

Corrigendum-1

Sub: Request For Proposal for Selection of Concessionaire for "Design, Development, Implementation, Operation and Maintenance of 96 nos. Digital Outdoor Full Colour LED Display Panels in Connaught Place area on BOT basis" Phase-II (Group-B).

Replies of queries raised by the prospective Applicants for the pre-bid meeting held on 28-03-17 at 11:00 AM:-  
Date of bid submission extended upto 3:00 PM on 17-4-2017

S. No.	Clause	Description of Query	Query raised by Participants	Reply of NDMC
<b>JCDecaux</b>				
1.	License Period		The License period of 9 years is too less considering the high capital investment and the recurring operational expenses required for such a project. The license period should be extended to 20 years to make the project sustainable.	RFP clause remains unchanged.
2.	Concession Fee		Due to high capital investment and operational expenses the minimum guarantee of INR 5000/- should not be applicable and the project should only be on basis of revenue share	RFP clause remains unchanged.
3.	Exclusivity		Presently the tender is not sustainable due to the huge capital investments and recurring expenditure on its operations. Also, the outdoor advertising scenario depends on the demand and supply wherein currently there is a lot of existing outdoor media within NDMC area itself. In order to avoid price cutting and	RFP clause remains unchanged.

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			discount offerings it is imperative to have the entire project conceived in a single package and the other tender wherein 30 Digital Interactive Screens are to be installed in Connaught Place area be removed from the scope of the other tender	
4.	<b>Investments</b>		We suggest that viability-gap funding model be considered as the capital expenditure required is too high for the sustainability of the project.	RFP clause remains unchanged.
5.	<b>Ownership</b>		The ownership of the assets should vest with the concessionaire during and post the expiry of the license period. This would ensure higher investment as well as better maintenance of the assets throughout the license period.	Clause 4.26 (iv) will be read as "The concessionaire will hold ownership of all hardware equipment and software components, including but not limited to all active and passive devices, sensors, servers, computer systems, solutions, applications, reports, software and licenses etc during the concession period. However, he has to transfer all the assets created under this RFP to NDMC in working condition at the end of concession period."
6.	<b>Termination Clause</b> Clause 11.8		Clause 11.8 states that on termination of agreement for whatsoever reason, all assets would become the property of NDMC. This clause is too stringent as it negates the balanced approach for a	RFP clause remains unchanged.

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			sustainable project. The termination of agreement should only be on basis of precisely defined Event of Defaults as provided for in Clause 11.1 and after exhausting all available dispute resolution method.	
7.	<b>Punitive Clause</b>		Penalties levied are extremely high. There are many contributable factors such as vandalism, theft, accidents, digital screens downtime etc. that are to be factored in. Therefore, we request that the punitive clause be removed from the tender conditions	Part of Clause 9.1.2.1 (A) & 9.1.2.2 has been modified at S. No.9 & 10 below.
8.	<b>NDMC Responsibilities</b> Clause 3.5.1		Clause 3.5.1 NDMC's responsibilities should include providing fiber cables and power connection till the location of digital information panels	NDMC will provide metered Electric connection upto the place of fixing of Digital panel. NDMC will bear the cost of electric cable and road restoration charges. However, the concessionaire will bear the charges of electric meter and monthly electric bill as per applicable rates.

9. Part Clause 9.1.2 will be read as " SLAs for Digital Outdoor full Colour LED Display Panel (per quarter)

Sr. No.	Uptime SLA (Quarterly)	Penalty Clause
1	Uptime up to 97%	No Deduction
2	Between 97% to 96%	Rs. 1 Lakh
3	Between 96 % to 95%	Rs. 2 Lakh

4	Between 95% to 94%	Rs. 3 Lakh
5	Between 94% to 93%	Rs. 4 Lakh
6	Between 93% to 92%	Rs. 5 Lakh
7	Between 92% to 91%	Rs. 6 Lakh
8	Below 90%	Not acceptable. NDMC can terminate the Concession Agreement.

**Note: For Digital Outdoor full Colour LED Display Panels:**

- Downtime means non-display/ non-functional of public facilities/services offered (except the down time due to fault of NDMC). Uptime requirements shall be calculated as  $[1 - (\text{no of Digital Outdoor full Colour LED Display Panel hours not available}) / (\text{Total Digital Outdoor full Colour LED Display Panel * Total working hours in one quarter minus scheduled maintenance time})] \times 100$ . For example, if 96 nos. of Digital Outdoor full Colour LED Display Panel are deployed at various locations, and 64 Digital Outdoor full Colour LED Display Panel do not work for 100 hour, the total non-working Digital Outdoor full Colour LED Display Panel hours will be 6400 and the uptime would be  $\{1 - (6400 / (96 * 90 * 20))\} \times 100 = 96.3\%$  and penalty as per SLA will be Rs.1.00 Lakh 96 being the number of Digital Outdoor full Colour LED Display Panel, for 90 days on 20 hours basis. This down time will be used for penalty calculations on quarterly basis and. The penalties would be levied for every Digital Outdoor full Colour LED Display Panel down time, be it for non-availability of network, theft, damage etc., because the Concessionaire is responsible for supply of all enabling components on end-to-end basis. Working hours for digital Outdoor Full Colour LED Display Panels will be from 6 A.M to 2 A.M. (20 hours) in a day. Scheduled maintenance time of 08 hours per Digital Panel per quarter will also be allowed, subject to prior information to NDMC atleast 07 days in advance. This scheduled maintenance time will not be considered while calculating total working hours.

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