

Subject: DDA-CMS-Pre Bid Meeting held on 14 June 2018: Amendments demanded in respect of Payment Release and Turnover Limit

During the pre-bid meeting held on 14 June 2018 held at VC Conference Hall, Vikas Sadan, the participants desired to have Amendments in clauses related to Payment Schedule as well as Pre-Qualification Clauses related to Annual Turnover and EMD Criteria etc, as given below: -

Sl.No	Participants	Change Requested	View of Systems Department
1.	M/s GA Software Technologies Private Ltd	a) Reduction of EMD Amount from INR 3.00 Crore to INR 1.00 Crore	<b>No Change.</b>
		b) Exempt Payment of EMD for NSIC Registered Companies.	No Change.
		a) <b>Annual Turnover Criteria</b> : To consider the turnover of our parent organisation as lead bidder turnover, as well as to consider turnover of application developer company	No Change.
2	M/s MGRM Net Ltd	<p>a) Annexure-5 (Sl.No. 10)– Latest Corrigendum published on 5<sup>th</sup> June 2018:</p> <p><b>The Application developer member must also have at least 1/3rd (one-third) of the total required Annual Turnover of INR 400 Crore during the last three (3) financial years (FY 16-17, FY 15-16 and FY 14-15) as per the last published balance sheets.</b></p> <p><b>Request</b> for removal of this newly added point.</p> <p>This <b>restricts</b> companies with the required certifications(ISO,CMMi etc.) and the required project experience(As specified in the RFP) <b>from participating</b> in the RFP even as part of a</p>	<b>No change.</b>

		consortium. <b>b) Schedule VI, Volume 3: Payment Schedule:</b> "20% of Project Cost (C) - Implementation Phase -C " will be payed "On Project Completion (Go-live + 1 Year + 4 Year)" <b>Request for:-</b> 1)Bifurcation of Capex and Opex Costs(Capex to be paid to SI on installation and commissioning of required hardware) 2)20% remaining Opex or the project services cost to be paid <b>in quarterly instalments</b> before the AMC starts i.e. Go-Live +1 year(Warranty)	Refer to Revised Payment Terms given at Annexure – 1, wherein it is clarified that the 10% of Phase-I: CAPEXwill be paidduring Phase-II: OPEX: <ul style="list-style-type: none"> <li>• End of Year 1: 2.5%</li> <li>• End of Year 2: 2.5%</li> <li>• End of Year 3: 2.5%</li> <li>• End of Year 4: 2.5%.</li> </ul>
3.	M/s Info Spark Solutions.	1. Requesting to reduce EMD INR 3 Cr to 1.5 Cr.	<b>No Change.</b>
		2. Requesting to consider Valid NSIC registered firms for availing exemption of EMD.	No Change.
		3. Requesting to reduce turnover to INR 75 Cr for Application development firm.	<b>No Change.</b>
4.	M/s Matrix Technologies Inc.	<b>Latest Corrigendum:</b> 1. Average Annual Turnover of the Bidder/ all the Consortium members taken together from IT Business during the last three (3) financial years (FY 16-17, FY 15-16 and FY 14-15) as per the last published balance sheets shall be greater than or equal to INR 400 Cr.(Rupees Four Hundred Crores only). <b>Request</b> To consider last 3 financial years as (FY 17-18, FY 16-17 & FY 15-16), allow <b>provisional</b>	<b>No change.</b>

