qualification, Sl. No. 3: Experience of attracting / working with companies (global / domestic and start-ups) in Biotech / pharma sector	Kindly let us know how to ascertain the criteria and what is the documentary proof to be shown to satisfy the same.	Criteria is given in the RFP Documentary proof: Project experience certificate/ Satisfactory Certificate (the certificate should contain the details of collaboration with global start-ups and

		<ul style="list-style-type: none"> — 10 Companies: 5 marks — More than 10 Companies.: 10 marks 		domestic start-ups in Biotech or Pharma sector regarding investment promotion)
4.	RFP-Pg 19-64 2.2.11 Evaluation criteria	<p>Technical Qualification, Sl. No. 4:</p> <p>Combined Team members to have atleast 10 years of experience in running Biotech parks / incubators (Team leader to have experience of atleast 4 years):</p> <ul style="list-style-type: none"> — 10 years: 10 marks — 15 years: 20 marks — 20 Years or more: 30 marks 	<p>Kindly explain the criteria of combined team members experience in Bio tech parks. as such criteria is generally asked for consultancy works.</p> <p>Also what is the Format in Annexure I which is not given on the document</p>	<p>As the project requires operation and management of B-hub for 20 years. We believe that core implementing team should have experience in in running Biotech parks / incubators.</p> <p>The format is given in Appendix I: Annexure H-Format for CV</p>
5.	Draft Concession Agreement-Pg 27 of 47 1.11 Schedule XI- Performance Security	<p>Performance Bank Guarantee</p> <p>5% of the Contract value Authority shall release the Performance Security upon the Concessionaire furnishing a fresh Performance Security for 2.5% (five per cent) of the Contract value for the remaining period of Contract towards Concessionaire's O & M obligations.</p>	<p>Kindly release the Performance BG after 50% completion of 5% of project instead of 1 (one) year from the issuance of Project Completion Certificate as the bidder is funding the project and</p> <p>Also Kindly accept 1% in the form of BG instead of 2.5% of PG for the remaining period of contract towards concessionaire's O&M obligations</p>	The conditions in the RFP and concession agreement hold good
6.	RFP-Pg 2of 64	<p>Bid Security (Bank Guarantee)</p> <p>INR 1,50,92,700 (One crore, fifty lakhs, ninety-two thousand and seven hundred only) in the form</p>	We presume that the bid security shall be in favour of TSIIC payable at Hyderabad drawn on any scheduled bank. Kindly confirm.	Yes

		of a Bank Guarantee, acceptable to the Authority, as per format set forth in Annexure E of Appendix – I		
7.	Draft Concession Agreement-Pg 13 of 47	<p>B. Obligations of TSIIIC</p> <p>The authority will provide financial support to the concessionaire to the extent of 10 crs towards technical expenditure which shall be strictly contingent upon receiving funds from Department of Biotechnology, Government of India</p> <p>Additional provision to support eligible expenses including electricity charges, employee expenses, facility & equipment maintenance, promotional & marketing expenses, etc. of the B-Hub facilities for a period of 4 years up to an amount of INR 10-12 crore (approx.)</p>	Kindly elaborate and explain what are the terms and conditions to the concessionaire to receive the set support.	Financial support is strictly contingent upon receiving the grant from Department of Biotechnology, Government of India. As the grant is not confirmed, bidders should NOT factor in the grant for the calculation of the project cost and the quote for financial bid.
8.	RFP-Pg 63of 64 And Pg. 53 of 64	<p>Estimated Project Cost and Proposed Financing Pattern: Indicative facility description</p> <p>Land Parcel: 2.7 Acres</p>	Kindly elaborate the terms and conditions of the said facility description and the estimated land cost	<p>The terms and conditions of the said facility are mentioned in Annexure 1 of the RFP.</p> <p>Land will be a contribution from Government of Telangana to Biotech Hub Ltd and the</p>

		<p>Provide connectivity</p> <p>Efficient land use</p> <p>Address zoning issues</p> <p>Land cost- Rs. 2,67, 08, 000.00</p>		<p>bidders may exclude the cost of land from the calculation of the project cost.</p>
9.	<p>Draft Concession Agreement-Pg 8 of 47</p> <p>Clause V</p>	<p>The Concessionaire shall not part with or create any Encumbrance on the whole or any part of the Project Site (land) save and except as set forth and permitted under this Agreement or with the prior written approval of TSIC.</p>	<p>The investment towards the project will be partly funded through Debt Financing from Banks. We plan to raise constructing funding for a period of 15-18 months followed by Lease Rent Discounting. To avail these funds. B-Hub Assets (land and building) will be mortgaged with the bank. At this time of execution of the concession agreement, will TSIC provide us with the required letter permitting us to mortgage B-Hub land & building.</p>	<p>This will not be considered</p>
10.	<p>Draft Concession Agreement-Pg 11 of 47</p> <p>Schedule I: Scope of Work and Fee</p>	<p>11. The Concessionaire is solely responsible for any associated expenses and statutory dues such as GST, payment to Employees' Benefit Funds, etc., arising out of the Agreement and the Authority shall not be liable for the same under any circumstances. Similarly point 12, 13 &14</p>	<p>The stated expense will be part of B-Hub operating & administrative costs</p>	<p>The conditions in the RFP and concession agreement hold good</p>
11.	<p>Draft Concession Agreement-Pg 13 of 47</p> <p>Schedule II: Obligations of</p>	<p>Point A</p> <p>6. The Developer and Operator (Concessionaire) will keep the Authority and its project monitoring/ management agency</p>	<p>Please advise on whether the required report needs to be submitted on monthly/ quarterly/ half-yearly basis</p>	<p>The required report needs to be submitted on monthly basis to Biotech Hub Ltd</p>

