

Selection of Helitour Operator for Development of Helitourism in Karnataka

CORRIGENDUM 1

Date: 01-02-2010

Department of Tourism, Government of Karnataka by way of this corrigendum incorporates as set out in the table below, the corrections/ amendments to Volume 2 (Draft Agreement) of the Request for Proposal issued vide 'Notice Inviting Bids' dated 24.12.2010.

Please check the website for any further notifications, changes and amendments.

Sl. No.	Article/ Clause No.	Existing Article	Shall be read as
1	3	<p>3.1 Conditions Precedent</p> <p>The provisions of this Agreement (other than those contained in Articles 1, 3, 10 and 12 inclusive which are, accordingly, binding on the Parties as from the date of this Agreement) shall take effect and become binding on the Parties from the date upon which the conditions precedent set out in this Article are satisfied in full by the respective Parties:</p> <p>(a) Conditions Precedent required to be satisfied by DoT shall be deemed to have been fulfilled when DoT, subject to Clause 3.3, within six (6) months from the date of this Agreement shall have,</p> <p>(i) developed Base Stations and Helipads at the destinations provided in Schedule I;</p> <p>(ii) provided access to the Base Stations and Helipads; and</p> <p>(iii) procured all Applicable Permits required for the purpose of implementing the Project;</p> <p>(b) Conditions Precedent required to be satisfied by Operator</p>	<p>3.1 Conditions Precedent</p> <p>The provisions of this Agreement (other than those contained in Articles 1, 3, 10 and 12 inclusive which are, accordingly, binding on the Parties as from the date of this Agreement) shall take effect and become binding on the Parties from the date upon which the conditions precedent set out in this Article are satisfied in full by the respective Parties:</p> <p>(a) Conditions Precedent required to be satisfied by DoT shall be deemed to have been fulfilled when DoT, subject to Clause 3.3, within six (6) months from the date of this Agreement shall have,</p> <p>(i) made available Base Stations and Helipads at the destinations provided in Schedule I;</p> <p>(b) Conditions Precedent required to be satisfied by Operator shall be deemed to have been fulfilled when the Operator, subject to Clause 3.3, within six (6) months from the date of this Agreement shall have</p>

		<p>shall be deemed to have been fulfilled when the Operator, subject to Clause 3.3, within six (6) months from the date of this Agreement shall have</p> <ul style="list-style-type: none"> (i) <i>submitted Performance Security for Rs.____/- to DoT</i> (ii) procured all the Applicable Permits unconditionally or if subject to conditions then all such conditions shall have been satisfied in full and such Applicable Permits are in full force and effect; (iii) possession of the Helicopter to be used for Helitour operation; (iv) obtained approval from DoT for the Operating Plan containing the details described in Schedule V; (v) delivered to DoT from [the Consortium Members] confirmation, in original, of the correctness of their representations and warranties setforth in Sub-clauses (o), (p) and (q) of clause 11.1 of this Agreement; and (vi) delivered to DoT a legal opinion from the legal counsel of the Operator with respect to the authority of the Operator to enter into this Agreement and the enforceability of the provisions thereof: 	<ul style="list-style-type: none"> (i) procured all the Applicable Permits unconditionally or if subject to conditions then all such conditions shall have been satisfied in full and such Applicable Permits are in full force and effect; (ii) provided physical and documentary proof for possession of the Helicopter to be used for Helitour operation; (iii) obtained approval from DoT for the Operating Plan containing the details described in Schedule V; (iv) delivered to DoT from [the Consortium Members] confirmation, in original, of the correctness of their representations and warranties setforth in Sub-clauses (o), (p) and (q) of clause 11.1 of this Agreement; and (v) delivered to DoT a legal opinion from the legal counsel of the Operator with respect to the authority of the Operator to enter into this Agreement and the enforceability of the provisions thereof:
2	3	<p>3.4 Extension of Time for Fulfilment</p> <p>At any time prior to the date specified in Article 3.2, the Parties shall, by mutual agreement in writing, have the right to extend the date for satisfaction or waiver of the conditions precedent by such period as the Parties may agree.</p>	<p>3.4 Extension of Time for Fulfilment</p> <p>At any time prior to the date specified in Article 3.2, the Parties shall, by mutual agreement in writing, have the right to extend the date for satisfaction or waiver any of the conditions precedent [except the condition precedents prescribed under 3.1 (a) (i), 3.1 (b) (ii) and 3.1 (b) (iv)] by such period as the Parties may agree.</p>
3	4.3 (b)	Footnote number 8 and 10	This amount would be equal to 10% of Assured Flying Hour Fee*28
4	4.11	New sub-clause (c) included	4.11(c) The Operator shall at all times during the Season ensure the safety and security of the Helicopter to undertake the Helitour and shall comply with Applicable Laws including

