



दिल्ली मेट्रो रेल कॉर्पोरेशन लि० DELHI METRO RAIL CORPORATION LTD.

(भारत सरकार एवं दिल्ली सरकार का संयुक्त उपक्रम)

(A JOINT VENTURE OF GOVERNMENT OF INDIA AND GOVT. OF DELHI)

Through Registered Post/By Hand

No. DMRC/PB/ITO/IDA/L-6/2021

Date: 20-Jan-2021

LETTER OF ACCEPTANCE

To,

M/s Pioneer Publicity Corporation Private Limited
2C/6, New Rohtak Road, Karol Bagh.
New Delhi-110005.

(Kind Attention: - Mr. Deepak Vasudeva)

Sub: LOA for award of contract through open e-tender (Tender No. DMRC/PB/42060005/DA) for licensing of Exclusive advertisement rights display of advertisements through digital media only inside ITO metro station of line-6 in DMRC network.

- Ref: i) Open e-Tender No. DMRC/PB/42060005/DA
ii) Your online Bid No. 2112087 for Open e-Tender No. DMRC/PB/42060005/DA.
iii) Negotiation Meeting held on 16/12/2020.

Dear Sir,

DMRC is pleased to welcome **M/s Pioneer Publicity Corporation Private Limited** being the successful bidder and herein after called as the "Licensee" in the above tender/contract, to be our partner in progress, vide award of the aforesaid licensee right consequent to acceptance of your revised BID/Rate offered in negotiation meeting held on 16/12/2020 for licensing of "Exclusive advertisements rights through digital media only inside ITO metro station of line-6 in DMRC network, as detailed in annexure-1 of this L.O.A for commercial usage as per the terms and conditions as stated below.

1. License Period & Fitment:

- License period of the said contract will be for **nine (9) Years** from the date of first handover of the advertising spaces as mentioned in Annexure-I. The license period for any additional advertisement spaces handed over/allotted subsequently during the currency of the contract other than & including area mentioned in Annexure-1 will also be co-terminus with the original license period.
- There shall be a fitment period of **75 days** from the date of first handover of the first lot of advertising spaces as mentioned in Annexure-I.
- There shall also be a lock-in period of **Two (02) years** from the date of commencement of license period. The licensee shall have an option to exit from the license agreement immediately after completion of above lock-in period. For this, the licensee shall give **180 days** prior intimation to DMRC before completion of defined lock in period (in this case, prior intimation can be given after 1 ½ years), however, option to exit will be **after 2 years**. In such a case, balance Interest Free Security Deposit/ Performance Security of the licensee shall be refunded after adjusting the outstanding dues, if any, payable on the part of licensee. DMRC may

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(मेट्रो भवन, फायर ब्रिगेड लेन, बाराखम्बा रोड, नई दिल्ली-110001)

Metro Bhawan, Fire Brigade Lane, Barakhamba Road, New Delhi-110001

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also recover the balance outstanding dues, if are more than balance 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 treating at ZERO or NIL value. DMRC shall be free to dispose of the said seized property/ goods in whatsoever manner as it deems fit. Licensee shall have no claim for compensation or consideration/ damages, in this regard.

- d) Any type audio advertisement including from/ in digital media shall not be allowed.

2. Area Licensed:

- a) The minimum chargeable area allotted in aggregate is **50 sqm** inside ITO Metro Station of line-6 in DMRC Network for display of advertisements through digital media Indoor Advertisement Rights on 'as is where is basis' as per Annexure-I.
- b) All advertisements are subject to full compliance to technical Parameters of the EPCA guidelines or any other prevailing applicable policy, statutes, codes, etc. as applicable from time to time. The licensee can utilize any format of digital advertisement including and not limited to, visual display by electronic media (without audio), video walls, touch panels, LEDs, LCDs and any other innovative advertisement media, digital display (without audio), etc. Minimum area for which license fee shall be charged is 50 sqm or actual area utilized, whichever is higher. Additional area beyond 50 sqm shall be charged on pro-rata basis.
- c) Partial surrender of licensed space by licensee shall not be allowed.

3. The advertiser/Licensee shall provide the advertisement as per their requirement, subsequent to the prior approval of DMRC, as stipulated.

