

S/N	Query	DMRC's Response
1	<p>In view of the Punjab & Haryana High Court order wherein all the advertisements (within Punjab & Haryana) and on National Highways are to be cleared by the Court Commissioner appointed by the Punjab & Haryana high court. Please clarify whether the aforesaid will be applicable on the metro stations located on National Highways under the said tender? Explanation: if successful bidder shall display advertisement on certain stations located on National Highways, whether such permission shall be taken expressly from the court commissioners by the successful bidder or whether such hindrances shall be sorted by DMRC on its own or whether the same is not applicable on this tender. Example: If advertisements on Badarpur station shall be expressly sought from relevant authority being NH-2?</p>	<p>Kindly refer DLA Clause No. 2.0(n) [Pg 48].</p>
2	<p>With reference to the aforesaid concern, it after being the successful bidder in the said tender, advertisements were not allowed by any authority other than DMRC, how shall the same be compensated by DMRC in monthly license fees payable to it? Explanation: If the said order is applicable on this tender, kindly clarify that how DMRC shall ensure the adjustment of the time wherein such permission shall be pending with the authority in the monthly license fees as quoted by the successful bidder?</p>	<p>Clause No. 3.3 of DLA [Pg 49-50] shall be applicable.</p>
3	<p>How to compute the display area (size) of advertisement as given individually for stations in Annexure- 1A, as compared to the details given in Annexure 1C for individual stations? Explanation: for example: as per Annexure 1C, Janpath Station has 46 units of backlit panels admeasure (Display Size) 12'X6'. The total computed area (In sq. mtr/) will be around 307 sq. mtrs. (i. e. 12X6X46 units/10.76) whereas the same is mentioned in 75 sq. mtrs. in Annexure 1A.</p>	<p>Kindly refer DLA Clause No. 2.0(d) [Pg 46-47], DLA Clause No. 3.2 [Pg 58] and Annexure-1C [Pg 85].</p>
4	<p>Details for stations given in S. No. 18-21 in Annexure 1A (totaling to 1725 sq. mtrs.) is missing in Annexure 1C for the exact display sizes/types? Explanation: Details for sector-28, Old Faridabad, Bata Chowk, Escorts Mujeshar are missing in Annexure 1C for the exact display panels type and sizes.</p>	<p>Annexure 1C [Pg 85] contains stations having pre-fabricated advertisement panels inventory. Stations not mentioned in Annexure 1A [Pg 83] doesn't have any pre-fabricated panels & have to be installed by the licensee with approval of DMRC.</p>
5	<p>It is submitted that the definition of "Advertisement" must be provided in the definition section for more clarity. Please also clarify the position in respect of Parallel/Surrogate advertisement through Retail Outlets by Soft Drink, Telecom, e-portal, payphone, security screens, ATM's etc. It has been our experience that major advertisement clients find this alternate route thereby robbing the main advertising concessionaire of substantial business. It is suggested that DMRC puts in place a clear policy on Parallel/Surrogate Advertisement of direct or Indirect nature through the Retail/Passenger Facilitation routes.</p>	<p>Kindly refer Addendum/Corrigendum-1 for definition of Advertisement. The advertisement rights through this contract are being provided on 'as is where is basis' and ATMs, other Property Business clients are being provided are allowed signage/logo, etc. as per their respective contract conditions after approval of DMRC.</p>
6	<p>It is submitted that the definition of "Exclusive Advertising Rights" must be provided in the definition section for more clarity on the subject tender. The matter was also discussed in the Pre Bid Meeting and it is suggested that the following may be included: "The License would be for Exclusive Advertising Rights which would include all mediums and kinds of advertisement and brand promotions at metro stations and would exclude the limited self branding of retail facility outlets as per the policy of the DMRC in vogue. DMRC should further streamline the self branding space to say 5% of the total Ground space provided to them. This exclusion however would not include the Third Party brand promotion through the Retail Outlets in any manner. It is therefore most important that DMRC puts in place a policy in this regard before calling for bids for Advertising Rights License.</p>	<p>Kindly refer DLA Clause No. 2.1 & 2.2 [Pg 48-49]. Bidders may quote their financial bids accordingly.</p>
7	<p>It is suggested that the condition of appointing an Architect is dropped as the job of designing, fabricating, installing the advertising structures is more a combination of marketing and engineering background. We undertake to appoint a dedicated person but would request that the condition of appointing only an Architect is dropped.</p>	<p>Architect is to be appointed for smooth execution of license agreement and to facilitate the successful bidder.</p>
8	<p>Please specify what DMRC would do to achieve this goal. It is suggested that DMRC supports its concessionaire to garner business and puts in place guidelines as to what assistance can be made available by DMRC officially.</p>	<p>All help in terms of tender document shall be extended to the successful bidder.</p>