		<b>balance sheets and profit and loss reports</b> of last financial year 2017-18.	
		<b>EMD Exemption</b> 2. Requesting to consider NSIC registered companies for exemption from the payment of EMD.	No Change.
		<b>EMD Amount</b> Requesting to reduce EMD INR 3 Crore to INR 1 Crore	<b>No Change.</b>
5.	M/s UTI ITSL	<b>Average Required Annual Turnover</b>  <b><u>Please relax this criteria</u></b> to Average Annual Turnover of all the consortium members taken together from IT Business (System Integration Services, Application Development and Maintenance Services, during the last three (3) financial years (FY 16- 17, FY 15-16 and FY 14-15) as per the last published balance sheets shall be greater than or equal to INR 190 Cr.(Rupees one hundred ninety crores only). In case of Consortium bidding, the lead (prime) Bidder (Application Developer) must have average turnover of at least INR 190 Crores (Rupees one hundred ninety crores) during the last three (3) financial years (FY 16-17, FY 15-16 and FY 14-15) as per the last published balance sheets	<b>No Change.</b>
6.	M/s Navayuga Infotech Pvt. Ltd	<b>Page 54 of Annexure III Payment Schedule</b>  <b>Payment Terms</b>	(a) Refer to Revised Payment Terms given at Annexure –1, wherein it is clarified that the 10% of Phase-I: CAPEX will

		<p>(a) <b>Request you to reduce the retention period up to warranty.</b> In the current scenario bidders will load their cost accordingly to bare the delayed payments which will inflate the project cost.</p> <p>(b) The <b>Mobilisation Advance will attract 10 % simple Interest</b> which will be calculated from the date of Payment to the date of recovery. The recovery of this advance will commence after 10% of Work is completed and the entire amount together with interest shall be recovered by the time 80% of the work is completed (source 32.5 of CPWD Works Manual 2014).</p> <p><b>Request you relax</b> the simple interest clause as this will either loaded by bidder which will inflate the project cost.</p>	<p>be paid during Phase-II: OPEX:</p> <ul style="list-style-type: none"> <li>• End of Year 1: 2.5%</li> <li>• End of Year 2: 2.5%</li> <li>• End of Year 3: 2.5%</li> <li>• End of Year 4: 2.5%.</li> </ul> <p>(b) No Change.</p>
7.	M/s NEC TECHNOLOGIES India Private Ltd	<p><b>Document-5, Page - 54, Payment Schedule</b></p> <p>Payment terms should be modified as following:</p> <p>(a) 20% at the end of warranty Period instead of at the end of the project period.</p> <p>(b) Payment for Manpower, Networking, DC/DR hosting and other operational expense should be paid in warranty.</p>	<p>Refer to Revised Payment Terms given at Annexure – 1, wherein it is clarified that the 10% of Phase-I: CAPEX will be paid during Phase-II: OPEX:</p> <ul style="list-style-type: none"> <li>• End of Year 1: 2.5%</li> <li>• End of Year 2: 2.5%</li> <li>• End of Year 3: 2.5%</li> <li>• End of Year 4: 2.5%.</li> </ul>
8.	M/s TCS	<p>5. DDA-CMS Agreements - Payment Schedule - Pg. 54</p> <p>a) <b>Advance Against the</b></p>	<p>(a) No change.</p> <p>(b) Refer to Revised Payment Terms given</p>

		<p><b>Advance Bank Guarantee</b> for 110 % of the Value (Mobilisation Advance) - T +1;</p> <p><b>Advance Against the Advance Bank Guarantee</b> of for 110 % of the Value (for Hardware Procurement) - T +25;</p> <p><b>Request to kindly remove the clause</b> for submission of Advance Bank Guarantee as the successful Bidder shall provide Performance Bank Guarantee;</p> <p>Also, <b>please clarify</b>, if the advance is not considered by SI, when would the 10% payment be made by DDA;</p>	<p>at Annexure –1, wherein it is clarified that the 10% of Phase-I: CAPEX will be paid during Phase-II: OPEX:</p> <ul style="list-style-type: none"> <li>• End of Year 1: 2.5%</li> <li>• End of Year 2: 2.5%</li> <li>• End of Year 3: 2.5%</li> <li>• End of Year 4: 2.5%.</li> </ul>
		b) During the one-year warranty, <b>no payments</b> shall be made by DDA???	Refer to the revised payment Schedule at Annexure-1.
		c) The Mobilisation Advance will attract 10 % simple Interest which will be calculated from the date of Payment to the date of recovery. The recovery of this advance will commence after 10% of Work is completed and the entire amount together with interest shall be recovered by the time 80% of the work is completed (source 32.5 of CPWD Works Manual 2014).	No Change. Refer to the revised payment Schedule at Annexure-1.
		<b>Request to kindly remove the clause</b>	
		5. DDA-CMS-Agreements; 13.2 Invoicing and Settlement; Pg. 18	<b>No Change.</b>