4. License Fee and Payable Utilities:

- a) The above area is licensed to licensee at the offered rate of license fee of Rs. 3992/- per sqm. Per month. The rate of License Fee and the Interest Free Security Deposit/ Performance Security shall be escalated by 20% on completion of every 3 (three) years of license period, on compounding basis. Licensee shall also pay GST as per applicable rates, electricity charges and any other statutory taxes, charges, dues as applicable from time to time. The existing rate of GST is @ 18%, any further revision in rates of GST will also be applicable & payable by the Licensee.
- b) The License fee & applicable taxes shall be paid to DMRC in advance on quarterly basis i.e The License fee for the subsequent quarters will be payable in advance by the last working day of the previous running quarter.
- c) Advertisement spaces shall be handed over for advertisements within 10 days from the date of receipt of full payment as stipulated in Letter of Acceptance on as is where is basis. The License Fee shall immediately commence after 75 days (a 75 days rent free fitment period shall be allowed for preparation of the sites) from the date of handing over of first site/space. The Licensee shall be charged for a minimum area of 50 sqm, or actual area whichever is higher irrespective of fact whether it is fully commercially exploited/utilized or not.
- d) The License fee for licensed space shall commence from 76th day from date of handing over of the spaces by DMRC and shall be charged till the termination/

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completion of agreement. The Licensee shall complete his development/ refurbishment/modification etc, in all respects, within this specified fitment period of 75 days as the License fee shall be applicable from 76th day of handing over. No extension of fitment period shall be considered.

- e) The first payment of Advance Quarterly Licensee fee (including GST) shall be paid within 75 days from the date of first hand over of the licensed advertisement spaces for Minimum chargeable area of 50 sq mtrs as detailed below or actual allotted & handed over area whichever is more.

S/N	Head of payment	Amount (in Rs.)
(i)	Advance License fee of First Quarter (for 50 sqm)	5,98,800.00 /-
(ii)	Goods & Service Tax @18%	1,07,784.00 /-
(iii)	Total (i)+(ii)	7,06,584.00

Total amount: - Rupees Seven Lakh Six Thousand Five Hundred Eighty Four.

- f) The Licensee shall deposit Interest Free Performance Guarantee/Security Deposit to DMRC in advance equivalent to 6 (Six) months License Fees for minimum chargeable area of 50 Sqm as detailed below shall be paid within 30 days from the date of issuance of this LOA.

Minimum 25% of interest Fee security Deposit/ performance security shall be paid in the form of DD/PO in favour of DMRC Ltd and 75 % or remaining amount of interest free Security Deposit/ performance security shall be paid in form of Bank Guarantee /DD/PO. Interest Free Security Deposit/ performance security Up to Rs 10.00 lacs shall be paid in the forms of DD/PO only. The DD/PO shall be payable in Delhi & drawn on a scheduled commercial bank.

Head	Amount in Rs.
Interest Free Security Deposit/performance security (equivalent to half yearly license fee (six months) for 50 sqm of current license fee	Rs. 11,97,600/-
Amount to be deposited in the form of DD/PO (minimum 25% of interest free security deposit/performance security). However, interest free security deposit/performance security up to Rs.10 lakhs. shall be paid in the form of DD/PO only	Rs. 10,00,000 /-
Amount deposited with DMRC in the form bid security (less)	(-)Rs. 2,16,000/-
Amount of IFSD to be deposited by licensee in the form of DD/PO	Rs. 7,84,000/-
Amount to be deposited in the form of Bank Guarantee/DD/PO (remaining or 75% of interest free security deposit/performance security)	Rs. 1,97,600 /-

- g) The interest free security deposit shall be escalated by 20% on compounding basis after complete of every 3 years of the license period.

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Interest Free Security Deposit/ Performance security shall remain constant for a variation in area up to (+) 10% of the minimum chargeable area. However, in case of variation in area more than (+) 10 % from the minimum chargeable area then interest free security Deposit/ Performance security shall be updated/ adjusted on Pro- rata basis.

