

Pointwise reply to the queries raised by M/s Times Group (Times OOH) in Pre-Bid Conference held on 02.01.2019 (Line-7 Train Tender)

S No	Chapter/ Annexure/ Clause No.	Extract	Query/ suggestion	Reply to the queries by DMRC
1	Chapter-6: Objective & Scope Clause 6.2	Obtain all approvals, permits, etc. from all competent authorities including different tiers of government, statutory, local, Civic Authorities, etc. at their own cost.	Please clarify from which all competent authorities such approvals are required.	This is the standard clause as per DMRC policy, pertaining to all advertisement contracts including indoor advertisement. At present, in case of Train advertisements, no external permission is required. If need arises, the categories of the authorities are mentioned in the clause 6.2 of Chapter 6.
2	Chapter-6: Objective & Scope Clause 6.3	Train sets available for wrapping Maximum number of train sets/coaches where train wraps are permissible shall be 10% of total train coaches subject to maximum limit of 20% of total train sets under operational holding of any make and configuration for line-7.	Please clarify what is the rationale of capping 20% limit of total train sets. We believe DMRC could have better revenue prospects in case there is no such capping on utilizing number of trains.	This is the policy decision of DMRC.
3	Chapter-6: Objective & Scope Clause 6.3	Additional coaches Additional coaches if required by the licensee for wrapping beyond 10% of total train coaches but subject to & within the maximum limit of 20% of total train sets under operational holding, it shall be offered @ Rs 70,000/- per coach/month excluding all taxes which are also payable along with the License fee.	What is the rationale behind additional coach fee of Rs. 70,000 coach/month?	This is the policy decision of DMRC based on internal calculations according to the scope of work and same can be disclosed.
4	Chapter-6: Objective & Scope Clause 6.5	The section between Mayur Vihar Pocket-I and Trilok Puri Metro Stations shall be connected at a subsequent date in due course.	By when the section between Mayur Vihar Pocket-I and Trilok Puri Metro Stations expected to get operational.	It may take approximately one & a half year. Status will be intimated in due course of time.
5	Chapter 7: Terms & Conditions Clause 7.2 Taxes and other statutory dues	c) Taxes/Municipal Taxes, if any, shall be solely borne by licensee.	What are the applicable municipal taxes? What is the ongoing municipal tax rate presently other concessionaire are paying to MCD?	At present no tax is applicable on train advertisement. However, in future, if type of municipal tax is applicable on train advertisement, the same shall be payable by the successful bidder/licensee.

6	Annexure 1 Details of Metro Trains on Line 7	Notes a) The maintenance of the digital panels being used by the licensee shall be done by DMRC at the cost of licensee, the lumpsum cost of which has been included in the maintenance/ service charges provided in the tender document	Will such maintenance charges applicable in case concessionaire do not convert static panels into digital screens?	The maintenance charges would be borne by the licensee whether he converts static panels into digital screen or not.
7	Annexure 1 Details of Screens available for advertisement	No. of Static Panels/Screens that can be converted from Static to Digital at the cost of Licensee	<p>Please confirm electrical & network provisioning in the spaces allocated for digital screens.</p> <p>Please specify the exact locations where we can convert the static panels into digital screens.</p> <p>Please suggest whether the provision of network connectivity is available in the trains or not? In case there is no network connectivity would concessionaire allowed to use external drive to publish content.</p> <p>What would be the % of time DMRC require to publish their self-content.</p>	<p>Network provision is provided in 6 static panels per car out of 12 static panels.</p> <p>The provision for electrical connection has been provided diagonally for these 6 static panels/screens starting from 1st static panel/screen from driving side.</p> <p>The content display on these 6 convertible static panels can be controlled by LCD controller provided in each car i.e. no additional/separate controller is required for content display.</p> <p>Different content can be displayed in different car at a time.</p> <p>Complete screen of these static panels will be available for advertisement purpose.</p>

