SALEM CITY MUNICIPAL CORPORATION

Corrigendum – VII

Salem 24x7 Water Supply System

02/05/2025

Tender No: E6/12006/2021- Dated: 28/12/2024

The following Bid Submission date and Clause are amended as provided herein below:

S.No	Clause Bid Date Details	Existing Clause	Amended Clause
1	Bid Due Date- Amended	Bid Due Date – 9/05/2025 at 15.00 hours	Bid Due Date – 12.05.2025 at 15.00 hours Bid Opening Date – 12.05.2025 at 16.00 hours
2	Article 22 – Payments: Clause: 22.1.11	22.1.11 The Payments due to the Concessionaire in a given Concession Year shall be adjusted upon occurrence of the following events: (i) if the WPI inflation rate during the Construction Period or the Weighted Average Inftion Rate (i.e.; considering 50% CPI and 50% WPI) during the Opertion Period, as the case may be, in the relevant Concession Year exceeds 9% (nine percent), resulting in an increase in costs or financial loss to the Concessionaire during such Concession Year, the Concessionaire may so notify the Authority and propose amendments to this	22.1.11 The Payments due to the Concessionaire in a given Concession Year shall be adjusted upon occurrence of the following events: (i) if the WPI inflation rate during the Construction Period or the Weighted Average **Inflation** Rate (i.e.; considering 50% CPI and 50% WPI) during the **Operation** Period, as the case may be, in the relevant Concession Year exceeds **7% (Seven percent)**, resulting in an increase in costs or financial loss to the Concessionaire during such Concession Year, the Concessionaire may so notify the Authority and propose amendments to this

			Agreement so as to place the Concessionaire in the same financial position as it would have enjoyed had there been no such increase in the WPI inflation rate or Weighted Average Inflation Rate, as the case may be, resulting in increase cost or financial loss as aforesaid. The Concessionaire along with its notice shall submit documents evidencing the claim for additional cost that would be incurred during such Concession Year due to the higher inflation rate. The Auhtority shall be liable to compensate the Concessionaire for the differential inflation rate between 9% (nine percent) and the actual rate of WPI inflation rate or the Weighted Average Inflation Rate, as the case may be.		Agreement so as to place the Concessionaire in the same financial position as it would have enjoyed had there been no such increase in the WPI inflation rate or Weighted Average Inflation Rate, as the case may be, resulting in increased cost or financial loss as aforesaid. The Concessionaire along with its notice shall submit documents evidencing the claim for additional cost that would be incurred during such Concession Year due to the higher inflation rate. The **Authority** shall be liable to compensate the Concessionaire for the differential inflation rate between **7% (Seven percent)** and the actual rate of WPI inflation rate or the Weighted Average Inflation Rate, as the case may be.
		(ii)	if the WPI inflation rate during the Construction Period or the Weighted Average Inftion Rate (i.e.; considering 50% CPI and 50% WPI) during the Opertion Period, as the case may be, in the relevant Concession Year falls below 3% (three percent), resulting in an decrease in costs or financial gain to the Concessionaire during such Concession Year, the Concessionaire may so notify the Authority and propose amendments to this Agreement so as to place the Concessionaire in the same financial position as it would have enjoyed had there been no such decrease in the WPI inflation rate or Weighted Average Inflation Rate, as the case may be, resulting in decrease cost or financial gain as aforesaid. The Authority along with its notice shall submit documents evidencing the claim for	(ii)	if the WPI inflation rate during the Construction Period or the Weighted Average **Inflation** Rate (i.e.; considering 50% CPI and 50% WPI) during the **Operation** Period, as the case may be, in the relevant Concession Year falls below **5% (Five percent)**, resulting in an decrease in costs or financial gain to the Concessionaire during such Concession Year, the Concessionaire may so notify the Authority and propose amendments to this Agreement so as to place the Concessionaire in the same financial position as it would have enjoyed had there been no such decrease in the WPI inflation rate or Weighted Average Inflation Rate, as the case may be, resulting in decrease cost or financial gain as aforesaid. The Authority along with its notice shall submit documents evidencing the claim for

		additional cost that would be incurred during such Concession Year due to the higher inflation rate. The Auhtority shall be liable to deduct from the quarterly payments from the Concessionaire for the differential inflation rate between 3% (three percent) and the actual rate of WPI inflation rate or the Weighted Average Inflation Rate, as the case may be. For the purpose of determination under this Article 22.1.11the base inflation rate has been considered as 6% (six percent). It is clarified that the Concessionaire shall not be entitled to claim any compensation for variation in the WPI inflation rate or the Weighted Average Inflation Rate, as the case may be, between 3% (three percent) and 9% 9nine percent). The base year for considering such inflation shall be [*insert date*] and any adjustment for the first Concession Year shall be allowed only on [*insert date*]. The variation in WPI and CPI index shall be measured on an Accounting Year basis. WPI and CPI for this Article 22.1.11 shall be the following indices as may be notified by the Reserve Bank of India for each Accounting Year: WPI – Wholesome Price Index for manufacture of basic metals. CPI – Consumer Price Index Numbers for Urban labourers.	additional cost that would be incurred during such Concession Year due to the higher inflation rate. The Authority shall be liable to deduct from the quarterly payments from the Concessionaire for the differential inflation rate between **5% (Five percent)** and the actual rate of WPI inflation rate or the Weighted Average Inflation Rate, as the case may be. For the purpose of determination under this Article 22.1.11the base inflation rate has been considered as 6% (six percent). It is clarified that the Concessionaire shall not be entitled to claim any compensation for variation in the WPI inflation rate or the Weighted Average Inflation Rate, as the case may be, between **5% (Five percent) and 7% (Seven percent).** The base year for considering such inflation shall be [*insert date*] and any adjustment for the first Concession Year shall be allowed only on [*insert date*]. The variation in WPI and CPI index shall be measured on an Accounting Year basis. WPI and CPI for this Article 22.1.11 shall be the following indices as may be notified by the Reserve Bank of India for each Accounting Year: WPI – Wholesome Price Index for manufacture of basic metals. CPI – Consumer Price Index Numbers for Urban labourers.

Implementing Agency and address for Communication:

The Commissioner,
Salem City Municipal Corporation
Salem- 636 001
Tel: : +91 - 0427 – 2212844
Email: commr.salem@tn.gov.in

Commissioner,

Salem City Municipal Corporation