Mode of Payment: The licensee shall preferably make the payment of the above license fees and other dues to DMRC by e-mode i.e., RTGS/NEFT for credit of the following designated account of DMRC:-

Name of the Bank: Union Bank of India
Branch Address: F-14/15, Connaught Place, New Delhi – 110001
Name of the Account: DMRC Ltd. Property Business Account
Account No. 30780-11100-50003
Nature of Account: Current Account
IFSC Code: UBIN-0530786
MICR Code: 11002-6006

- h) The details of such payment made will be immediately submitted to DMRC Ltd in the prescribed format. Payment of License fee/ Other dues can also be made by DD/PO in favour of DMRC Ltd drawn area scheduled commercial bank in India & payable at branches in Delhi/ New Delhi
- i) The payment shall be made as per clause no. 6.4 (c) of the tender document and the same is reproduced below:-

S. No.	Stage of Activity	Time Period
1.	Payment of Interest Free Security Deposit/ Performance Security to DMRC by Licensee.	Within 30 days of date of issue of Letter of Acceptance.
2.	Handing over of advertisement spaces at the selected metro stations to the Licensee for advertisement.	Within 10 days of making the payments of Interest Free Security Deposit/ Performance Security as per LOA.
3.	Signing of License Agreement.	Within 30 days after handing over of selected metro stations for advertisement spaces as per Annexure-1.
4.	Payment of Advance License Fee for 1 st Quarter to DMRC by Licensee.	Within 75 days from the date of first handing over of the licensed spaces for advertisement, without consideration of any interest.

- j) The licensee is required to submit Interest Free Security Deposit/Performance Security within 30 (Thirty) days from the date of issuance of Letter of Acceptance (excluding the date of issue of LOA). Any request of successful Bidder for seeking any clarification/approval/document from DMRC shall be considered only after submission of requisite Interest Free Security Deposit/Performance Security. In case, the bidder fails to submit Interest Free Security Deposit/Performance Security within

30 days from date of issuance of LOA, an extended period of 30 days, i.e. up to 60 days from date of issue of LOA to make LOA payments along with penal interest for delayed payment of LOA amount payable to DMRC shall be as follows:

Days from date of issue of LOA	Rate of penal Interest
Up to 30 days (excluding date of issue of LOA)	NIL
31 st to 45 th day i.e., Delay up to 15 days	18% per annum + GST
46 th to 60 th day i.e., Delay beyond 15 days	24% per annum + GST

The aforementioned interest is excluding GST and shall be charged for the entire Period from the date of issue of LOA and on the balance amount remaining unpaid as per the LOA.

The amount of penal interest shall be submitted in the form of RTGS/NEFT only, in favour of DMRC Ltd. & payable at New Delhi.

If the licensee fails to submit the required aforesaid Security Deposit/upfront amount/any other amount required in terms and conditions of LOA, within 60 days of issue of LOA, the LOA may be cancelled and EMD/any other amount submitted may be forfeited by DMRC.

After 60 days from date of issue of LOA, if Bidder fails to comply with the terms & conditions of the LOA & make due payments there under, the LOA may stand cancelled and Earnest Money deposit / bid security submitted by the successful bidder may be forfeited in favour of "Delhi Metro Rail Corporation Ltd". No further request for extension in making payment of LOA amount may be considered. The bidder voluntarily and unequivocally agrees not to seek any claim, compensation, damages or any other consideration whatsoever on this account.

5. All taxes including municipal/advertisement taxes, GST and all other statutory dues where ever applicable shall be borne solely by the licensee without any contest, along with the license fee. The present rate of GST is 18%. Any further revision in GST will also be applicable.
6. All other statutory taxes, statutory dues, local levies, GST etc. as applicable from time to time shall be charged extra and shall be remitted along with license fee for onward remittance to the Government. The licensee indemnifies DMRC from any claims that may arise from the statutory authorities in connection with this license.
7. (a) Licensee shall pay a refundable electrical consumption deposit of Rs. 4,500/- per KVA of sanctioned electrical load as per requirement.
(b) The Licensee shall make provision for TOD Energy Meter(s) as per the latest DERC Guidelines.
(c) Onetime non refundable electrical supervision charges of Rs 10,000/-(Rupees Ten Thousand only) per energy meter plus GST as applicable would also be paid to DMRC by the Licensee.
8. M/s Pioneer Publicity Corporation Private Limited is requested to submit the following to facilitate the execution of the license agreement :
 - a) One passport size photograph along with three specimen signatures of Authorized signatory attested by Gazetted Officer/ District Magistrate/Bank Manager.
 - b) Identity Proof (Voter ID Card, Driving License, Aadhar etc.) of authorize signatory