S No	Clause No.	Relevant Extract	Query	
8.	1.1 (RFP)	The Bidders shall not have a conflict of interest that affects the Bidding Process. Any Bidder found to have conflict of interest shall be disqualified. A Bidder shall be deemed to have a conflict of interest affecting Bidding Process if a constituent of one Bidder is also a constituent of another Bidder.	Is the conflict of interest limited to the explanation provided in this clause?	Being standard clause of DMRC Policy, clause 1.1 of RFP shall prevail.
9	4.11 (RFP)	Site visit and verification of information: Bidders are advised to submit their respective Bids only after visiting DMRC premises and ascertaining themselves with the site conditions, traffic, location, surroundings, and technical requirements of the advertisement insert / media. The Licensee also confirms full satisfaction as to the business viability of licensing the advertisement spaces, applicable laws and regulations and any other matter considered relevant by them.	We need to understand, if advertisement rights related to present section of DMRC network granted to any other concessionaire without following tender process?	No, Indoor advertisement rights inside selected metro stations of Line 7 have already been leased out through tendering process.
10	5.9 (RFP)	The licensee shall pay first Advance License Fee for the 1st Quarter before the completion of the fitment period (60 days from the date of first handing over of the first lot of trains of Line-7. If the Selected Bidder fails to pay Advance License Fee for 1st Quarter within the fitment period (60 days from the date of first handing over of the first lot of trains of Line-7 [Annexure-1], it shall be treated as non-payment of DMRC dues and action shall be taken as per ARTICLE-7 of Draft License Agreement.	We suggest that License Fee should be payable post start of commercial operations.	Being standard clause of DMRC policy, Clause no. 5.9 of the RFP shall prevail.
11	6.2 (RFP)	a) The Licensee shall earmark 5% out of total available advertisement spaces inside the metro trains for carrying out DMRC campaign, social activities, social messages, etc. in consonance with its extant CSR policy. Cost for printing advertisements with regard to social marketing activities or social messages shall be borne by DMRC.	We believe that, 5% advertisement space reserved for social message is over and above the space provided for advertisement, and no License Fee is applicable on such space.	Out of the total advertisement space to be allotted, 5% space is to be reserved for social messages and DMRC shall charge on the total tendered area. The bidders are requested to bid accordingly.
12	6.2(RFP)	e) Design of themes depicting Delhi culture and its natural beauty and Delhi tourism for display at the advertising sites as per the tender conditions.	We understand that Bidder is at liberty to select the themes of the advertisement in line with the requirements of the end client.	Kindly refer to the clause no. 3.5.1 of the DLA.
13	6.2 (RFP)	h) Obtain all approvals, permits, etc. from all competent authorities including different tiers of government, statutory, local, Civic Authorities, etc. at their own cost.	We suggest that statutory permission for providing the advertisement space be obtained by DMRC.	Clause no. 6.2 of RFP shall prevail.

14	7.1 (RFP)	a) Exclusive Advertisement Rights for the said advertisement spaces for trains on Line-7 shall be for 9 (nine) years from the date of handing over of first set of Trains for advertisement on line-7 to the Licensee. Tenure of the agreement of the line/trains handed over subsequently for said agreement shall be co-terminus with the tenure of the trains handed over in the first lot. The date of handing over of first set of trains on line-7 shall be considered as commencement date of License period. There is no provision for any further extension of tenure of the License Agreement/ Contract.	We suggest that, Tenure of the Agreement should be calculated from the last set of trains and not from when first delivery is made. Otherwise, it will be detrimental to the commercial matrix of Bidder.	Clause no. 7.1 of RFP shall prevail.
15	3.3 (Draft Agreement)	<i>The section between Mayur Vihar Pocket-I and Trilok Puri Metro Stations shall be connected at a subsequent date in due course. Till then, train services shall be operated in two sections/loops on Line-7 i.e. from Majlis Park to Mayur Vihar Pocket-I Metro Stations using Mukund pur Depot and the second/other loop/section from Trilok Puri to Shiv Vihar Metro Stations using Vinod Nagar Depot.</i>	What are the tentative time lines for connecting Mayur Vihar Pocket-I and Trilok Puri Metro Stations? Is there a possibility of adversely affecting the obligation of DMRC under this tender.	It may take approximately one & a half year. Status will be intimated in due course of time.
16	3.7(Draft Agreement)	The trains of Line-7 in each depot shall be handed over after due acknowledgment from the concerned depot in-charge as per the prescribed pro-forma Performa given in Annexure-VI. If the licensee fails to take over the trains within 10 days from the date of making payment as per LOA & on receipt of the intimation of handing over by DMRC, the trains shall be treated as deemed to be handed over from 11th working day of receipt of LOA payments by DMRC. The License fee for coaches/train sets handed over subsequently shall commence immediately after the date of handing over of Trains, without consideration of any fitment period.	We suggest that 15 days be provided to take charge. Further, we suggest not to impose deeming condition.	Clause no. 3.7 of DLA shall prevail.
17	3.10 (Draft Agreement)	3.10 The reconciliation of license fee and other dues shall be carried out on half-yearly basis. Based on reconciliation, the adjustment of license fee payable to DMRC shall be carried out along with payment of next quarter's License Fees.	We suggest you incorporate the time-line to complete the reconciliation process, as per us, this should be minimum of 30 days from close of the half-year.	It will be done on half yearly basis. Kindly refer to the clause no. 3.10 of DLA.

