

Responses to Pre-bid Queries

Subject: Engagement of Asset Valuer for Strategic Disinvestment of Rashtriya Ispat Nigam Limited (RINL)

Tender ID No: 2022_DIPAM_678294_1

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Date of Pre-bid Meeting: 16.03.2022

Bid/Offer submission end date: 04.04.2022 (1500 hrs)

S. No.	Clause No. of RFP Document	Page No. of RFP	Query Raised by IB	Response of DIPAM
1.	2.	3.	4.	5.
1.	-	-	Locations at which Land & Building, Plant-Machinery and the inventory is located	Kindly see Annexure-I, II and III
2.	-	-	<p>1. We understand that RINL has 5 nos. Of regional offices across India, whether it is owned by RINL and need to be considered for valuation, kindly confirm;</p> <p>2. We understand that RINL has 24 nos. Of branch offices across India, whether it is owned by RINL and need to be considered for valuation, kindly confirm.</p> <p>3. Please confirm the name & number of locations of leasehold land and freehold land of RINL which needs to be considered for valuation.</p> <p>4. As per the RFP clause no 4.1-II, "Asset of similar nature" pertaining to steel industry/sector or the completion of valuation assignments of the value of 5000 Cr, kindly confirm;</p> <p>5. Do we need to physically verify the RINL subsidiaries/Joint venture tangible assets as well, kindly confirm;</p> <p>6. We understand that International Coal Ventures Private Limited (JV of RINL) has 7 foreign subsidiaries which are mostly located in Mauritius. Do we need to verify those tangible assets as well, kindly confirm.</p>	<p>Kindly see Annexure-I</p> <p>Kindly see Annexure-I</p> <p>Kindly see Annexure-II</p> <p>The required assignment could be in any sector but the valuation assignment should be of ₹ 5000 Crore or more.</p> <p>Assets which, as per norms and standards of valuation, are required to be valued by way of physical verification shall essentially be valued after physical verification.</p> <p>The valuation will focus primarily on the underlying mines held by ICVL/its subsidiaries and the work may be carried out using data provided by ICVL and may not be required to undertake visit to Mozambique/Mauritius.</p>
3.	-	-	1. Please Confirm; physical inspection of the plant is possible	Query is premature at this stage. If need be necessary

			<p>and there is no labor unrest is at site.</p> <p>2. Please suggest; accommodation, food and local travel shall be provided by company or not.</p> <p>3. Please suggest location and details of assets (if any) other fixed and movable assets of the company other than the PLANT which comes under BS</p>	<p>arrangements will be made.</p> <p>No, the bidders are advised to factor in the cost in their fee quotation.</p> <p>Kindly see Annexure-I to III</p>
4.	3.1.1. (d) Prepare Equity Value (Business Valuation) under Asset Valuation Method of the Property by anyone or a combination of the following methods:	6 of 30	1. Kindly specify, if Equity Valuation/Business valuation should be undertaken by the Asset Valuer.	Kindly read sub-clause 3.1.1 (d) with sub-clauses 3.1.1 (k) & (l) which will clear the point of doubt.
	3.1.1. (l) The inception reports of Asset Valuation (by the Asset Valuer) and business valuation (by the Transaction Advisor)	7 of 30	2. Same as above	Kindly read sub-clause 3.1.1 (d) with sub-clauses 3.1.1 (k) & (l) which will clear the point of doubt.
	Annexure-I Clause No. 6 Details of Asset Valuation assignment/ transactions completed by Bidder [Kindly refer Para 4.2 of RFP]	16 of 30	3. Kindly make amendment to the reference as Clause No. 4.1 (II)	Typographical error is regretted. It may be read as "Details of Asset Valuation assignment/ transactions completed by Bidder [Kindly refer Para-4.1 (instead of Para-4.2) of RFP]"
5.	4.1 (II)- Eligibility Criteria 7.1 (f) - Bid Submission Self - attested copy of certificate from the client in support of successful completion of the asset valuation assignment of value of INR 5000	9-10	<p>1. Can we submit work orders for the eligible assignment?</p> <p>ii. In case we will submit completion certificate for eligible assignments the asset valuation value (INR 5000 Crores) would not be mentioned on the certificate due to the confidentially information. Can we submit annual audited report of particular company to justify the asset valuation value? - Kindly confirm.</p>	<p>(i)-(ii) Work completion certificate from the client indicating details like class/(es) of assets included in valuation assignment, valuation amount (if unable to mention exact amount owing to contractual obligations, then merely mentioning "more than ₹ 5000 Crores" would also suffice) and date of initiation and competition would be</p>

