



भारतीय विमानपत्तन प्राधिकरण
AIRPORTS AUTHORITY OF INDIA

No.: AAI/Goa/COMML/MC/F&B//2021

194/263

Date: 28.07.2021

To

M/s Travel Food Services Private Limited,
Block A, 1st Floor, South Wing, Shiv Sagar Estate,
Dr. Annie Besant Road, Worli,
Mumbai MH - 400018

Subject: Letter of Intent to Award (LOIA) for Concession to Design, Fit-Out, Finance, Develop, Market, Operate, Maintain and Manage the Food & Beverage Outlets at the Goa International Airport, Goa (E-Bid No. 2021_AAI_68249_1)

Dear Sir(s),

Reference is made to the proposal submitted by M/s Travel Food Services Private Limited in response to the Request for Proposal (RFP) vide Tender ID No 2021_AAI_68249_1 for Concession to Design, Fit-out, Finance, Develop, Market, Operate, Maintain and Manage the Food & Beverage outlets at Goa Airport, Goa which was opened on 26.02.2021 (Technical Bid) and 21.04.2021 (Financial Bid).

The Competent Authority is hereby pleased to award a non exclusive Concession to Design, Fit-out, Finance, Develop, Market, Operate, maintain, and Manage the Food & Beverage outlets at Goa Airport, Goa at the designated locations mentioned in the above RFP on the following broad Terms and Conditions:

1. General:

1.1 The selected Bidder, M/s Travel Food Services Private Limited shall within 07(seven) days of issue of this letter, return duplicate copy of the LOIA as acknowledgement of the award. M/s Travel Food Services Private Limited shall submit details of designs/drawings, layout plan and related materials for each of the location within the deadlines as stipulated in the RFP (E-Bid No 2021_AAI_68249_1). In the event the duplicate copy of the LOIA duly signed by M/s Travel Food Services Private Limited is not received by the stipulated date, Authority may, unless it consents to extension of time for submission thereof, appropriate the Earnest Money Deposit (EMD) of M/s Travel Food Services Private Limited as Damages on account of failure to acknowledge the LOIA, as per the RFP (E-Bid No. 2021_AAI_68249_1).

1.2 Business Incubation Period shall mean a period of 60 (sixty) Days from the date of issuance of LOIA to M/s Travel Food Services Private Limited. M/s Travel Food Services Private Limited agrees and undertakes that within the Business Incubation Period, or any shorter time period as specified in the RFP, unless extended in writing by the Authority, it shall fulfill all of the conditions as per the RFP.

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1.3 M/s Travel Food Services Private Limited shall execute the Concession Agreement as per the provisions of the Bidding Documents not later than thirty (30) days from commencement of the Business Incubation Period as per the RFP (Tender ID No. 2021_AAI_68249_1).

1.4 M/s Travel Food Services Private Limited shall execute the Integrity Pact as per the RFP (Tender ID No. 2021_AAI_68249_1).

1.5 M/s Travel Food Services Private Limited shall submit/produce binding MOU with brands within 30 days of issue of this LOIA, as per the RFP (Tender ID No. 2021_AAI_68249_1).

1.6 Gross floor area and locations proposed for the designated Concessioned Premises shall be as per the RFP (Tender ID No 2021_AAI_68249_1).

1.7 It would be the responsibility of the bidder to obtain all necessary security clearance from BCAS/any other regulatory agency as required within business incubation period.

2. Concession Term:

2.1 The Concession Term shall expire on the seventh (7th) anniversary of the date of commencement of the Concession Term, as designated in the RFP (Tender ID No 2021_AAI_68249_1), unless the Agreement is terminated earlier in accordance with the terms and conditions of the RFP and Concession Agreement.

2.2 The Concessionaire will have to operate the Concession for a minimum period of $3\frac{1}{2}$ (three and a half) years ("Minimum Lock in Period"), failing which M/s Travel Food Services Private Limited shall be liable to be debarred for a period of three (3) years or as may be decided by the Authority from participating in any bidding process of the Authority. Apart from the debarring process, the Authority shall be entitled to forfeit and appropriate the Security Deposit.

3. Concession Fee:

3.1 The Concessionaire shall in consideration of the concession agreement granted by Authority, pay to the Authority, Concession fee (Quoted Monthly Guarantee -QMG) of Rs 93,06,786/- (Rupees Ninety three lacs six thousand seven hundred eighty six only) OR Revenue Share of 24% of the Net Sales for the Month (to be calculated through EPOS - as reflected in the RFP (Tender ID No 2021_AAI_68249_1)), whichever is higher per month plus applicable taxes and charges as per the RFP (Tender ID No 2021_AAI_68249_1) and the Concession Agreement.

3.2 The QMG shall be escalated as per the RFP (Tender ID No 2021_AAI_68249_1), read along with its insertion issued vide Corrigenda / Addendum .