	the Concessionaire, the Authority and TSIC	informed about the status of the construction and procurement of equipment in relation to the Project on regular basis.		
12.	Draft Concession Agreement-Pg 45 of 47 Performance Guarantee	The RFP implies submission of Performance Guarantee of INR 1,50,92,700 (in form of BG) along with the bid.	We would request you to seek this bid security only after the declaration of the successful bidder.	The conditions in the RFP and concession agreement hold good
13.		Project Execution Committee	<ol style="list-style-type: none"> 1. What will be constitution of this Project Execution Committee? Who will be approving authority for the various Tenders & Construct? 2. What will be the role of Concessionaire in approving the tenders & contracts for project execution. 	Authority will constitute the committee at appropriate time and shall inform the required details to the successful bidder and approve based on committee recommendations
14.	RFP-Pg 63 of 64 Estimated Project Cost & Proposed Financing Pattern Point a	Up to ₹10,00,00,000 towards technical infrastructure (including clean steam generators, clean air and process gases, and generation and storage of water for injection, HVAC including uniflow system of clean and return corridors, Dedicated air-handling units provide appropriate air classifications for FDA-regulated manufacturing as well as for Biosafety Level 1 biocontainment, etc.)	<ol style="list-style-type: none"> 1. What are the qualifying conditions under which this funding can be availed? 2. How will be funding pay-out structured? Will it be linked to construction milestone achievement? If yes, what are the tentative milestones and the associated funding pattern? 3. Are there any conditions precedent against each step of funding? 4. Please advise whether the specified funding is committed or not? 	<p>Funding is not committed. However, the Government of Telangana has requested support from the Government of India under the heads defined in the RFP.</p> <p>It is expected that the successful bidder would work with the Government of Telangana and support the process of securing the grant subject to the approval of the proposal by Government of India.</p> <p>The release of funds toward this activity will be passed on to successful bidder taking into consideration the conditions/ obligations as per Government of India' scheme and rules of Government of Telangana (if any applicable)</p>

15.	Draft Concession Agreement-Pg 15 of 47 1.3 Schedule III: Penalty & Termination	A. Penalty for Delays Point 2 If the Concessionaire fails to complete the Project & construction of B-Hub within such additional Cure Period of 6 months, this Agreement shall automatically stand terminated and TSIC shall have the discretion to award the concession for the Project under this Agreement to any Third Party in the manner TSIC deems fit.	In case of termination of agreement during the construction period, against the amount already invested towards, how much amount will be returned? Will the invested amount be returned back to concessionaire by TSIC? What will be proposed mechanism for the return of the amount already invested. It is critical to understand the commitment of TSIC towards this project. In absence of clarity on termination value, banks will not be willing to participate in debt funding.	No. The conditions in the RFP and concession agreement hold good.
16.	RFP-Pg 63 of 64 Estimated Project Cost & Proposed Financing Pattern	We understand that the proposed project cost of INR 60.37 Cr includes land cost of INR 2.37 Crs.	1. Biotech Pvt Ltd is proposing land parcel for the Biotech Hub Private Ltd. The bidder will be granted with the rights to use and approach under the concession agreement. Hence, the principle regarding the incorporation of the land cost in the estimated project cost needs resolution. 2. Please let us know if any soil test/topography done on the land. If yes, please share the report.	Land will be a contribution from Government of Telangana to Biotech Hub Ltd and the bidders may exclude the cost of land from the calculation of the project cost. Soil test/topography has not been conducted

