



Ref: AAI/VZ/COMML/Branded Mens Wear/38/2021

Date: 23.12.2021
By Mail/Speed Post

To

M/S CREDO BRANDS MARKETING PVT. LTD.,
B-8, MIDC CENTRAL ROAD MAROL NEXT TO MIDC POLICE STATION,
ANDHERI (EAST), MUMBAI – 400 093.

Sub: - Letter Of Intent to Award (LOIA) for operating Branded Men's wear outlet at 1st Floor, Domestic SHA of Visakhapatnam Airport. (Tender ID No.2021_AAI_88282_1)- reg

Reference is invited to your Technical Bid vide above tender ID opened on 29.07.2021, subsequent Financial Bid opened on 14.08.2021 in respect of above cited license. It has been decided by the Competent Authority to accept your bid and award the license for the subject facility on the following terms and conditions:

1. The award of license shall be for a period of 01 (One) year [extendable by another 6 (six) months] or till finalization of Master Concessionaries for General Retail whichever is earlier w.e.f **25.12.2021** with an area of approximately 17.00 sqmtrs at 1st Floor, Domestic SHA of Visakhapatnam Airport. However, location may change due to operational requirement.

2. The License Fee of Rs 1,20,000/- (Rupees One lakh and twenty thousand only) per month plus applicable charges and taxes to be payable to AAI during the period of license. In addition to License fee, CAM charges @ 10% of the normal space rent (present space rent is Rs.1,250/- per sqmtr/month subject to annual escalation @7.5% every financial year) for the counter area/shop area shall be payable by the licensee.

Note: No CSS scheme is applicable for the present contract as per existing guidelines.

3. The Licensee shall not surrender the subject license before the expiry of 6 (six) months i.e., 50% of the period of license, failing which the licensee shall be debarred from participating in any of AAI's tenders for a period of 1 (one) year and also applicable other terms & conditions as per exit clause of NIT.

4. AAI will raise bills on or before 10th of every month and the licensee has to pay the bill on or before 25th of every month, failing which interest on delayed payment at the rate of 9% per annum shall be charged from the due date for delay period of up to 30 days, then interest at the rate of 18% per annum shall be charges from the due date, for entire delay period, without prejudice to Authority's other rights aid remedies.



5. The licensee shall be required to submit Security Deposit of Rs. 5,77,000/- equivalent to 4 (four) months 1st year license fee (including utility charges @ 10% on space rent and amount equivalent to GST @ 18%) in the form of RTGS/Demand Draft/Bank Guarantee from Scheduled/Nationalized Bank in favour of Airports Authority of India, payable at Visakhapatnam with claim period of 180 days. The Licensee shall also be required to submit Security Deposit for Electricity charges i.e. Rs. 72,000/- (Rupees Sixty-six thousand only) in the form of RTGS/Demand Draft only.
6. It may be noted that the EMD may be forfeited and you may be debarred from further participation in AAI's tenders for a period of 1 (one) year on account of non-completion of the following:
- a) Acceptance of offer within 7 days from the date of issue of award of letter.
 - b) Payment of Advance License fee for one month of Rs.1,44,108/- (Rupees One lakh forty four thousand one hundred and eight Only) including utility charges and GST @ 18% in the form of RTGS/DD in favour of Airports Authority of India, payable at Visakhapatnam within 15 days from the date of issue of award of letter.
 - c) Submission of Security Deposit of Rs 5,77,000/- in the form of RTGS/DD/BG & Electricity Deposit of Rs 72,000/- in the form of RTGS/DD within 15 days from the date of issue of award of letter.
 - d) Execution of license agreement on non-judicial stamp paper of Rs.500/- Govt. of Andhra Pradesh within 15 days the date of issue of award of letter.
 - e) Depute any authorized representative for the joint measurement within 15 days from the award letter. The joint measurement shall from part of agreement. If the party fails to depute any authorized representative for the measurement within 15 days then AAI representative shall conduct the measurement and inform the party that the same will be forming part of agreement and will be binding.
7. The licensee shall not damage the premises or any part of the Airport Premises. In the event of any damage being caused intentionally or otherwise, AAI shall be entitled to repair the damage or make the requisite replacement and call upon you to replace or reimburse the cost thereof for which you shall have to pay forthwith on demand. In addition, AAI in any way will not be held responsible for any theft/pilferage etc. You shall have to make/provide necessary security arrangement for safety / security of the belongings at your own cost.
8. That the authority reserves to itself the right to change the location of the premises at any time and may at its discretion to call upon the Licensee to vacate the site and may give alternative premises for the purpose of this license. In such a case, the licensee shall be bound to vacate the premises immediately and accept the said alternate premises. The entire expenditure on such shifting shall be borne by him and the licensee shall not be entitled to claim any compensation or revision in the license fee on that score.