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9	<p>The perusal of Stations Listed at Annexure I reveal that Most Important Stations namely Central Secretariat, NHPC Chowk, ITO etc. have been excluded. In the overall matrix of the combination offered these stations are financially significant. We would suggest inclusion of these stations. The matter regarding exclusion of key stations, which form "backbone" of this particular line was discussed at length in the Pre Bid meeting dated 21.05.2015. It is understood that these stations have been excluded to allow DMRC to explore awarding "Naming Rights Concession". It is suggested that the following be favorably considered in this regard before arriving at any final decision: (i) "TDI" has no objection if DMRC in lieu of including these currently excluded stations allows "Naming Rights Concession with a limited Self Branding or Retailing Option" without infringing upon the "Advertising Rights Concession" on the condition that the exercise to award the "Naming Rights" concession in respect of these stations is completed before awarding the "Advertising Rights" concession, and the names of the successful brand / corporate who bags these concessions is shared in the Tender Document; This will enable us to bid accordingly. (ii) The matrix of stations is retained to include all stations of line 6. This would ensure economic viability of the entire Line and enhance comparative valuations of the advertising rights concession; As discussed in the meeting that ITO station has been excluded from this tender as DRMC wanted to have digital advertisement mediums only at this station. A separate tender has also been invited for ITO station only. In this connection, we strongly recommended that ITO Station should also be made a part of this tender only with the condition that a certain percentage (50% to 70%) of advertisement medium will be digital only. The inclusion will increase the viability of this tender and interest of bidders as the marketing of DMRC advertisement product is not possible on each isolated station level. The bunch of sites spread over the line is essential to have any client on board.</p>	Same as S/N - 6.
10	<p>As discussed in the meeting, kindly treats these kind of services which are essential for commuters as expenditure contract and do not link it with any kind of advertisement contract as the same is infringement on the exclusive rights contract. As discussed in the meeting at length, please make the digital media contract a part of this tender only, DMRC may put a condition to use certain % area with digital advertisement medium. Inviting any tender of any sort for these stations wherein scope of activities involves any kind of advertisement will infringement of exclusive rights and discourage the interested bidder for participating / putting the competitive bids. As discussed in the meeting, we don't have any objection for providing Art / Exhibition corner till the time it does not infringes our exclusive rights and also do not disturb our layout plan for putting up advertisement boxes. As already informed in the meeting, a major bunch of business comes from different departments of Central and Sta</p>	Point deliberated upon. Non changes in terms and conditions of tender.
11	<p>The date of commencement of payment of License Fee should be minimum 180 days [Fitment Period] from the date of physical handover of stations by DMRC as it takes time to fabricate, install, and position the product in the market place. Moreover because of extremely restricted working hours of DMRC 75 days proposed time limit to be reckoned from the date of handing over of stations is extremely short and inadequate. In the event of DMRC agreeing for 180 days fitment period, we would be agreeable to pay license fee on prorate basis in respect of installed and sold out advertising spaces if any in this fitment period from the date of commencement of actual display.</p>	Clause No. 2.4 of DLA [Pg 54] shall be applicable. Bidders may quote their financial bids accordingly.
12	<p>As the advertising product of Line-06 has not found takers as yet as is evident from the fact that DMRC has accepted a lower utilization by lowering the threshold area to 50 Sq. Meters Per Station for some selected stations, it is suggested that to promote the product the threshold area of 100 Sq. Meters & 75 Sq. Meter be maintained as in other stations to allow large formats but reduce the rate to 25% of "X" for the first five years and to 50% for the balance five (05) years of concession.</p>	Clause No. 3.6 of DLA [Pg 58] shall be applicable. Bidders may quote their financial bids accordingly.

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13	Till now, all tenders invited by DMRC have the escalation clause of 5% per annum which is revised to 20% p.a. offer every three years in the said tender. It may please be appreciated that, the line has many new stations and to create acceptability of these stations will take very long time. Therefore, it is suggested that for the first five years the license fee and security deposit may not be escalated. After the expiry of the first five years, the escalation clause may be applied @ 5% Per Annum as handling 20% escalation at any time would be very steep and harsh to handle.	Clause No. 2.6 of DLA [Pg 54] shall be applicable. Bidders may quote their financial bids accordingly.
14	It is strongly suggested to charge license fee on monthly basis with due date be the 10 th of succeeding month. It is important to share that the collection cycle as per industry norms is a minimum of 90 -120 days after the campaign and therefore making advance payment that too on quarterly basis will involve substantial working capital of the company and will make the project unviable.	Clause No. 2.7 of DLA [Pg 54] shall be applicable.