			the guidelines issued from time to time by Ministry of Civil Aviation, Government of India and Directorate General of Civil Aviation, Government of India.
5	4.13 (s)	New sub-clause (s) included	4.13(s) shall on request of DoT undertake two familiarization Helitour at its own cost and expenses
6	5.1	<p>5.1 “DoT shall, at its own cost and expense observe, undertake, comply with and perform, in addition to and not in derogation of its obligations elsewhere setout in this Agreement, the following:</p> <p>(a) make available to the Operator on payment of user charges fixed in respect thereof, the Base Stations and Helipads as per the provisions of this Agreement;</p> <p>(b) maintain the facilities in the Base Station and the Helipads in a good operable conditions and shall ensure safety;</p> <p>(c) pay an amount of Rs.30,000/- (Rupees Thirty Thousand only) to the Operator for each of such hours of Assured Flying Hours for which the Operator has not operated Helicopter in any of the given months during the Season.</p> <p>(d) monitor implementation of the project by Operator;</p> <p>(e) promote Helitourism on international travel and tourism platforms.</p> <p>(f) bear all cost and expenses related to the familiarisation tour before the Effective Date;...”</p>	<p>5.1 “DoT shall, at its own cost and expense observe, undertake, comply with and perform, in addition to and not in derogation of its obligations elsewhere setout in this Agreement, the following:</p> <p>(a) subject to Clause 2.4 of this Agreement, make available the Base Stations and Helipads to the Operator during the Season;</p> <p>(b) facilitate maintenance of Base Station and the Helipads in a good operable conditions;</p> <p>(c) pay Assured Flying Hours Fee in accordance with Clause 6.2</p> <p>(d) monitor implementation of the project by Operator;</p> <p>(e) promote Helitourism on international travel and tourism platforms.</p> <p>(f) Subject to clause 4.13 (s), pay to the Operator Rs. 15,000 per flying hour per Tourist for any familiarization Helitours undertaken for the Circuit; ...”</p>
7	6.1	<p>6.1 Operation Fee</p> <p>(a) The Operator shall pay to DoT every month during the Season, operation fee equivalent to [●]¹ % ([●] percent) of the Revenue (“the Operation Fee”) earned through undertaking Helitour Services in excess of the Assured Flying Hours.</p> <p>Operation Fee shall be calculated using the formula given below;</p> <p>Operation Fee = [●]⁹% * [(Total Revenue earned out of Helitour</p>	<p>6.1 Operation Fee</p> <p>(a) If FHH>=AFH, then the Operator shall pay to DoT every month during the Season, operation fee (“Operation Fee”) to be calculated as follows:</p> <p>Operation Fee = [●]⁹% * ((FHH-AFH)*FHH)*RFHH</p> <p>FHH= Flying Hours of Helitour</p> <p>AFH= Assured Flying Hours of Helitour</p> <p>RFHH = Revenue earned out of flying hours for Helitour</p> <p>(b) Operation Fee for each Month under clause (a) as and when</p>

		<p>Services) – (Revenue earned out of Helitour Services in the Assured Flying Hours]]</p> <p>For avoidance of doubt, in the event of Operator not carryout the Helitour Services in excess to Assured Flying Hours, the Operator shall not be liable to pay Operation Fee under this Clause and in such an event Clause 6.2 shall be applicable.</p> <p>(b) Operation Fee for each Month under clause (a) as and when accrued and shall be paid on or before the seventh Day of the immediately succeeding Month through a cheque or demand draft drawn in favour of Director, Department of Tourism, Government of Karnataka payable at Bangalore.</p> <p>(c) The payment of Operation Fee in accordance with this Clause 6.1 shall commence from the Month in which the Effective Date is achieved by the Parties.</p> <p>(d) Operation Fee amounts remaining unpaid on respective due dates would carry interest @ SBI PLR plus 2% (two percent) per annum from the due date till the date of payment or realization thereof.</p> <p>9 Revenue share as agreed by the Successful Bidder as per the Financial Bid submitted as part of the Proposal.</p>	<p>accrued and shall be paid on or before the seventh Day of the immediately succeeding Month through a cheque or demand draft drawn in favour of Director, Department of Tourism, Government of Karnataka payable at Bangalore.</p> <p>(c) The payment of Operation Fee in accordance with this Clause 6.1 shall commence from the Month in which the Effective Date is achieved by the Parties.</p> <p>(d) Subject to the right of DoT to terminate this Agreement under Clause 9.1 (a) (vii), the Operation Fee amounts remaining unpaid on respective due dates would carry interest @ SBI PLR plus 2% (two percent) per annum from the due date till the date of payment or realization thereof.</p> <p>9 Revenue share as agreed by the Successful Bidder as per the Financial Bid submitted as part of the Proposal</p>
8	6.2	<p>6.2 Assured Flying Hours Fee</p> <p>(a) The DoT shall pay to Operator every month during the Season, Assured Flying Hours Fee equivalent to Rs.30,000 (Rupees thirty thousand only) [“the Assured Flying Hours Fee”] calculated for each hour of the Assured Flying Hours for which the Operator has not carried out Helitour Services.</p> <p>Assured Flying Hours Fee per month shall be calculated using the</p>	<p>6.2 Assured Flying Hours Fee</p> <p>(a) If $FHH < AFH$, then DoT shall pay to the Operator per month an amount, (“Assured Flying Hours Fee”) to be calculated as follows:</p> <p>Assured Flying Hours Fee= Rs.30,000*(AFH-FHH)</p> <p>FHH= Flying Hours of Helitour</p> <p>AFH= Assured Flying Hours of Helitour</p> <p>Rs.30,000/- (Rupees thirty thousand) is the fixed rate of</p>

