



भारतीय विमानपत्तन प्राधिकरण AIRPORTS AUTHORITY OF INDIA

No.: AAI/BA/COMML/FastFoodCafe/2021

Date: 11.01.2022

To
M/s AROON FOOD SERVICES PVT LTD,
A-113, Road No.2,
Mahipalpur Extension,
New Delhi-110037

Subject: **Letter of Intent of Award (LOIA) for License for Fast Food Cafeteria at Car Park Area outside New Domestic Terminal Building T1 Biju Patnaik International Airport Bhubaneswar.**

Dear Sir,

Reference is made to the bid submitted by M/s. AROON FOOD SERVICES PVT LTD in response to the Tender ID No. 2021_AAI_88464_1 for Fast Food Cafeteria at Car Park Area outside New Domestic Terminal Building T1 Biju Patnaik International Airport Bhubaneswar.

The Competent Authority is pleased to award Fast Food Cafeteria at Car Park Area outside New Domestic Terminal Building T1 Biju Patnaik International Airport Bhubaneswar to the H1 Bidder M/s Aroon Food Services Pvt Ltd at the designated locations mentioned in the above tender on the following Terms and Conditions:

1. General:

- 1.1 The selected Bidder **M/s Aroon Food Services Pvt Ltd** shall within **07(seven) days** of issue of this letter, return duplicate copy of the LOIA as acknowledgement of the award and submit details of designs/drawings, layout plan and related materials for each of the location as per the NIT.
- 1.2 **Business Incubation Period** shall mean a period of **15 (fifteen) days** from the date of issuance of LOIA to the selected bidder. The selected bidder will be under obligation to complete all the formalities/conditions of award as will be specified in the LOIA.

2. License Term:

The term of License of this award will be **07(seven) years** from completion of Gestation period of 30 Days or actual commencement of Commercial Operation, whichever is earlier, reckoned from the date of handing over of sites.

3. License Fee:

- 3.1 The Licensee shall in consideration of the **License** granted by Airports Authority of India, pay to the Airports Authority of India, **License Fee of Rs 52,788/- (Rupees fifty two thousand seven hundred and eighty eight only) per month plus utility charges and taxes as applicable.**
- 3.2 The License Fee shall be subjected to annual escalation as per the provisions laid down in the NIT. The first annual escalation will be applicable after completion of one year plus six months license period. Thereafter the same will be applicable after completion of subsequent one year period there from. In case extension in gestation period is given due to whatsoever reason, the date of first escalation period shall be reckoned from the original date of commencement of contract (i.e. commencement date had there been no extension in gestation period).
- 3.3 **Advance License Fee:**
The Licensee shall pay one month Advance License Fee within **07(seven) Days** from the date of issuance of LOIA as given below:

License Fee

Rs 52,788/-

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Utility Charge (@Rs 830/- for 34 sqm) (10% on Space rent @ Rs 830/- per sq.mtr. per month)	Rs 2822/-
Total =	Rs 55,610/-
GST @ 18%	Rs 10,010/-
Grand Total =	Rs. 65,620/-
Rupees sixty five thousand six hundred and twenty only	

- 3.3 AAI shall raise bill on or before 10th of every month. The Licensee has to make the payment of License Fees etc. by 25th of the same 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 and if delay is for more than 30 days, then interest at the rate of 18% per annum shall be charged from the due date, for entire delay period.
- 3.4 The licensee is also liable to pay **Rs 1250/-** per sq mtr pm towards AC space rent (if applicable) and **Rs 830/-** per sq mtr pm towards Non AC space rent (if applicable) in addition to the above said license fee for year 2021-22. The licensee is also liable to pay utility facilitation charges @ 10% of Space rent. Such charges shall be paid within the date(s) specified in the bill(s). **The space rents shall be escalated as per AAI policy issued from time to time.**
- 3.5 The Licensee is also liable to pay all charges towards consumption of electricity and water as may be due as determined by the Authority and at the rate(s) fixed by it from time to time in addition to the above said license fee. Such charges shall be paid within the date(s) specified in the bill(s). The Licensee shall have to provide his own meter(s) for the purpose, failing which Licensee shall be billed on assessed consumption. In default of payment of said charges, the Authority may without prejudice to its other rights disconnect or cause to be disconnected the water and electricity to the said premises without any notice and the Licensee shall not be entitled to any compensation whatsoever on account of any such disconnection.
- 3.6 No reduction in license fee will be entertained by AAI at any stage for whatever reasons.
4. **Area: 34 square meters.** Indicative locations have been shown in **APPENDIX 2 & 3** of the NIT.
5. **SECURITY DEPOSIT:** That the licensee shall deposit **within 15 days from the date of issuance of this award letter,** a sum of **Rs 4,44,880/- (Rupees Four lakh forty four thousand Eight hundred and eighty only)** i.e. an amount equal to **08** months of license fee as an interest free Security Deposit in the form of Bank Guarantee from a Nationalized/ Scheduled Bank (Bank Guarantee from Co-operative Banks, even scheduled co-operative banks, shall not be acceptable) in favour of Airport Director, AAI, BHUBANESWAR Airport. **Bank Guarantee should be valid for the entire period of license plus six (06) months.** In the event of the Licensee committing any breach of the terms & conditions of the license agreement, the Authority may without prejudice to other rights and remedies be entitled to forfeit the Security Deposit or any part thereof. In Such an event the licensee shall pay in the same manner as stated above such additional sum immediately as he may be called upon by the Authority to pay, so that the Security Deposit shall at all times during the continuance of these presents, be for the same amount. On the expiration or earlier determination of the license the Authority shall return the Security Deposit or part thereof which has not been forfeited as aforesaid, to him, without interest.