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3.3 The Authority shall raise invoice(s) in accordance with the terms and conditions of the draft Concession Agreement by 10th of every month. Irrespective of the date of Authority raising an invoice or receipt of the invoice by the Concessionaire, the Concessionaire is bound to remit the Concession Fee, Space Rent, CAM Charges etc by the 25th day of the same month and Utility Charges within 14 days of respective invoice date, failing which Penal Interest on Delayed Payments shall be levied as per the RFP (Tender ID No 2021_AAI_68249_1).

3.4 Concession Fee Commencement Date for each location shall mean the date on which the Gestation Period of that location has expired i.e. the 61st day from the Access Date of such location or commencement of business on that location whichever is earlier, unless extended in writing by the Authority.

3.5 No reduction in QMG will be entertained by Airports Authority of India at any stage for whatever reasons.

4. Security Deposit:

4.1 Phase - I:

As per provisions of RFP (Tender ID No 2021_AAI_68249_1); on or before the date of execution of the Concession Agreement M/s Travel Food Services Private Limited shall deposit with Airports Authority of India, Security Deposit in the form of Bank Guarantee (BG) / cash equivalent to eight (8) months' QMG of the first Concession Year, i.e. an amount of Rs 7,44,54,288/- (Rupees Seven Crores Forty four lakh fifty four thousand two hundred eighty eight only) with validity of four (04) years from the date of commencement of the Concession..

Phase - II:

BG equivalent to eight (8) months' QMG of the 4th Year Concession Fee with a validity of six (6) months from the expiry of Concession Term shall be submitted by the Concessionaire within six (6) months prior to completion of the 4th Concession Year or validity of BG already submitted in the first phase, whichever is earlier. M/s Travel Food Services Private Limited will have the option to renew the existing BG for enhanced amount or submit a fresh BG to the Authority. M/s Travel Food Services Private Limited will have the option to deposit single Bank Guarantee for the stipulated amount or two Bank Guarantees amounting to the stipulated amount.

4.2 The interest free Security Deposit shall only be accepted from a scheduled/nationalized bank. A Bank Guarantee from a co-operative bank shall not be accepted.

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4.3 The Concessionaire agrees and acknowledges that the Airports Authority of India shall not be liable to pay any interest on the Security Deposit.

5. Gestation Period:

5.1 "Gestation Period" for each location shall mean a period commencing on the Access Date in respect of each location as part of Concessioned Premises and expiring on the 61st day from Access Date of such location or commencement of business on that location whichever is earlier, unless extended in writing by the Authority.

5.2 The Gestation Period of sixty (60) days is a Concession Fee Holiday Period. However, it is expected that the Concessionaire within this period completely installs outlets as per approved Concessionaire Managed Locations Layout Plan.

5.3 The Concessionaire however would be permitted sample marketing during this Gestation Period and would be liable to pay the proportionate Concession Fee for the actual Concessioned Premises area put to use without having any effect on the Concession Fee Commencement Date.

5.4 The Concessionaire however would not be entitled any Resurrection Period if the relocation of an Original Location to an Alternate Location has been permitted by the Authority upon the written request made by the Concessionaire.

6. The concessionaire can seek and, at the discretion of the Authority, may be provided additional space/premises ("Additional Concessioned Premises") subject to operational feasibility on payment of additional applicable Security Deposit and additional applicable QMG, as per the RFP (Tender ID No 2021_AAI_68249_1) and the Concession Agreement. The provision of such Additional Concessioned Premises would however cease on or before the Concession Term expiry date.

7. The Capital Expenditure shall be applicable as per the RFP (Tender ID No 2021_AAI_68249_1).

8. In addition, all the terms and conditions enumerated in the RFP (Tender ID No 2021_AAI_68249_1) and the Concession Agreement and its Corrigenda shall form part and parcel of the Letter of Intent of Award.

9. In addition, all the terms and conditions with specific reference to the "Operation and Maintenance" enumerated in the RFP (Tender ID: 2021_AAI_68249_1) shall be applicable.

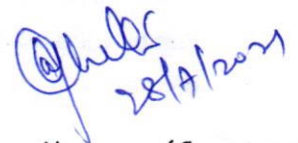
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10. The concessionaire shall procure all Applicable Permits under Applicable Laws which are required to execute and perform the Agreement and submit copies thereof to Authority as per provisions of RFP (Tender ID No 2021_AAI_68249_1).

11. The acceptance of the above terms and conditions must be forwarded to this office within 07 days of receipt of this LOIA. In the event the duplicate copy of the LOIA duly signed by M/s Travel Food Services Private Limited is not received by the stipulated date, then as per RFP (Tender ID No 2021_AAI_68249_1), Airports Authority of India may, unless it consents to extension of time for submission thereof, appropriate the Earnest Money Deposit (EMD) by M/s. Travel Food Services Private Limited as Damages on account of failure of M/s Travel Food Services Private Limited to acknowledge the LOIA.

Yours sincerely



Senior Manager (Commercial)
For Airport Director