

PGM(BW) BSNL Corporate Office
Telegraph Office Building,
Kashmere Gate, Delhi-110006,
Phone- 011-23865254, 23865284(Fax)



भारत संचार निगम लिमिटेड
(भारत सरकार का उपक्रम)
BHARAT SANCHAR NIGAM LIMITED
(A Govt. of India Enterprise)

No.482-07/2011-BG

Dated : 13.03.2012

To,

All CGMs
BSNL, Telecom Units

Sub:- Policy for Leasing out Hoardings in BSNL Premises

BSNL is having most of its compound at prime locations and have more visibility in the cities. BSNL Premises are having capacity for installation of new hoardings which can be erected by advertisers at their cost and can be leased out to advertisers by BSNL for earning revenue. The competent authority has approved a policy regarding leasing out new hoardings as below

1. CGMs may get the list of places SSA wise where new hoardings can be erected with tentative size of the hoardings by a committee consisting of DGM of SSA, concerned EE (Civil)/SDE(Civil) and CAO/AO of that SSA. Only **Green Field Sites** be leased out to the advertisers on which they can construct the hoardings.
2. CGM should check the local bye-laws before calling EOI for leasing out hoardings.
3. The committee (as per para 1 above) will also submit the estimated rent to be received by leasing out these new hoardings based on market survey/trend.
4. CGMs may call EOI for fixing advertising agencies [Say advertisers] who will have right to use hoardings placed in BSNL Compounds.
5. EOI may be called SSA wise or combined and shall be accepted by CGM. In case the EOI is below reserve price, the same can be accepted by CGM after recording reasons of accepting the EOI below reserve price.
6. While calling EOI some EMD amount may be kept depending upon the type of city and estimated area available for advertisement [**Say 50% of one month expected rental for the hoardings available for leasing out, or as decided by respective CGMs**].
7. The highest maximum three bidders shall be shortlisted to be empanelled as advertiser for each case, however the work shall be awarded to the highest bidder only.
8. For new hoardings the cost of construction shall be borne by the advertisers and hoardings shall be erected as per approved design of BSNL to take care of structural suitability aspects.
9. If any approval from local body is required that shall be arranged by the advertisers and charges/taxes payable, if any, shall be paid by the advertiser.
10. The advertisers shall be allowed for advertisement of products/services as per his choice.
11. The advertisers shall not be allowed to advertise products/ services of the competitors of BSNL/MTNL and which are against the policies of the Central/State Government and local authorities such as advertisement of tobacco etc.
12. **The advertiser shall pay yearly rental for the hoardings in advance and 3 months' rental shall be deposited by the advertiser as security deposit as soon as the agreement is made.**

Regd & Corporate Office- Bharat Sanchar Bhawan, H. C. Mathur Lane Jan Path New Delhi-110 001

[Signature]
13/3/2012



13. The advertiser may be asked to pay rent after one month from the date of award of the work whether hoarding have been put to use or not. Taxes/ charges including revenue sharing by municipal/local authorities shall be paid by the advertiser either directly to local authorities or through BSNL, if required by local authorities.
14. The electric connection if feasible may be provided by BSNL, for which installation expenses and separate meter will be provided by advertiser. However no power back-up will be provided by BSNL. The fixtures required for new hoardings shall be provided by advertiser at his cost.
15. The new hoardings shall be erected by the advertiser as per general requirement of National Building Code and as per approved design of BSNL to make the hoarding structurally sound. BSNL Civil wing authority shall certify that the erected hoarding is as per approved design or not.
16. The cost of new hoardings shall be evaluated by BSNL as per market trend and cost intimated by the advertiser whichever is less which will be final and binding on the advertiser. This cost shall be used to work out depreciated cost of hoarding structures after completion of contract period.
17. If it is found that the new hoarding is not as per approved design the same is to be dismantled and re-erected or corrective action as suggested by BSNL shall be taken by the advertiser at his cost. If defective hoarding is not rectified, the same will not be allowed to be used by the advertiser.
18. The security deposit will be refunded after completion of the agreement period after adjusting amount to be paid by the advertiser to BSNL.
19. If the advertiser fails to pay any annual rental installment, then 1 month's notice shall be issued and agreement shall be terminated without further notice and BSNL shall occupy the space used/created by the defaulting agency.
20. After termination of the agreement the work may be awarded to the next bidder available in the panel at the H1 rate or fresh EOI shall be called.
21. After termination of the agreement the advertiser shall not be allowed to participate in next call of EOI for six months in that unit.
- 22. The advertiser shall be fixed for a maximum period of three years and after this period fresh EOI shall be called.**
23. During currency of the agreement the advertiser shall maintain the hoardings properly by doing yearly painting/repairing or whenever required.
24. The new hoardings erected by the advertiser may be taken over by BSNL after the completion of the contract period at a reserve price fixed by BSNL after accounting depreciation @ 25% per annum on written down basis considering normal life of hoarding structure as 10 years and depending upon the physical condition of the hoardings. The reserve price fixed by BSNL shall be final and binding on the advertiser.
25. The advertiser shall obtain within one month after the date of award of work and keep a public liability insurance policy for their respective rights/ interests and liabilities to third parties in respect of accidental death of or accidental bodily injury to persons, or accidental damage to property. The insurance policy shall be for an amount and terms as specified by local authorities.

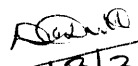
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26. The advertiser shall agree to protect, defend, indemnify and hold harmless BSNL and its employees, officers, directors, agents or representatives from and against any and all liabilities, damages, fines, penalties and costs (including legal costs and disbursements) arising from or relating to any matter pertaining to erecting/using hoardings in BSNL premises by the advertiser under the said agreement.
27. The draft EOI has been prepared for guidance purpose, however CGMs may make changes in the draft EOI as per local requirement.
28. The Lease Deed may be prepared by CGMs in consultation with the local BSNL counsel as per local Bye-Laws and Rules prevailing in that area for leasing of hoardings for advertisement.

Enclosure: Draft EOI


13/3/2012
(Dev Dutta)

AGM (BG)