18	3.14(Draft Agreement)	3.14 Licensee shall periodically advise the details of payment deposited with DMRC. In the case of non-submission of such details, initially Third-Party dues, i.e. statutory dues/ liabilities shall be settled (mandatory liabilities of DMRC), then others dues/ liabilities like electricity, etc. and lastly License fee shall be accounted for. The account shall be reconciled by DMRC on annual basis. Discrepancy, if any, shall be adjusted in next invoice.	We need to understand the kind of advice DMRC require from Bidder?	All payments made through RTGS/NEFT/DD towards DMRC need to be advised with a covering letter, mentioning the bifurcation/head of the payment and TDS deduction (if any).
19	3.15(b) (Draft Agreement)	b) In the event of Licensee failing to pay the outstanding License Fee and other dues within 15 days from the date of issue of termination notice, DMRC shall disconnect all utilities provided to the Licensee.	We suggest that in case of any dispute, dispute resolution clause mentioned under agreement should trigger.	Clause no. 3.15(b) of DLA shall prevail.
20	3.15 (e) (Draft Agreement)	e) In no case, due payments to DMRC shall be allowed to remain outstanding & unpaid for a period of more than 60 days. If at any stage, the dues remain unpaid & outstanding for a period of more than 60 days the License Agreement may be terminated by DMRC with immediate effect without giving any prior notice to the Licensee and in such case the Interest Free Security Deposit / Performance Security & advance License fee received, if any, shall stand forfeited in favour of DMRC Ltd after adjustment of any dues payable by the Licensee to DMRC. The Licensee would be required to remove the advertisements immediately thereafter within 30 days of receipt of such notice of termination by DMRC.	We suggest you to provide cure period of minimum 30 days before taking any action against the Licensee.	Clause no. 3.15(a & e) of DLA shall prevail.
21	3.24 (Draft Agreement)	3.24 The licensee will not ask for any claim or compensation from DMRC if advertisements are not permitted due to local laws/ action of civil authorities. The maintenance of all advertisement inserts will be borne by licensee.	We understand that there are no legal impediments to advertise at the Licensed Space.	Clause no. 3.24 of DLA shall prevail.
22	5.1 (Draft Agreement)	a) to obtain due permits, necessary approvals, clearances and sanctions from the competent authorities for all activities or infrastructure facilities.	We understand that Licensee is required to seek permission/approvals from DMRC. In case, permission/approval is required from any third party, DMRC shall obtain the same.	Clause no. 5.1 of DLA shall prevail.

23	5.1 (Draft Agreement)	d) to take all reasonable steps to protect the environment (both on and off the Licensed Space) and to limit damage and nuisance to people and property resulting from construction and operations, within guidelines specified as per Applicable Laws and Applicable Permits;	We understand that License shall be responsible for protecting the environment limited to the Licensed Space.	Kindly read clause no. 5.1 of the DLA in conjunction with 3.5.1 of the DLA.
24	5.1(Draft Agreement)	i) at all times, to afford access to the Licensed Space to the authorised representatives of DMRC, other persons duly authorised by any Governmental Agency having jurisdiction over the business at Licensed Space, to inspect the Licensed Space and to investigate any matter within their authority and upon reasonable notice;	We suggest that, Licensee be given prior notice of inspection?	For joint inspections, a prior intimation shall be given to the Licensee, however, surprise inspection may be conducted by DMRC officials from time to time.
25	6 (Draft Agreement)	Indemnity & Insurance	We suggest that Licensor should offer indemnity for the claims arising out of negligence and defaults attributable to DMRC.	Kindly refer to Article 6 of DLA, being it a standard article as per DMRC policy.
26	8.1(Draft Agreement)	8.1 If the Licensee is desirous of surrendering the license hereby created before expiry of the lock-in period of 2 years, the License Agreement shall deemed to be surrendered on the date mentioned in surrender notice, subject to confirmation by DMRC. In such a case, the balance Interest Free Security Deposit/ Performance Security shall be forfeited in favour of DMRC after adjustment of outstanding dues, if any, payable to DMRC. No grace period shall be provided to licensee in such a case. DMRC may also recover the balance outstanding dues, if are more than Interest Free Security Deposit/ Performance Security, from the other contracts of licensee in DMRC. Balance outstanding dues, if are more than Interest Free Security Deposit/ Performance Security, shall also be recoverable from the licensee before licensee is permitted to remove their establishment(s) or else DMRC will seize their property at '0'/NIL value. DMRC shall be free to dispose-off the said property / goods in whatsoever manner as it deems fit. Licensee shall have no claim for compensation or consideration / damages in this regard.	We suggest that Lock-In-Period be waived off, considering there is no specific investment made by DMRC for providing the Licensed Space.	Clause no. 8.1 of DLA shall prevail.
27	8.5(e) (Draft Agreement)	e) If the Licensee is in persistent non-compliance of the written instructions of a DMRC officials.	This clause seems to be very vague and could be misused at later stage, we suggest deletion please.	All the instructions are given to the Licensee in context with the License Agreement. Kindly refer to the clause no. 8.5(e) of the DLA.