		<p>2. The &lt;&lt;'System Integrator'&gt;&gt; alone shall invoice all <b>payments after receiving due approval from the competent authority</b>. Such invoices shall be accurate and all adjustments to or changes in the terms of payment as stated in Schedule VI of this Agreement.</p> <p>The &lt;&lt;'System Integrator'&gt;&gt; shall waive any charge for a Service that is not invoiced within six months after the end of the month in which the change relating to such Service is (i) authorized or (ii) incurred, whichever is later.</p> <p><b>Request</b></p> <p>Kindly remove this clause</p>	
		<p><b>Scope of work/1.2.1.13Capacity building and training /Pg.32</b></p> <p>The bidder will be responsible for establishing a scoring system and should ensure a rating of at least 75% or above on the overall sessions else additional trainings will required or the DDA reserves the right to invoke penalty.</p> <p><b>Request</b></p> <p>DDA to kindly provide relaxation on the mentioned clause in the RFP.</p>	<p><b>It is revised as</b> "The bidder will be responsible for establishing a scoring system to ensure satisfactory rating on the overall sessions else bidder will retrain those officials who are not able to rate training as satisfactory."</p>

		<p><b>NIT and Instructions to bidders for NITCMS_RFPVol1/9.6.3 Commercial / Financial Evaluation/Pg. 36</b></p> <p>The bid price shall include all taxes and levies <b>as applicable at the time of bid submission</b> and shall be in Indian Rupees and mentioned separately.</p> <p><b>Request</b></p> <ol style="list-style-type: none"> <li>1. Bidder request to make the prices to be tax exclusive.</li> <li>2. Also any variation in tax rates , should be applied on actuals at the time of invoicing.</li> </ol>	<p><b>Please refer to</b> Conditions for reimbursement of levy/taxes if levied after receipt of tenders: -</p> <p>i) All tendered rates shall be inclusive of any tax, levy or cess applicable on last stipulated date of receipt of tender including extension if any. No adjustment i.e. increase or decrease shall be made for any variation in the rate of CST, Building and Other Construction Workers Welfare Cess or any tax, levy or cess applicable on inputs.</p> <p>However, effect of variation in rates of GST or Building and Other Construction Workers Welfare cess or imposition or repeal of any other tax, levy or cess applicable on output of the works contract shall be adjusted on either side increase or decrease.</p> <p>Provided further that for Building and Other Construction Workers Welfare cess or any tax (other than GST), levy or cess varied or imposed after the last date of receipt of tender including extension if any, any increase shall be reimbursed to the contractor only if the Contractor/Bidder necessarily and properly pays such increased amount of taxes/levies/cess.</p> <p>Provided further that such increase including GST shall not be made in the extended period of</p>
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			<p>contract for which the contractor/bidder alone is responsible for delay as determined by DDA.</p> <p>ii) The contractor shall keep necessary books of account and other documents for the purpose of this condition as may be necessary and shall allow inspection of the same by a duly authorized representative of the DDA and/or the Dy. Director (Systems) In-Charge and shall also furnish such other information/ document as the Dy. Director (Systems) In-Charge may require from time to time.</p> <p>iii) The contractor shall, within a period of 30 days of the imposition of any such further tax or levy or Cess, give a written notice thereof to the Dy. Director (Systems) In-Charge that the same is given pursuant to this condition, together with all the necessary information relating thereto.</p> <p>iv) Bidder shall provide Tax component in a separate column, as given in the Financial Bid Template - Table 33.2.</p>
		<p><b>Clause 33.3 Payment Schedule -Pg. no. 132 of Annexures to RFP for NIT of CMS</b></p> <p>Implementation Phase: 1.</p> <p>Advance Against the Advance Bank Guarantee for 110 % the Value (Mobilisation Advance)</p>	<p>Refer to the Revised Payment Schedule given at Annexure-1.</p>