	<p>Crores (rupees Five Thousand Crores Only) or more during the period from 01.04.2018 till one day prior to bid submission end date</p> <p>7.1 (K) - Bid Submission Audited financial reports of last 3 years or financial reports of available year/s, in case of entities incorporated during the last 3 financial years.</p>	10	<p>2. Currently we are working with Central Government on Various Valuation Assignments for the purpose of Disinvestment like Air India, Pawan Hans Limited, REC-PFC, Concor, BEML, Shipping Corporation of India etc. Wherein the ministry has kept minimum average annual turnover criteria in last three years for an asset Valuer at INR 10 Crore from valuation business. So, we suggest to modify the language as "The interested party should submit the Audited Financial reports of last 3 years having minimum average annual turnover of Rs. 10 Crore (Rupees Ten Core Only) in three previous financial years from valuation business".</p>	<p>preferable. However, in cases where the Completion Certificate is not available in above format; Work Order, Completion Certificate (indicating start and completion dates) and relevant documentary evidence in support of quantum of valuation assignment completed may be furnished.</p> <p>The suggestion is not acceptable as the clause has been taken away after detailed deliberations with a view to promote competition amongst the RVEs registered with IBBI for all the 3 Asset Classes.</p>
6.			<p>1. We have done the enterprise valuation (land & Building and Plant & Machinery were not valued separately) for more than 5000 cr value, do we meet the criteria defined for the same?</p> <p>2. We are MSME registered entity. Will we be entitled for any relaxation under this criterion as mentioned in Point no 1 above?</p> <p>3. Are we entitled for MSME waiver in EMD criteria?</p> <p>4. Are we entitled to get MSME waiver in submission of Performance Bank guarantee?</p> <p>5. Please provide the details of non-current investment in non-quoted associate/JV/Subsidiary companies.</p>	<p>1. Scope of work is clearly outlined. Bidder is advised to assess their eligibility as per terms and conditions laid down in RFP Document.</p> <p>2. Given the nature of DIPAM transactions, no relaxation is available to MSMEs in the eligibility criteria.</p> <p>3. Yes</p> <p>4. No</p> <p>5. RINL has 3 Subsidiary Companies [Eastern Investments Limited (EIL), Orissa Mineral Development Company</p>

				<p>Limited (OMDC) and Bisra Stone Lime Company Limited (BSLC) having their offices (rented) at Bhubaneswar, Orissa]. OMDC has mines (lease) at Barbil, Sundargarh Dist. Orissa and office space at Kolkata; BSLC has mines (lease) at Birmitrapur, Near Rourkela, Orissa and one residential flat in Kolkata. Further, RINL has one JV partner [International Coal Ventures Limited] which has mine/(s) in Mozambique</p>
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Annexure -1

Regional Office			
SNo	Region	Regional Office	Ownership
1	Andhra	Visakhapatnam	Owned
2	East	Kolkata	
3	North	New Delhi	Owned
4	South	Chennai	
5	West	Mumbai	Owned

Inventory Location - Stockyards			
SNo	Region	Branch Office	Ownership
1	Andhra	Visakhapatnam	Owned
2		Hyderabad	Owned
3		Vijayawada	
4	East	Kolkata	
5		Bhubaneswar	
6		Guwahati	
7		Patna	
8	North	Faridabad	
9		Ghaziabad	
10		Chandigarh	
11		Jaipur	
12		Ludhiana	
13		Dehradun	
14	South	Chennai	Owned
15		Coimbatore	
16		Cochin	
17		Bengaluru	
18	West	Mumbai	
19		Pune	
20		Ahmedabad	
21		Indore	
22		Nagpur	

Branch Office			
SNo	Region	Branch Office	Ownership
1	Andhra	Visakhapatnam	Owned
2		Hyderabad	Owned
3		Vijayawada	
4	East	Kolkata	
5		Bhubaneswar	
6		Patna	
7	North	New Delhi	Owned
8		Faridabad	Owned
9		Ghaziabad	
10		Chandigarh	
11		Jaipur	
12		Ludhiana	
13		Dehradun	
14		Kanpur	
15	South	Chennai	
16		Coimbatore	
17		Cochin	
18	West	Bengaluru	Owned
19		Mumbai	Owned
20		Pune	Owned
21		Ahmedabad	Owned
22		Indore	
23		Nagpur	

Annexure-2
Leasehold & freehold land of RINL

SNo	Name	Location	Status
1	Visakhapatnam Steel Plant, Auxiliaries, Township & Green cover	Visakhapatnam, Andhra Pradesh	Freehold (RINL is a POA holder)
2	Residential area	HB Colony, Visakhapatnam, Andhra Pradesh	Freehold
3	Residential area	Autonagar Visakhapatnam, Andhra Pradesh	Freehold
4	Dolomite Mines	Madharam, Khammam Dist., Telangana State - 507122	Freehold
5	Limestone Mines	Jaggayyapeta, Krishna Dist, Andhra Pradesh - 521175	Freehold
6	Manganese Mines	Garbham, Vizianagaram Dist., Andhra Pradesh - 535102	Leasehold
7	Sand Mines	Sarepalli, Vizianagaram Dist., Andhra Pradesh - 535218	Leasehold
8	Quartzite Mines	Kintada , Visakhapatnam Dist, Andhra Pradesh - 531034	Leasehold
9	Hyderabad Office & Stockyard	Medak Dist, Telangana - 502300	Freehold
10	Chennai Stockyard	Chennai, Tamil Nadu - 600068	Freehold
11	Mumbai Stockyard	Mumbai, Maharashtra	Leasehold
12	Forged Wheel Plant	Lalgunj, UP - 229001	Leasehold