28	8.5(m) (Draft Agreement)	m) If the Licensee has abandoned the Licensed Space.	We need to understand as to what kind of abandonment DMRC is foreseeing and how it impact DMRC adversely.	The Licensed spaces must be inspected by the Licensee on regular basis for any defects and the panels must be in good condition throughout the License period.
29	8.6 (Draft Agreement)	8.6 Provided that in the event of application of clauses 7.5 (a) and (b) above, DMRC shall give to the Licensee 15 days' time to cure the default and in the event the Licensee rectify the default to the satisfaction of the DMRC within the cure period, the event shall not be considered as a Licensee Event of Default.	We suggest you to please provide cure period of minimum 30 working days.	Clause no. 8.6 of the DLA shall prevail.
30	8.7(Draft Agreement)	8.7 If the Licensee failing to cure the default within 15 days it shall constitute Material Breach of Contract under this Agreement. It shall entitle DMRC to disconnect all utilities provided to the Licensee and to terminate license agreement. No representation of licensee shall be entertained after the expiry of cure period.	We suggest you to please provide cure period of minimum 30 working days.	Clause no. 8.7 of DLA shall prevail.
31	8.8(Draft Agreement)	DMRC reserves the right to terminate the License Agreement on operational ground by giving three month notice. The License agreement shall stand terminated after expiry of three months' notice and the Interest Free Security Deposit/Performance Security shall be refunded after adjusting outstanding dues. If DMRC terminates agreement on operational ground within lock-in period of two years, the licensee shall also be entitled to an amount equivalent to one month of license fee applicable on the date of termination. The Licensee voluntarily agrees not to seek any claim, compensation, damages or any other consideration whatsoever on any ground in this regard.	We are not able to understand as to what does DMRC mean by Operational Ground? We suggest that, if the termination is done within 02 years then DMRC should compensate the bidder to the extent of six months of License Fee.	Operational Ground relates to any requirement arises at DMRC end due to any reason whatsoever. The latter suggestion is not agreed to, being standard policy decision of DMRC. Clause no. 8.8 of the DLA shall prevail.

32	8.12(Draft Agreement)	8.12 If, the Licensee fails to vacate the licensed space/premises within the grace period, penalty of twice the prevalent monthly Licensee Fee shall be chargeable for occupation beyond this 30 day period & to enable DMRC to dispose-off the property & goods from the premises. And after lapse of this 30 days grace period, DMRC shall take over the goods / property treating at NIL value, even if it is under lock & key; and shall be free to dispose-off the property in whatsoever manner as it deems fit. Licensee shall have no claim for compensation or consideration / damages after completion of grace period. If, licensee fails to pay the penalty, applicable in case of non-vacation of premises, the same shall be adjusted from the Interest Free Security Deposit / Performance Security available with DMRC. No grace period shall be provided to licensee, if licensee terminates the contract within the lock-in period.	It may not be possible for the Licensee to remove all its material within 30 days, it is suggested that it should be provided minimum of 60 working days.	Clause no. 8.12 of the DLA shall prevail.
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33	10(Draft Agreement)	<p>Arbitration: All disputes relating to this agreement or claims arising out of or relating to this agreement or breach, termination or the invalidity thereof or on any issue whether arising during the progress of the services or after the completion or abandonment thereof or any matter directly or indirectly connected with this agreement shall be referred to Arbitrator(s) appointed by Director, DMRC on receipt of such request from either party. Matters to be arbitrated upon shall be referred to a sole Arbitrator if the total value of the claims is up to Rs.50 Lakh and to a panel of three Arbitrators, if total value of claims is more than Rs.50 Lakh. DMRC shall provide a panel of three Arbitrators for the claims up to Rs.50 Lakh and a panel of five Arbitrators for claims of more than Rs.50 Lakh. Licensee shall have to choose the sole Arbitrator from the panel of three and / or one Arbitrator from the panel of five, in case three Arbitrators are to be appointed. DMRC shall also choose one Arbitrator from this panel of five and the two so chosen will choose the third Arbitrator from the panel only. The Arbitrator(s) shall be appointed within a period of 30 days from date of receipt of written notice / demand of appointment of Arbitrator from either party.</p>	<p>We believe that arbitrator proposed by DMRC may not be impartial. Hence, we suggest that, in case of appointment of 03 arbitrators, parties should choose one and two should choose the third arbitrator.</p>	<p>Article 10 of the DLA shall prevail.</p>
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