		<p>formula given below;</p> <p>Assured Flying Hours Fee = Rs.30,000 * (Number of hours out of Assured Flying Hours for which the Operator has not carried out Helitour Services)</p> <p>For avoidance of doubt, in the event of Operator carrying out the Helitour Services for hours in excess to Assured Flying Hours, DoT shall not be liable to pay Assured Flying Hours Fee under this Clause and in such an event Clause 6.1 shall be applicable.</p> <p>(b) DoT's Representative, on inspection of the Monthly Performance Reports shall issue to the Operator, an actionable certificate validating the information with comments within 10 (ten) days of the receipt of the Monthly Performance Report.</p> <p>(c) For every month in a Season, in respect of which the Operator is liable to get the Assured Flying Hours Fee, the Operator shall raise an invoice to DoT for the Assured Flying Hours Fee attached with the certificate issued to it by DoT's Representative under the sub-clause (b) above.</p> <p>(d) Assured Flying Hours Fee for each Month under clause (a) above shall be paid by DoT to the Operator within fifteen days of the receipt of the invoice from the Operator.</p> <p>(e) The payment of Assured Flying Hours Fee in accordance with this Clause 6.2 shall commence from the Month in which the Effective Date is achieved by the Parties.</p> <p>(f) Assured Flying Hours Fee amounts remaining unpaid on respective due dates would carry interest @ SBI PLR plus 2% (two percent) per annum from the due date till the date of payment or realization thereof.</p>	<p>payment per Assured Flying Hour</p> <p>(b) DoT's Representative, on inspection of the Monthly Performance Reports shall issue to the Operator, an actionable certificate validating the information with comments within 10 (ten) days of the receipt of the Monthly Performance Report.</p> <p>(c) For every month in a Season, in respect of which the Operator is liable to get the Assured Flying Hours Fee, the Operator shall raise an invoice to DoT for the Assured Flying Hours Fee attached with the certificate issued to it by DoT's Representative under the sub-clause (c) above.</p> <p>(d) Assured Flying Hours Fee for each Month under clause (a) above shall be paid by DoT to the Operator within fifteen days of the receipt of the invoice from the Operator.</p> <p>(e) The payment of Assured Flying Hours Fee in accordance with this Clause 6.2 shall commence from the Month in which the Effective Date is achieved by the Parties.</p> <p>(f) Subject to the right of the Operator to terminate this Agreement in under Clause 9.1 (b) (iii), the Assured Flying Hours Fee that is unpaid on respective due dates would carry interest @ SBI PLR plus 2% (two percent) per annum from the due date till the date of payment or realization thereof.</p>
9	9.1 (a) (i)	(i) The Operator fails to operate a Helitour of at least flying	(i) The Operator fails to operate a Helitour of at least flying

		duration of 4 Hours for a period of 4 consecutive months during the Season	duration of 14 Hours during the first four consecutive months of the Season;
10	9.1 (a) (v)	(v) The Operator defaults undertaking the Helitour at the scheduled timings for more than three (3) occasions during the Agreement Period.	(v) The Operator defaults undertaking the Helitour at the scheduled timings as indicated in the tickets issued to Tourists, except in the event caused due to bad weather conditions or reason that affect the safety of Tourists; for more than three (3) occasions during the Agreement Period as per Clause 7.1 of this Agreement
11	Schedule 1	<p style="text-align: center;">Schedule I - Base Stations and Helipads</p> <p style="text-align: center;"><i>(To be suitable modified on the basis of the Circuits for which the Agreement is to be executed)</i></p> <p>Base Stations Base Stations would include facilities such as the following:</p> <ul style="list-style-type: none"> • Helipoint • Hangar • Fueling station • Lounge area • Tourist rest rooms • Security post • Pilot rest rooms <p>Base Stations are developed for the Circuits in the following tourist destinations:</p> <ol style="list-style-type: none"> 1. Coastal Circuit - Mangalore 2. Heritage Circuit - Hampi 3. Malnad Circuit - Mysore 4. Pilgrim Circuit - Mangalore <p>Helipads GoK proposes to develop Helipads (with security) in the following tourist destinations within the Circuits.</p>	<p style="text-align: center;">Schedule 1- Base Stations and Helipads</p> <p style="text-align: center;"><i>(To be suitable modified on the basis of the Circuits for which the Agreement is to be executed)</i></p> <p>Base Stations Base Stations would include facilities such as the following:</p> <ul style="list-style-type: none"> • Helipoint • Hangar • Fueling station • Lounge area • Tourist rest rooms • Security post • Pilot rest rooms <p>Base Stations to be developed by GoK</p> <p>Base Stations are being developed, such that there is one in each circuit at the following destinations: Mangalore- Coastal and Pilgrim Circuits Mysore- Malnad Circuit Hampi- Heritage Circuit</p> <p>Helipads Helipads under construction by GoK</p>

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