9. The license can be terminated by either side, by giving 30 days' notice in writing. However, Airports Authority of India can terminate the contract on short notice, on grounds of unsatisfactory performance of passengers/users complaints. In such an event, licensee shall vacate the premises and handover peaceful possession of the licensed premises to AAI without claiming any compensation or raising any dispute.

10. The licensee shall be required to meet all statutory taxes/levies to the Central/state/local bodies as prescribed, if any, failing which AAI may exercise its option to settle, on licensee's behalf and recover the amount from the licensee. No claim in any respect regarding his property/goods shall be entertained by AAI.

11. The Licensee shall make arrangements to obtain appropriate insurance cover in respect of all properties/goods, if any, proposed to be stored or used by the licensee.

12. AAI reserves the right to grant license for similar facilities in the same/ different locations of the airport and enter separate commercial agreements with other firms/individuals and licensee shall have no objection for the same.

13. Following acts of licensee shall also be construed as grounds for Termination of contract:

- (a) Unsatisfactory performance.
- (b) Non-payment of dues/ partial payment of dues.

14. All other terms and conditions which are specified in the tender documents, shall also form an integral part of the license agreement.

15. Business Incubation Period: - 15 days of Business Incubation period from the date of issuance of LOIA shall be applicable for completing post award facility by the licensee such as Award acceptance, submission of SD/BG, execution of agreement, taken over the site, submission of security clearance documents to BCAS etc.

16. Agreement is to be executed on a non-judicial stamp paper of Rs.500/-Govt. of Andhra Pradesh and submission of the same to this office along with the photograph of authorized signatory, copies of the award letter shall form an integral part of the license agreement and Notice Inviting Tender terms & conditions.

17. GST and Cess as applicable from time to time is payable by the licensee.

18. The licensee shall undertake to pay the full amount of licence fee / dues regularly as per the award / agreement and perform all the covenants of the agreement even he/they have requested for appointment of Arbitrator and / or during the course of arbitral proceedings.

19. Being an existing licensee for the same facility in the same place, M/s Credo Brands Marking Pvt. Ltd. is not entitled to any gestation period. This award of new license comes into effect immediately after the expiry of the existing license i.e w.e.f



25.12.2021. However, the successful tenderer shall be required to submit Security Programme as per Format A & A-1 available on BCAS website <http://esahaj.gov.in> through AAI within 05 days from date of issue of award letter. Any observations regarding shortcomings in Security Programme will be communicated by RDCOS and if compliance report is not received by BCAS, it will be presumed that the concessionaire is unwilling or unable to meet the shortfall and the application for approval will be deemed to be cancelled. AAI, Visakhapatnam will not responsible for delay in getting security clearance from BCAS.

20. Water charges (if applicable)/Electricity charges are payable as per actuals. Electricity/Water meters, as applicable, shall be arranged by the licensee and got installed with concerned department of AAI.

21. Only bare space shall be provided by AAI and the fabrication of the counter has to be done at your own cost. The structure/counter for the purpose is to be erected by the licensee should be as per the design, drawing and specification approved by AAI at the cost of the licensee. Any aerial / ground occupation in addition to the allotted space is chargeable on pro-rata license fee, apart from action as per agreement for unauthorized occupation.

22. This award letter and the special terms & conditions and Annexure A to F with this letter shall form the part of agreement.

23. All other terms and conditions mentioned in the NIT shall form part of this order.

Please acknowledge receipt and convey your acceptance within 7 days from the date of this award and complete the contractual formalities within the stipulated period as mentioned above.

धन्यवाद,

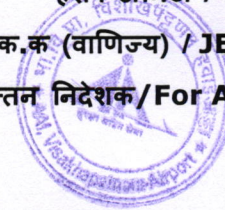
भवदीय/Yours Sincerely,

Harish 23/12/2021

हरीष अमिटी / HARISH AMITI

क.क (वाणिज्य) / JE (Commercial)

कृते विमानपत्तन निदेशक/For Airport Director



Encl: Sketch of location and Bank details copy.