		<p><b><u>Request</u></b></p> <p>110% of ABG <b>is not sustainable</b> by SI more so when PBG is given.</p> <p>This will add to the potentially HUGE burden of Operational Cost of the SI. Request to kindly remove the same.</p>	
		<p><b>Clause 33.3 Payment Schedule - Pg.no. 132 of Annexures to RFP for NIT of CMS</b></p> <p>First Payment non-linked to ABG is coming in 24 Weeks, which is truly detrimental to SI as it is going to hit the Cashflow negatively.</p> <p><b>Request</b> to kindly consider even out the <b>payment for Implementation Phase (Software) equally</b> as below:</p> <ol style="list-style-type: none"> <li>1. 5% as Mobilization advance against 10% of PBG.</li> <li>2. 5% on SRS Submission.</li> <li>3. 5% on SRS Acceptance.</li> <li>4. 10% on Design Document Submission.</li> <li>5. 10% on Design Document Approval.</li> <li>6. 5% on Submission of Test Cases &amp; Test strategy.</li> <li>7. 5% on Approval of Test Cases.</li> <li>8. 35% on UAT</li> <li>9. 20% on Go Live.</li> </ol>	<p><b>Refer to the Revised Payment Schedule given at Annexure-1.</b></p>

		<p>Clause 33.3 Payment Schedule - Pg. no. 132 of <i>Annexures to RFP for NIT of CMS</i>:</p> <ol style="list-style-type: none"> <li>1. Please separate the payment terms for Hardware, system Software, Implementation Services and Operational Services.</li> <li>2. The Payment for CapEX <b>should be payable as 80% on delivery, 20% on Installation, configuration &amp; Commissioning.</b></li> <li>3. Payment for system software should be 90% on delivery, 10% on Installation &amp; Configuration.</li> <li>4. During Warranty Period, O&amp;M payment should be paid on Quarterly basis as application Software support needs to be made available.</li> </ol>	<p><b>Refer to the Revised Payment Schedule given at Annexure-1.</b></p>
		<p>Clause 9.7.6 Purchaser's Right to Vary Scope of Contract Page No 41 of CMS NIT Instructions to Bidders</p> <p>The aggregate change to Gross Total Value (GTV) of the contract shall not exceed 25% of GTV (value of project).</p> <p><b>Please confirm that any change beyond project scope as mentioned in RFP shall be paid separately at rates agreed at the time of Change Request agreement between two parties, separately and on top of agreement value; as otherwise it will be difficult for SI to</b></p>	<p>No Change.</p>

		<b>determine the costs at the time of bidding.</b>	
		RFP Vol I pg 41 "Purchaser's right to vary quantity  d) The aggregate change to Gross Total Value (GTV) of the contract shall not exceed 25% of GTV (value of project)."  <b>Request cap at 10%</b>	No Change.
		RFP Vol I pg 40 and 41, RFP Vol III pg.39.  <b>Bank Guarantee</b>  Whether PBG must be valid for 3 months or 60 days or 6 months after completion of project?	PBG must be valid <b>up to 3 Months</b> after completion of Project Go-live + 1 Year Support.
		RFP Vol III pg.54, Payment schedule  1) Hardware and software licenses to be billed separately upon delivery 2) 20% of the project cost at the end of O&M period is very unfavourable. 3) Implementation services cost to be recovered in milestones by the end of go-live, 4) O&M payment to be quarterly in advance in EQI. 5) ABG should be equal to the advance payment amount and not 110% of the advance amount.	Refer to the Revised Payment Schedule given at Annexure-1.
		RFP Vol III pg.54, Payment schedule	Refer to the Revised Payment Schedule given at Annexure-1.

