A Navratna CPSE

NBCC (INDIA) LIMITED
(A GOVT. OF INDIA ENTERPRISE)
OFFICE OF THE RBG (ITPO)
NBCC Business Centre, Logix Technova, 8th Floor Sector-132, Noida (U.P.)
Email ID : sbg.delhi1@nbccindia.com

Date: 08.01.2019

CORRIGENDUM-03

Sub: Request for Proposal for Selection of Developer cum Operator of 5 Star Hotel at International Exhibition-cum-Convention Centre (IECC) Pragati Maidan.

Ref: - **RFP No. NBCC/Land for Hotel/RFP/2018/01 dated December 6, 2018**.

With reference to the above mentioned RFP, Corrigendum-03 is hereby issued as under:-

1) Replies to the additional queries received from bidders are attached as Annexure-I.

All other terms & conditions shall remain as per the original RFP.

8/1/19

Executive Director (Engg.)

Annexure I

Request for Proposal for Selection of Developer cum Operator of 5 Star Hotel at International Exhibition-cum-Convention Centre (IECC) Pragati Maidan, New Delhi

RFP NO. NBCC/Land for Hotel/RFP/2018/01

REPLIES TO THE ADDITIONAL QUERIES

S. No	Clause Refer in the RFP	As per RFP	Query	Reply
I.	**M/s Bharti Realty Limited**			
1.			As part of the due diligence process, we would like to go through the lease deed between L&DO and ITPO for IECC Pragati Maidan land and all the approvals which have been taken for IECC development. **So kindly provide copies of the deed and the approvals.**	Vide point no. 103 of replies to the pre-bid queries of meeting held on 20.12.2018 uploaded on the website on 29.12.2018, it has been made amply clear that ITPO has the authority to sub-lease. As per approval of competent authority ITPO has been permitted to monetize 3.70 Acres of plot on fixed lease of 99 years for hotel at IECC Complex, Pragati Maidan. Copies of approvals have already been uploaded with RFP and with the replies to the pre-bid queries.
2.	7.2 (v) (I) (b) & (c)		**Please clarify whether the consolidated balance sheets can be submitted of the qualifying member to cater to the qualification criteria of "Average Turn Over" and "Average Net Worth" as per section 7.2 (v) (I) (b) & (c) of the RFP.**	**Agreed**. Consolidated balance sheet of the qualifying member will be considered for evaluation of minimum average annual turnover and net worth as per Clause 7.2 (v) (I) (b) & (c) of the RFP.
3.			With reference to the responses of queries dated 20.12.2018, we would like to highlight that the time period of 3 years and 24 months with penalties for delays in obtaining approvals and operationalization of the said project are very onerous and may be revisited and removed. **Suggestion:** It may kindly be noted that for such a development (A 5 / 7 star rated hotel, it takes at least 5 years including the approvals (pre, during and post construction approvals) to make it operational. Any period shorter than that is unwarranted and will be impossible to achieve. It is hence suggested that minimum 5 years without any penalties may be granted for the development and necessary amendments in this regard should be made in the RFP.	**Not agreed.** Shall remain as per point no. 22 of replies to the pre-bid queries of meeting held on 20.12.2018 uploaded on the website on 29.12.2018

S. No	Clause Refer in the RFP	As per RFP	Query	Reply
4.			With reference to the responses of queries from your side (please refer query item no. 32 & 49 regarding title due diligence), we note that the lease deed between L&DO and ITPO, as well as other approvals / permissions for monetization of the said land from the competent authority(s) has not been made available to the prospective bidders. In the absence of these documents being made available, it is not possible to conduct a title check, authority to sub lease and monetize the said land by ITPO. It is just stated in the response / query no. 49 that ITPO has the authority to monetize. **Suggestion:** As a representation from the participants / bidders is being asked regarding the satisfaction of title and this being an integral part of the lease documents, it is imperative that these said documents (lease deed between ITPO and L&DO and permission given to ITPO for monetizing the said land and other approvals as warranted) should be made available for legal due diligence. In addition the lease deed should also contain very clear representations and warranties backed by indemnity by ITPO in relation to the above said title and authorizations.	Vide point no. 103 of replies to the pre-bid queries of meeting held on 20.12.2018 uploaded on the website on 29.12.2018, it has been made amply clear that ITPO has the authority to sub-lease. As per approval of competent authority ITPO has been permitted to monetize 3.70 Acres of plot on fixed lease of 99 years for hotel at IECC Complex, Pragati Maidan. Copies of approvals have already been uploaded with RFP and with the replies to the pre-bid queries.
II.	**M/s Lulu Group International**			
5.	6.4		It states that a penalty for delay in operationalization of Hotel Premises will be Rs. 10 (Ten) Lakhs per day from the expiry of the time prescribed (1095 days from execution date) for such parameters upto 24 months from such expiry. **Suggestion:** Since the amount of work to be undertaken with such standards as is required for the Project, it may not be practical to hurry with the construction and to complete the same within the aforementioned period. Although, an extension of 02 years could be granted by the Lessor, it entails a penalty of Rs. 10 Lakhs per day. This would amount to average penalty of Rs. 40 crores per year. The suggestion is since NBCC in clause 6.3 of the clarification have mentioned the penalty of Rs. 01 lakh per day for any delay in completion of the parameters set out in serial nos. 1 to 2, the same quantum of penalty (namely Rs. 01 lakh per day) may be levied incase of any delay in completion of the parameters set out in serial no. 3. Otherwise, viability of the Project itself will be at stake.	**Not agreed.** Shall remain as per point no. 22 of replies to the pre-bid queries of meeting held on 20.12.2018 uploaded on the website on 29.12.2018