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- c) Proof of residence (Ration Card, Voter ID Card, electricity bill etc.) of authorized signatory
 - d) PAN Card copy
 - e) GST registration certificate
 - f) TAN number copy
 - g) Two Non-Judicial stamp papers of Rs. 100/- each (with DMRC Ltd as first party and M/s Pioneer Publicity Corporation Private Limited as second party) for execution of License Agreement.
 - h) In case of company, Memorandum of Undertaking (MoU) & Article of Association (AoA) is to be submitted along with identity and address proof of authorized signatory, Power of Attorney along with Board Resolution in favour of the authorized signatory for execution of the License Agreement.
9. Two original copies of the LOA are hereby being issued to M/s Pioneer Publicity Corporation Private Limited. One copy of LOA duly signed and stamped by the authorized signatory has to be returned to this office within 07 (seven) days from the date of issuance as a token of the unconditional acceptance and acknowledgement of LOA.
10. All the terms and conditions of this LOA, Tender Document, and Draft License Agreement, Pre-Bid Replies and any corrigendum / addendum shall be binding between DMRC and M/s Pioneer Publicity Corporation Private Limited till the License Agreement is executed.
11. LOA will stand terminated and EMD & any other payments made to DMRC shall be forfeited if M/s Pioneer Publicity Corporation Private Limited fails to comply with any of the terms and conditions of the LOA.
12. Details of Advertising spaces offered for Licensing at ITO metro station is attached as Annexure-I.

Thanking You


A. K. TRIPATHI
Sr. DGM / PB-II
DMRC Ltd, Mayapuri, New Delhi-110029
Barakhamba Road, New Delhi-01
A.K. Tripathi
(Sr. DGM/Property Business-II)

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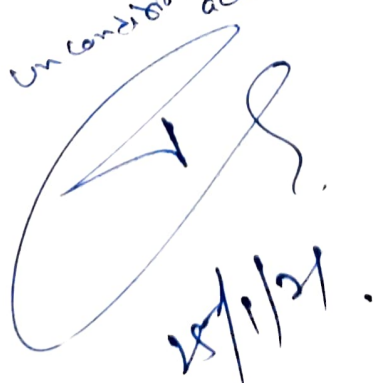
Detail of Advertisement space offered for licensing**Total Prefabricated Advertisement Panels offered at ITO metro station**

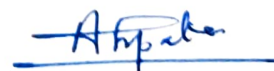
S/N	Station	Panel Size of each panel(in m)	Total panel	Total Area of all panels
1	ITO Metro Station	3.75 * 1.95	36	263.25 sqm

***Minimum offered/minimum chargeable area is 50 Sqm.**

Note:

1. Area indicated above is approximate. Actual area measured at the time of handing over and it shall be final. If there is any variation in area, the License Fee and other dues shall be charged for actual area handed over.
2. The Advertising spaces inside ITO metro station is offered on license basis is available on "as is where is basis".
3. Prefabricated inventory is available at the station for digital advertisement, which is listed above. **However**, Licensee may utilize this inventory for digital advertisement or may create their inventory.
4. The digital advertisement rights offered are for of 50 sqm. The licensee may apply for additional area, and the same shall be charged on pro-rata basis.
5. Additional floor space required by the licensee to install support equipments, viz. server(s), kiosk, etc. shall be charged at the prevalent rate of licensee fee. This area shall not be commercially exploited otherwise.
6. No audio will be permitted from the installed media panels because of interference with public address system installed at the station.
7. Safety and security of the installed infrastructure shall be of the advertisers and DMRC shall in no way responsible for the same.

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Signature Not Verified

Digitally signed by Tarun Kumar Meena
 Date: 2021.03.17 15:12:26 IST
 Location: eProcure-EPROC