प्रतिलिपि / Copy to:-

1. कार्यपालक निदेशक (वाणीज्य) भाविप्रा, राजीव गांधी भवन, सफदरजंग एयरपोर्ट,
नई दिल्ली - 110003
**The Executive Director (Commercial), Rajiv Gandhi Bhavan, Safdarjung Airport,
New Delhi – 110003.**
2. क्षेत्रीय कार्यपालक निदेशक, भाविप्रा, दक्षिणी क्षेत्र , चेन्नै
The Regional Executive Director, AAI, Southern Region, Chennai

आंतरिक / Internal copy :-

1. संयुक्त महाप्रबंधक (सिविल) / Jt. GM (Civil)	5. संयुक्त महाप्रबंधक (प्रचालन) / Jt. GM (Ops)
2. संयुक्त महाप्रबंधक (विद्युत) / Jt. GM (Electrical Dept.)	6. सहायक महाप्रबंधक (सी.एन.एस./सी.एस.ओ) / AGM (CNS/CSO)
3 सहायक महाप्रबंधक (संचार) / AGM (CNS)	7. वि.नि.के.निजी.सचिव
4. सहायक महाप्रबंधक (वित्त) / DGM (F&A)	



SPECIAL TERMS & CONDITIONS

- I. The successful bidder/licensee has to obtain prior permission from BCAS for operating the facility in restricted area (Domestic SHA) of Airport by acquiring Security Clearance from BCAS before commencement of operations/ within gestation period. The successful bidder has to apply through e-SHAJ (Security clearance online portal). AAI, Visakhapatnam will not responsible for delay in getting security clearance from BCAS.
- II. The Licensee shall not erect or display any advertisement or signboards except after obtaining the prior approval in writing of the Authority.
- III. Space shall not be used for any purpose other than for which it has been awarded.
- IV. The items should not be charged more than the printed MRP i.e. No extra charges shall be levied over & above such price list/MRP.
- V. Licensee shall provide proper furniture suitable for Airports environment.
- VI. Licensee shall make provision for waste baskets which shall be periodically cleaned. However, cleaning the premises handed over to the licensee for this service is the responsibility of the licensee.
- VII. No Alcoholic Beverages shall be served. Tobacco products shall not be sold. Smoking is strictly prohibited. "NO SMOKING" signage's may be prominently displayed at the Entrance of outlet.
- VIII. Licensee shall keep the area given to him in clean and orderly condition to the satisfaction of the Authority and it shall be lawful for any of the officers of the authority to enter upon and inspect the area for ensuring compliance of the same.
- IX. As per the orders of Govt. of India, plastic free environment is to be developed in and around Airport premises. Accordingly, the licensee shall not be permitted to carry / use any kind of plastic items like spoons/forks/packing/cups/bags/wrappers etc., and also services to passengers by using plastic bags. The licensee shall use only bio-degradable products for packing and service to passengers inclusive of all items. In case if it found to be violated a penalty of Rs.500/- per violation will be charged.
- X. The Licensee and his agents and servants shall observe, perform and comply with the provision of any law including any rules and regulations of any local authority in force time to time.
- XI. The licensee shall strictly comply with the safety norms of AAI and as per rules and regulations of BCAS Security
- XII. The licensee shall strictly comply with the rules and regulations of the various labour enforcement officials.
- XIII. For the purpose of this contract, AAI may issue entry passes to the personnel engaged subject to the verification of their Character and Antecedents by Police and AAI shall have the sole discretion to withdraw such passes, if considered necessary.
- XIV. That the authority shall not be responsible in any way for the loss or damage by any means caused to the licensee's men or property. Licensee shall be responsible for all safety devices for his service. AAI shall not be responsible for



any claim from any one on account of loss, injury etc., caused due to incident/accident or malfunctioning of their materials. Licensee shall be solely responsible for any such losses/claims.

