

## **CHAPTER 1: NOTICE INVITING BID**

- 1.1 LMRC invites Bids from suitable Bidders who may be reputed retailers/manufacturers/ individuals, sole proprietorship firm, a partnership firm or a company with financial & technical strengths having registered office in India and incorporated under the Companies Act 1956/2013 or a combination of above in the form of Joint Venture (JV) or Consortium, etc. for “**Licensing of Bare Commercial Spaces identified at Seven (07) Metro Stations of Lucknow Metro viz. Transport Nagar, Krishna Nagar, Alambagh, Alambagh Bus Stand, Mawaiya, Durgapuri and Charbagh Metro Station**” on “as is where is basis” for commercial activities except banned list of usages as detailed in Annexure-13.
- 1.2 The metro stations where bare space(s) are proposed to be licensed out for various uses are in prime locations at Lucknow region which are easily accessible by road from all parts of Lucknow. Apart from operating facilities for commuters, these metro stations consist of space(s) having approximately carpet area indicated in Annexure-1. The space(s) have prominent and spacious frontage and captive commuter base. These space(s) shall present a unique opportunity for retail players.
- 1.3 Salient features of Bidding Process:
- a) LMRC has adopted a two packet Bidding Process to select suitable highest Bidder(s) to grant Exclusive Licensing Rights of Bare Commercial Spaces at 7 Metro stations of Priority Corridor.
- b) Schedule of Bidding Process:

1.	Cost of Tender Document (Non-Refundable)	Rs. 21,000/- (Inclusive of 5% UPVAT) (Demand Draft on a Scheduled Commercial bank based in India in favour of “Lucknow Metro Rail Corporation Ltd” payable at Lucknow.)
2.	Bid Security	Rs 14.50 lacs (Fourteen Lacs Fifty Thousand only)
3.	License Period	15 years
4.	Sale of Tender Document	From 30.12.2016 to 16.01.2017 (between 09:30 Hrs. to 17:30 Hrs.) on working days
5.	Last date of Seeking Clarification	20.01.2017
6.	Pre-bid Meeting	24.01.2017 @ 1500 Hrs.
7.	Last date of issuing addendum	03.02.2017
8.	Date & time of Submission of Tender	13.02.2017 up-to 15:00 Hrs.
9.	Date & time of opening of Tender (Technical Bid)	13.02.2017 @ 15:30 Hrs.
10.	Date & time of opening of Tender (Financial Bid)	Will be informed later on after the evaluation of Technical Bids (only to the bidders who will successfully qualify the Technical Evaluation)
11.	Validity of Tender	180 days from the last date of submission of tender.
12.	Authority and place for purchase of tender documents, seeking clarifications and submission of completed tender documents	<b>Chief Engineer/Contract, Lucknow Metro Rail Corporation Limited, Administrative Building, Near Dr. Bhimrao Ambedkar Samajik Parivartan Sthal, Vipin Khand, Gomti Nagar, Lucknow-226010</b>

- c) Cost of Tender Document as mentioned in 1.3 (b) above shall be accepted in the form of Demand Draft in favour of "Lucknow Metro Rail Corporation Ltd." payable at Lucknow.
- d) **Bid Security:** The Bidder shall submit with his bid, a Bid Security for the sum mentioned in 1.3 (b) above in the form of:
  - i. Irrevocable bank guarantee issued by a Scheduled Commercial bank in India in the form given in Annexure-12(A).
  - ii. An irrevocable Letter of Credit
  - iii. Demand Draft/ Pay Order in favour of Lucknow Metro Rail Corporation Ltd. payable at Lucknow from a Scheduled Commercial bank based in India.

The bid security shall be submitted in a sealed envelope clearly marked on top "Bid Security for LKPD-01". The Bid Security shall remain valid for a period of 56 days beyond the validity period for the Tender. In case of JV or consortium, the Bank Guarantee for Bid Security shall be from JV/Consortium and not from individual members.

- e) Bidders are expected to carry out extensive survey of LMRC premises and analysis at their own cost, before submitting their respective Bids for award of the License Agreement. LMRC shall provide necessary permission and assistance to the prospective Bidders.
  - f) Bids received after due Date & Time of Submission of Bid shall not be accepted under any circumstances.
  - g) If a Bid is submitted by a JV/Consortium, following shall be abided by its members:
    - i. The Lead Member of the JV/Consortium shall maintain a minimum percentage share of 51% of the aggregate shareholding of the JV/Consortium during full tenure of License Agreement.
    - ii. No change in the ownership shall be permitted during the 15 years of the license period. However, change in the percentage stake of JV/Consortium members may be permitted after expiry of initial three years lock in period with prior written approval of LMRC. Change in percentage stake before/after lock in period, without approval of LMRC, shall be treated as Material Breach of Contract and Licensee's Event of Default entitling LMRC to encash Security Deposit/Performance Security and or to terminate the License Agreement after 30 days' notice.
    - iii. It is clarified that percentage stake of lead member of JV/Consortium members shall always be more than 51% during license period. Lead member may be any member of JV/Consortium, provided its percentage stake in JV/Consortium is more than 51%.
    - iv. Minimum percentage stake of any member in JV/Consortium during license period (including lock-in period) shall not be less than 26%.
    - v. All members of such entity shall be jointly and severely liable for the performance of License agreement.
  - h) 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 Bid is also a constituent of another Bid.
- 1.4 The Tender Document submitted without bid security shall be out rightly rejected. The bids received after stipulated date and time of submission of Tender Document shall be rejected out rightly.