			3. Please share required documents like land title survey, title documents, anything pertaining to land ownership to establish a clear land title.	Land is offered by the government for the project, all required documents shall be shared with the successful bidder. Also, refer to clarification at item 9 above.
17.	Performance Security Annexure 5	The RFP entails submission of Performance Guarantee of INR 1,50,92,700 (in form of BG) along with the bid. The Bid Security will be refunded not later than 180 (one hundred and eighty) days from the Bid Due Date except in the case of the Selected Bidder(s) whose Bid Security shall be retained till they provide a Performance Security under the Concession Agreement	1. We request you to postpone the submission of bid security to the day of awarding the bid to the successful bidder rather than the date of bid submission itself.	Please refer to item number 5 above.
18.	Draft Concession Agreement-Pg 16 of 47 Schedule III: Penalty and Termination B. Contract Termination Parameters	Upon termination of this Agreement before the Term, the Concessionaire shall be suitably reimbursed a pro rata of the cost incurred by the Concessionaire with respect to its investment in the Project and the B-Hub buildings facilities, equipment and utilities based on an asset life of 7 years, and the valuation shall be derived by two reputed independent valuers appointed by the Parties. All the assets which are older than seven years will have nil book value.	1. As per this clause, beyond the period of 7 years, all assets have nil book value. However, buildings infrastructure, technical equipment might have varying life period. These assets usually have a longer useful life as per accounting standards in India. Hence, we propose to consider the useful life as per accounting standard to determine the termination valuation. 2. With a restrictive clause like this, it will be very difficult to arrange debt	The clause is modified. Please refer to the item number 3 of corrigendum number-2.

			<p>funding from any bank towards the project.</p>	
19.	<p>Draft Concession Agreement-Pg 16 of 47 Clause V</p>	<p>The Concessionaire shall not part with or create any Encumbrance on the whole or any part of the Project Site (land) save and except as set forth and permitted under this Agreement or with the prior written approval of TSIIC.</p>	<p>GVRP expects to finance a portion of the project expenditure through Debt. In this regard, GVRP will raise a construction loan and as a general norm, such loans are given against mortgaging the asset with the bank. The aforementioned clause restricts such ability to apply for financing. In this respect, when required, will TSIIC provide us required confirmations enabling us to mortgage the land and building?</p>	<p>Please refer to item number 9 above</p>
20.	<p>RFP-Pg 64 of 64 Scale up Manufacturing Facility</p>	<p>Proposed terms of this partnership as follows:</p> <ul style="list-style-type: none"> • Bare shell infrastructure + initial setup of lab & office up to 10,000 sq. ft rent free for 5 years • 10% discount on the rent after 5 years, if renewed • In return, the partner will set-up the manufacturing facility free of cost and offer service to customers on cost plus (not more than 10%) basis. They will also offer 20% time-share on the facility usage and the corresponding revenue (excluding consumable charges) to the concessionaire. 	<p>1. This scale up manufacturing facility is included in the minimum built up area of 40,000 sq. ft or is it over and above that?</p> <p>2. For this facility, the proposed partner will construct the bare shell infrastructure & initial setup of Labspace & office up to 10,000 sq. ft. Please elaborate on this point as we understand that this 10,000 sq. ft does not fall within the scope of Concessionaire in case of successful partnership.</p> <p>3. If this partnership does not fructify, then we would like to understand the alternate course of action as funding the scientific</p>	<p>Included in 40,000 sq.ft. (see facility description on page 9 of RFP)</p> <p>No, it does falls under the scope of concessionaire</p> <p>As per the RFP, Annexure 1, point F</p>

			equipment towards this scale up facility will be difficult.	
21.	RFP-Pg 63 of 64 Estimated Project Cost & Proposed Financing Pattern	Scientific Equipment of INR 40 Cr.	<p>1. Please confirm the scope of this investment of INR 40 Crs.</p> <ol style="list-style-type: none"> Cell Culture Equipment Downstream Equipment QC Lab Equipment Warehouse Equipment <p>2. Does it also include Technical Infrastructure & Utilities like lab furniture, partitions, HVAC systems, etc. for the labs as well as the scale up facilities? Please confirm.</p> <p>3. Please confirm the investment towards this will fall under the purview of the “Partner for Scale up Manufacturing facility within B-Hub”</p> <p>4. Will the same equipment be a part of analytical lab?</p>	<p>Yes</p> <p>No</p> <p>Please refer to item number 20 above</p> <p>The RFP doesn’t mention any analytical lab</p>
22.	RFP-Pg 63 of 64 Estimated Project Cost & Proposed Financing Pattern	In addition, it is expected that the Biotech Hub Ltd shall also have additional provision to support eligible expenses including electricity charges, employee expenses, facility & equipment maintenance, promotional & marketing expenses, etc. for a	<p>1. What are the conditions under which the same can be availed?</p> <p>2. How will be funding pay-out structured?</p> <p>3. Is there any drawdown schedule?</p> <p>4. Please advise whether the specified funding is committed or not?</p>	<p>Funding is not committed. However, the Government of Telangana has requested support from the Government of India under the heads defined in the RFP.</p> <p>It is expected that the successful bidder would work with the Government of Telangana and support the process of securing the grant</p>

		period of 4 years to the tune of INR 10-12 crore (10pprox..)		<p>subject to the approval of the proposal by Government of India.</p> <p>The release of funds toward this activity will be passed on to successful bidder taking into consideration the conditions/ obligations as per Government of India' scheme and rules of Government of Telangana (if any applicable)</p>
23.	Performance Security Annexure 5	The Rfp entails submission of Performance Guarantee of INR 1,50,92,700 (in form of BG) along with the bid.	1. We would request you to seek this bid security only after the declaration of the successful bidder.	Please refer to item number 5 above.