15	The condition of obtaining Interest Free Security Deposit / Performance Security equivalent to area mentioned in Annexure – I (including area of those stations which are currently not available for handing over and will be ready in future in Dec 16 & 17) for the value equivalent to six months is neither justified nor a practice anywhere. It is therefore suggested that the Performance Guarantee be limited to three months equivalent of threshold value only (Area of currently handed over stations X 3 months). In the event of additional areas being utilized the values of the Performance Guarantee could be suitably augmented. The inclusion of such a clause is surprising as after a lot of deliberations with the industry, DMRC had agreed to take 100% security deposit in the form of Bank Guarantee. It is suggested that the condition of 100% Bank Guarantee in the form of Bank Guarantee be retained. Insistence of any Security Deposit in the form of DD/PO will be a retrograde step and again affect the project viability	Clause No. 2.11 - 2.17 of DLA [Pg 55 - 56] shall be applicable. Bidders may quote their financial bids accordingly.
16	It is also suggested that the time limit of 30 days be extended to 180 days without any penal clauses, as any financial institution considering financial assistance will take at least 120 to 180 days' time after the issuance of LOA for the assessment, evaluation & processing of project and finally sanction and disbursement in favor of successful bidder.	Clause No. 5.5 of DLA [Pg 16-17] shall be applicable.
17	Please share the detailed working / calculations towards electricity charges that will be applicable on the consumption of the advertisement panels / spaces allotted under this agreement. It is suggested to share the information basis taking example of one backlit box of 10' x 5' in an underground station that will use about 14 nos. 36 W tube lights. Please share the DISCOM rate applicable as on date.	Kindly refer Clause No. 12 of Annexure V [Pg 98].
18	Please clarify the meaning of 5% of the total advertisement space, as the minimum chargeable area per station is as per Annexure – 1. Does it mean that the licensee has to pay license fee for 100 sq m and use 5 sq m for social messages thereby utilizing 95 sq m only for advertisement purposes against the payment of license fee for total 100 sq m.	Licensee has to develop & reserve 5% additional advertisement area for DMRC's CSR activities in addition to minimum area offered at Annexure 1A & 1B [Pg 28-29].
19	It is suggested that the interest on delayed payment should not be charged more than the base rate of State Bank of India prevailing from time to time as the interest rate of 18% is highly punitive and commercially not viable.	Clause No. 2.10 of DLA [Pg 55] shall be applicable.
20	It is mentioned in the RFP document that the Maximum Permissible Advertising Area at an Interchange Station would be 750 Sq. Meters. It is perceived that with the commissioning of Line-07 & Line-08 new Interchange Stations would come up. Please confirm that the Maximum Advertising Area Limit will change from 500 Sq. Meters to 750 Sq. Meters in respect of these new Interchange Stations also.	Once a station converts to an interchange station with commissioning of new lines, maximum area for display of advertisement shall be upgraded to 750 sqm. However, advertisement rights at portion of upgraded interchange stations of Line - 7 & 8 shall not be under the scope of this contract.

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21	Recognizing nonpayment or delayed payment of License Fee as or any other utility charges a default qualifying for Termination is extremely punitive especially when DMRC has financially secured itself with Performance/ Security deposits and penal interest clauses. It is therefore suggested that delayed payment for more than three (03) months should only attract action under such punitive clause.	Clause No. 2.10 of DLA [Pg 55] shall be applicable.
22	It may please be appreciated that in any operational facility the happening of Incidents/Accidents cannot be ruled out. It would be appropriate to replace the provision as follows: "If it is established on account of findings of an duly constituted enquiry commission as per the policy of DMRC for investigating such incidents that the licensee or any of its representative has caused an willful injury or death to DMRC employees/commuters or loss to DMRC property then the Licensee should have no objection to DMRC proceeding against such person as per provision of applicable laws" We are of the view that linkage of such incidents to termination of a license is totally unjustified as it could not be a reflection of performance of the obligations under the contracted arrangements.	Clause No. 3.9.10(m) of DLA [Pg 64] shall be applicable.
23	The said clause be replaced as follows: "Termination by DMRC on operational ground shall not happen in the first five years. If DMRC terminates the License for such reason the Licensee shall be free to remove all advertising media: and (i) Be entitled to amount equivalent to Six (06) month License Fee applicable during last month prior to termination if DMRC decides to terminate the license within five years, and (ii) Be entitled to amount equivalent to three (03) month License Fee applicable during last month prior to termination if DMRC decides to terminate the license after five years. besides release / refund of interest free security deposit, after adjusting outstanding dues if any.	Clause No. 7.8 of DLA [Pg 74] shall be applicable.