1.5 **Minimum Eligibility Criteria:**

Following minimum work experience and financial strength criteria shall be considered for technical evaluation of bids as per clause 5.3.1.

**A Work Experience:** The tenderers will be qualified only if tenderer has executed works of commercial utilization of spaces during last Five (05) years ending 30.11.2016 as given below:

(i) At least One “similar work”\*\* each of annual value of **Rs. 1.5 crores** or more.

OR

(ii) Two “similar work”\*\* each of annual value of **Rs. 0.90 crores** or more.

OR

(iii) Three “similar work”\*\* each of annual value of **Rs. 0.70 crores** or more.

**\*\* “Similar work” for this contract shall be business (es) from utilization of commercial spaces for kiosks / beverage / other business activities”.**

**NOTE:-**

- The tenderer shall submit details of work executed by them in the Performa of Annexure-10 for the works to be considered for qualification of works experience criteria.
- For the above, documentary proof such as completion certificates from client clearly indicating the nature/scope of work, actual completion cost and actual date of completion for such work should be submitted. The offers submitted without this documentary proof shall not be evaluated. In case the work is executed for private client, copy of work order, bill of quantities, bill wise details of payment received certified by C.A., T.D.S certificates for all payments received and copy of final/last bill paid by client shall be submitted.
- Value of successfully completed portion of any ongoing work up to 30.11.2016 will also be considered for qualification of work experience criteria.
- For completed works, value of work done shall be updated to 30.11.2016 price level assuming 5% inflation for Indian Rupees every year and 2% for foreign currency portions per year. Selling rate of exchange at the close of business of the State Bank of India on the day twenty eight days before the latest date of Tender Submittal shall be considered for calculating equivalent value in INR.
- In case of joint venture/Consortium, full value of the work, if done by the same joint venture shall be considered. However, if the qualifying work(s) were done by them in JV/Consortium having different constituents, then the value of work as per their percentage participation in such JV/Consortium shall be considered.
- Criteria for work experience for “similar work” as described in para-A, above, shall be satisfied by a single entity/JV/Consortium. In case of JV/Consortium, any one partner should satisfy this criteria. A JV partner can participate in only one of the bidding. JV/Consortium while a sub-contractor can participate with different/multiple tenderers.
- The joint/MOU/Consortium agreement must contain a clause stating “All the partners are Jointly and severally liable to LMRC”

**B. Financial Standing:** The tenderers will be qualified only if they have minimum financial capabilities as below:

- (i) **T3 - Net Worth:** Net Worth of tenderer during last audited financial year should be **≥Rs. 36.50 Lacs.**

In Case of JV- Net worth will be based on the percentage participation of each Member.

Example: Let Member-1 has percentage participation = M and Member-2 has =N. Let the Net worth of Member-1 is A and that of Member-2 is B, then the Net worth of JV will be

$$= \frac{AM + BN}{100}$$

- (ii) **T4 - Annual Turnover:** The average annual turnover from outdoor Advertising of last three financial years should be **≥ Rs. 2.74 Crores.**

The average annual turnover of JV will be based on percentage participation of each member.

Example: Let Member-1 has percentage participation = M and Member - 2 has =N. Let the average annual turnover of Member-1 is 'A' and that of Member-2 is 'B', then the average annual turnover of JV will be

$$= \frac{AM + BN}{100}$$

**Notes:**

- Financial data for latest last three audited financial years has to be submitted by the tenderer in Appendix-9 along with audited balance sheets. The financial data in the prescribed format shall be certified by Chartered Accountant with his stamp and signature. In case audited balance sheet of the last financial year is not made available by the bidder, he has to submit an affidavit certifying that 'the balance sheet has actually not been audited so far'. In such a case the financial data of previous '2' audited financial years will be taken into consideration for evaluation. If audited balance sheet of any year other than the last year is not submitted, the tender will be considered as non-responsive.
- Where a work is undertaken by a group, only that portion of the contract which is undertaken by the concerned applicant/member should be indicated and the remaining work done by the other members of the group be excluded. This is to be substantiated with documentary evidence.