- XV. Licensee shall fix the Electricity Meter at your own cost.
- XVI. All taxes, levies and duties payable under this license would be the Licensee's liability and he/she/they shall be liable and responsible for payment of all income and other taxes and duties which may be levied by Authorities on the earnings under this license. Licensee shall also be liable to pay all assessments/charge license fees and expenses, in connection with his/her/their right to use, as may be assessed or demanded in this respect by Municipal or other authorities. Licensee shall keep and will continue to keep AAI indemnified and harmless against any claim or liability that may arise in this regard.
- XVII. The licensee shall indemnify and keep harmless the Authority from any loss liability claim or damaged that may be sustained by any person or cause to any property or which may otherwise occur, in connection therewith by reason of operating this licence.
- XVIII. No structural alternation and addition are to be made in the space allotted without prior written consent from Authority.
- XIX. As per the terms and conditions of this agreement, The Licensee shall be responsible for any infringement of copy right/trade mark rights and the Authority shall not be responsible for any liability of this account.
- XX. Any aerial / ground occupation in addition to the allotted space is chargeable on pro-rata license fee, apart from action as per agreement for unauthorized occupation. In case of reduction / increase in area due to change of location / operational needs (as per requirement of AAI) during the currency of license, additional license fee shall be reduced / increased proportionately.

(SIGNATURE OF LICENSEE)

**Annexure-B****BANK DETAILS FOR RTGS**

Particulars	Details
Vendors' name	AIRPORTS AUTHORITY OF INDIA
Particulars of Bank account	
Name of the Bank	STATE BANK OF INDIA
Name of the Branch	AIRPORT VISAKHAPATANAM
Address of the Branch	AIRPORTS AUTHORITY OF INDIA CIVIL ENCLAVE, VISAKHAPATNAM-530009
Account number (as appearing on the Cheque book)	00000030995490317
9-Digit code number of the Bank and Branch appearing on the MICR Cheque	530002040
Enabled for NEFT (Yes/ No) (To be confirmed from the Bank Branch)	YES
11-Digit NEFT IFS code number of the Bank Branch(to be obtained from your Bank Branch)	SBIN0010373
Type of account (current or Cash Credit) Current (code 11) Cash Credit (code 13)	CA-GEN-PUB-IND-NONRURAL-INR



Annexure-C

FORM OF BANK GUARANTEE

(To be executed on Non-Judicial Stamp Paper of Rs.500 / - by the successful tenderer)

WHEREAS by a License Agreement dated_____made between AIRPORTS AUTHORITY OF INDIA, the Licensor (hereinafter called "the AUTHORITY) of the one part and _____ (here in after referred to as "the Licensee") of the other part, the Authority has granted to the Licensee the license for operating the_____(complete name and place of work) and the License Fee and Royalty and other charges and for the due and performance of the covenants and conditions as stated or contained in the said License Agreement.

1. Now therefore in consideration of the promises aforesaid and the at the request of the licensee we,do, hereby irrevocably and unconditionally undertake to pay to you, the Authority on demand and without demur or protest and without reference to the Licensee, any sums of money at any time or from time to time demanded by the Authority on account of the License Fee and Royalty and other outstanding dues / charges due from the Licensee (inclusive of any costs or expenses and interest) and or by way of losses and damages caused or that would be caused to the Authority by reason of any breach by the Licensee of any of the terms or conditions of the said License Agreement and AAI shall be the sole judge for this demand: PROVIDED that our liability under this Guarantee shall be limited to a sum of (Rupees...../USD.....) and extended for the amount increased from time to time as aforesaid.
2. Notwithstanding any right the Licensee may have against the Authority or any dispute raised by the Licensee or any suit or proceedings pending in any Court / Tribunal/ any statutory authorities relating thereto or before any Arbitrator(s), your written demand stating that the amount is due to the Authority as stated herein above shall be conclusive evidence to us that the amount demanded by you, the Authority is payable under the terms



of the said License Agreement without any consent or knowledge of the licensee.

3. We shall not be discharged or released from the aforesaid undertaking and guarantee by any variation(s) or any of the terms & conditions of the said License Agreement made between the Authority and the Licensee and or any act of omission on part of AAI or any indulgence to the Licensee by the Authority or any forbearance whether as to payment, time performance or otherwise or to enforce any of the terms and conditions of the said License Agreement without our consent and knowledge.
4. This Guarantee shall be a continuing guarantee and binding on us and our successors and assignee(s) and shall not be discharged or affected by any change in the constitution of _____ or that of the Licensee or the Authority.
5. We further confirm that the Guarantee has been issued with due observance and compliance of the appropriate Exchange Control laws and Foreign Exchange Regulations and applicable laws as in force in India.
6. This Guarantee shall be valid till _____ and you have the right to encash this Guarantee up to _____ from the said date unless extended on demand by AAI.