Annexure-3

Location wise asset class as appearing in the Balance Sheet as on 31.12.2021

SNo	Location of the Assets	Asset Class
1	AGRA BRANCH SALES OFFICE *	
2	AGRA STOCK YARD *	
3	AHMEDABAD BRANCH SALES OFFICE	
4	AHMEDABAD STOCK YARD	
5	BANGALORE BRANCH SALES OFFICE	
6	BANGALORE STOCK YARD	
7	BHUBANESWAR BRANCH SALES OFFICE	
8	BHUBANESWAR STOCK YARD	
9	CHANDIGARH BRANCH SALES OFFICE	
10	CHANDIGARH STOCK YARD	
11	CHENNAI BRANCH SALES OFFICE	
12	CHENNAI STOCK YARD	
13	COIMBATORE BRANCH SALES OFFICE	
14	COIMBATORE STOCK YARD	
15	DEHRADUN BRANCH SALES OFFICE	
16	DEHRADUN STOCK YARD	
17	Delhi Liasion Office	
18	FARIDABAD BRANCH SALES OFFICE	
19	FARIDABAD STOCK YARD	
20	GHAZIABAD BRANCH SALES OFFICE	
21	GHAZIABAD STOCK YARD	
22	HYDERABAD BRANCH SALES OFFICE	
23	Hyderabad Liasion Office	
24	HYDERABAD STOCK YARD	
25	INDORE BRANCH SALES OFFICE	
26	INDORE STOCK YARD	
27	INTERNATIONAL MARKETIN DIVISION-SRILANKA *	
28	JAIPUR BRANCH SALES OFFICE	
29	JAIPUR STOCK YARD	
30	KANPUR BRANCH SALES OFFICE	
31	KANPUR STOCK YARD *	
32	KOCHI BRANCH SALES OFFICE	
33	KOCHI STOCK YARD	
34	KOLKATA BRANCH SALES OFFICE	
35	KOLKATA STOCK YARD	
36	LUDHIANA BRANCH SALES OFFICE	
37	LUDHIANA STOCK YARD	
38	MUMBAI BRANCH SALES OFFICE	
39	MUMBAI STOCK YARD	
40	NAGPUR BRANCH SALES OFFICE	
41	NAGPUR STOCK YARD	
42	Nellimarla/Sarepalli Mines	
43	NEW DELHI BRANCH SALES OFFICE	
44	NEW DELHI STOCKYARD *	
45	PATNA BRANCH SALES OFFICE	
46	PATNA STOCK YARD	
47	PUNE BRANCH SALES OFFICE	
48	PUNE STOCK YARD	
49	REGIONAL OFFICE - Delhi	
50	REGIONAL OFFICE - Kolkata	
51	REGIONAL OFFICE - Mumbai	
52	REGIONAL OFFICE -Chennai	
53	VIJAYAWADA BRANCH SALES OFFICE	
54	VIJAYAWADA STOCK YARD	

Includes Buildings, Furniture, Electrical installations, Miscellaneous Articles, etc. and freehold land for own offices and stockyards as given in Annexure-1 and Annexure-2

* Office / Stockyard Closed

Location wise asset class as appearing in the Balance Sheet as on 31.12.2021		
SNo	Location of the Assets	Asset Class
55	Forged Wheel Plant - Raibareilly UP (Not capitalised yet)	Building
56		Computer Software
57		Electrical Installations
58		Furniture
59		Land - Lease hold
60		Miscellaneous Articles
61		Water Supply & Sewerage Systems
62	Garbham Mines	Building
63		Electrical Installations
64		Furniture
65		Miscellaneous Articles
66		Plant & Equipments
67	JAGGAYYAPETA - Guest House	Furniture
68		Miscellaneous Articles
69	JAGGAYYAPETA Limestone Mines	Building
70		Electrical Installations
71		Furniture
72		Land - Free hold
73		Mining Rights
74		Miscellaneous Articles
75		Plant & Equipments
76		Railway Lines & Sidings
77		Roads, Bridges & Culverts
78		Vehicles
79		Water Supply & Sewerage Systems
80	JAGGAYYAPETA-Hospital	Miscellaneous Articles
81	Madharam Dolomite Mines	Building
82		Electrical Installations
83		Furniture
84		Land - Free hold
85		Miscellaneous Articles
86		Plant & Equipments
87		Railway Lines & Sidings
88		Roads, Bridges & Culverts
89		Vehicles
90		Water Supply & Sewerage Systems
91	Madharam Guest House	Furniture
92		Miscellaneous Articles
93	Madharam-Hospital	Miscellaneous Articles
94	BOUNDARY WALL - LAND AT GONDA -UP	Land

Above information is given based on Asset class