		<p>"The Mobilisation Advance will attract 10 % simple Interest which will be calculated from the date of Payment to the date of recovery.</p> <p>The recovery of this advance will commence after 10% of Work is completed and the entire amount together with interest shall be recovered by the time 80% of the work is completed"</p> <p><b>Request</b> to delete this clause as ABG is applicable</p>			
		<p><b>Insurance</b></p> <p><u>Clarification</u></p> <p>Insurance for equipment will be borne by TCS until the materials are handed over at the customer's site.</p>			<p><b>Yes. Insurance for equipment will be borne by Bidder until the materials are handed over and installed at the customer's site.</b></p>
9.	<b>M/s Vayam Technologies Ltd</b>				
	<b>Deliverables</b>	<b>Completion Time lines [in Weeks]</b>	<b>Current Payment Terms</b>	<b>Proposed/Revised Payment Term</b>	
	<b>Implementation Phase-Phase A</b>	<p>It is requested <b>not to ask</b> Advance Bank Guarantee (ABG) against the advance.</p> <p>Interest @10% is Acceptable.</p>			Refer to the Revised Payment Schedule given at Annexure-1.
1	Mobilisation Advance	T+1	5% of Implementation Phase A	10% of Phase A	

2	Project Preparation and Business Blueprint Phase submission and approval of SRS and SDD	T+24	20% of Implementation Phase A	20% of Phase A	
3	Advance for Hardware Procurement	T+25	5% of Implementation Phase A	10% of Phase A	
4	Procurement and Installation of Hardware, Network and System Software at DC/DR and all site office with Installation Report	T+45	35% of Implementation Phase A	30% of Phase A	
5	Enterprise Application Design and Development UAT and System Testing	T+50	7.5% of Implementation Phase A	10% of Phase A	
6	Establishment of Nagrik Suvidha Kendras/Mobile Van Nagrik Suvidha Kendra/Record Room/Internet Information Kiosks	T+60		10% of Phase A	
7	Enterprise Application Implementation and Roll Out (GO LIVE ACCEPTANCE)	T+70	7.5% of Implementation Phase A	5% of Phase A	
	<b>Warranty Period- (Software/Hardware/Systems)</b>	<b>1 Year</b>	<b>No Payment</b>	<b>No Payment</b>	
<b>Operations and Maintenance Phase- B</b>					
1	Manpower cost during warranty and Operations & Maintenance for a First Quarter after the Go Live is Declared for the entire hardware, network and	Ongoing for a period of 5 year after Go-Live	Quarterly Cost at the end of each quarter	Quarterly Cost at the end of each quarter of Phase B	

	software including submission of various reports				
2	On Completion of Warranty period and start of Operations			<b>5% of Phase A</b>	<b>Refer to the Revised Payment Schedule given at Annexure-1. 10% remaining PHASE-I : CAPEX are split into 4 Instalments to be paid out, during PHASE-II : OPEX:-</b> End of Year 1: 2.5% End of Year 2: 2.5% End of Year 3: 2.5% End of Year 4: 2.5%,
	On Completion of Operations and Maintenance Year 1		5% of Implementation Phase A		
	On Completion of Operations and Maintenance Year 2		5% of Implementation Phase A		
	On Completion of Operations and Maintenance Year 3		5% of Implementation Phase A		
	On Completion of Operations and Maintenance Year 4		5% of Implementation Phase A		
10.	M/s Telecommunications Consultants India Limited (A Government of India Enterprise), Department of Telecommunications, Ministry of Communications.				
	<b>Request</b> : To consider " <b>Corporate Guarantee</b> " in the place of " <b>Bank Guarantee</b> ", as a leverage being a Central Government Public Sector Undertaking.				No Change.