NOTWITHSTANDING anything contained herein:

- i. Our liability under this Guarantee shall be limited to a sum of _____ during the currency of the contract and 6 months (180 days) thereafter.
- ii. This bank guarantee shall be valid up to _____ and you have the right to encash this guarantee up to 180 days from the said date.
- iii. We are liable to pay the guarantee amount or any part thereof under this bank guarantee amount or any part thereof under this bank guarantee only and if you serve upon as a written claim or demand on or before _____.

For Bank name

Dated:

Place:

Witnesses:



Annexure-D

**(Letter of understanding from the Depositor to be submitted
along with Bank Guarantee to AAI)**

The Branch Manager,
..... Bank,
.....

Sub: My/Our bank Guarantee No.dated.....for Rs
Issued in favour of s AAI A/c No.....

Sir,

The subject Bank Guarantee is obtained from your branch for the purpose of Security/Earnest money on account of contract awarded/to be awarded by M/s Airports Authority of India to me/us.

I hereby authorize the AAI in whose favour the deposit is made to encash/close the subject bank guarantee before maturity/on maturity towards adjustment of dues without any reference/consent/notice from me/our side and the bank is fully discharged by making the payment to Airports Authority of India.

Signature of the
Depositor

Place:

Date:



Appendix I of Annexure-E
Guidelines for BG Verification through SFMS of ICICI Bank
(For successful bidders only)

1. Prospective successful bidder has to submit BG(PBG/BG-SD/FBG) in accordance with the following bank details.
CORPORATE NAME : **AIRPORTS AUTHORITY OF INDIA**
BANK NAME : **ICICI BANK**
IFSC CODE : **ICIC0000007**
BG ADVISING MESSAGE : **IFN 760COV (BG ISSUE)**
IFN 767COV (BG AMENDMENT)
UNIQUE IDENTIFIER CODE : **AAIVISAKHAPATNAM**
2. While submitting the documents to BG issuing bank, the vendor/ customer/ concessionaire will also submit letter to the issuing bank as per the format mentioned in the Appendix- II.
3. Based on the above inputs from the vendor/ customer/ concessionaire, the BG confirmation message through SFMS will be triggered to the beneficiary bank i.e ICICI bank and on the basis of unique identifier code, the BG confirmation mail will be received at AAI, Visakhapatnam.
4. While submitting the original BG document, the vendor/ customer/ concessionaire has to compulsorily attach copy of the SFMS BG confirmation message sent by the BG issuing bank to ICICI bank.

Advisory: For Applicant and its BG issuing Bank Branch

It is to be noted that along with physical BG; AAI has also activated an online facility to view the issued BG cover message transmitted to ICICI Bank through SFMS platform.

- For availability of BG in this platform, it is necessary that BG issuing/ amending bank send the BG advice in the form of message format **IFN 760COV (BG Issuance) / IFN 767COV (BG Amendment)** via SFMS (Structured Financial Messaging System) as provided by RBI.
- In the event of BG issuing/ amending bank not sending the message IFN 760COV/ IFN 767COV or committing any error while capturing the details at least in the below field, BG confirmation through online portal would not be updated.

Request you to notify your bank (BG issuing bank) to update below details at time of submission of BG issuance/ amendment request to their respective banks:

BG Advising message – **IFN 760COV/IFN 767COV** via SFMS

IFSC CODE: **ICIC0000007**

Corporate Name – **Airport Authority of India**

UNIQUE IDENTIFIER CODE: **AAIVISAKHAPATNAM**

Email: **bgv.visakhapatnam@aai.aero**

Field Number	Particulars (to be mentioned in Row 1)
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7037	AAIVISAKHAPATNAM
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Note: Please note that the issuing bank while issuing/amending the BG, should ensure that the above information is correctly captured in the message i.e. IFN 760COV/ IFN 767COV.



Appendix II of Annexure E

Request Letter: Transmission of Bank Guarantee Cover Message <to be submitted by applicant to BG issuing bank>

Date: _____

The Manager,

(Bank),

(Branch)

Sub: **Inclusion of unique identifier code of AAI while transmitting BG cover messages where beneficiary bank is ICICI Bank (IFSC – ICIC0000007).**

Dear Sir/Ma'am,

I/We, _____, request you to include unique identifier _____ in field 7037 of the SFMS cover messages IFN COV 760 (for BG issuance) and IFN COV 767 (for BG amendment) while transmitting the same to the beneficiary bank (ICICI Bank- IFSC- ICIC0000007).

Thanking You,

(Vendor/Customer/Concessionaire)



Annexure-F

LAY OUT