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- 5.2 **Electricity Security Deposit:** The Licensee shall also deposit an interest free security deposit towards **Electricity charges**, A sum of **Rs 31,673 /- (Rupees thirty one thousand six hundred and Seventy three only)** i.e. an amount to 5% of annual license/License value for the last year as Security Deposit in the form of Bank Guarantee.
6. **Handing Over of Sites:**
- 6.1. Sites will be handed over to the selected bidder upon fulfillment of conditions of award within the stipulated time of business incubation period.
- 6.2. If the Licensee fails to complete the conditions of award which are pre-requisite for handing over of site, then the gestation period will be deemed to have commenced immediately after expiry of business incubation period. However, actual handing over of sites shall only be done after completion of all conditions of award.
7. **GESTATION PERIOD:**
- 7.1 A Gestation period of **Thirty (30) Days** or actual commencement of Commercial Operation, whichever is earlier, reckoned from the date of handing over of sites shall be permissible. If the Licensee fails to complete the conditions of award which are pre-requisite for handing over of site, then the gestation period will be deemed to have commenced on the day immediately after expiry of business incubation period. However, actual handing over of sites shall only be done after completion of all conditions of award.
- 7.2 It may be noted that the Earnest Money Deposit of the successful bidder may be forfeited and the bidder shall be liable to be debarred for further participation in AAI's tender(s)/e-tender(s) for a period of ONE (1) year, on account on non-completion of Commencement of the facility within gestation period.
8. **Agreement:**
- 8.1 The agreement between the Licensee and AAI shall be completed within **15 (fifteen) days** from the date of issuance of award letter (on Stamp paper of appropriate value, related costs to be borne by the licensee). The Licensee shall execute an agreement in duplicate on non-judicial stamp paper of the state where the airport is situated as per applicable stamp duty, shall be procured by the agency each. Two copies of recent and attested passport size photographs of authorized signatory are to be submitted together with agreement of the license.
- 8.2 It may be noted that the Earnest Money Deposit of the successful bidder may be forfeited and the bidder shall be liable to be debarred for further participation in AAI's tender(s)/e-tender(s) for a period of ONE (1) year, on account of non-completion of Execution of the Agreement within 15 days from the date of issuance of award letter.
9. **Joint Measurement:**
- Joint measurement of the area shall be conducted by the AAI and the party at the time of handing over/ taking over of possession, which shall in any case not exceed beyond the prescribed period of handing/taking over of sites. **The joint measurement shall form part of the agreement.**
10. That the Licensee shall equip itself with all necessary permits, licenses and such other permissions as may be required under the law in force at any time with regard to the operation of the subject license.
11. The Licensee shall use the premises for the bona fide purpose as provided in the Agreement, more particularly described in the enclosed schedule, for the use of all



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- passengers and bona fide visitors to the Airport and Officers of the Authority and the staff of various Airlines using the Airport and for no other purpose.
12. Licensee shall operate the subject facility by charging the rate from users, as may be approved in advance by the Authority. Licensee shall exhibit the said approved charges at a conspicuous place inside the licensed premises.
 13. The Licensee shall not erect or display any advertisement or signboards except after obtaining the prior approval in writing of the Authority.
 14. (a) The Licensee shall not, unless with the written consent of the Authority, create a subcontract of any description with regard to this license or any part thereof, nor shall be without such written consent as aforesaid, assign or transfer his license or any part thereof.
(b) The Licensee shall use the premises only for the purpose indicated in this agreement and for no other purpose whatsoever.
 15. The licensee must necessarily operate the contract for **minimum 50% of the total period** of the contract, failing which the licensee may be debarred from participating any tender in AAI for minimum period of 01 (one) year.
 16. It would be the responsibility of the licensee to obtain all necessary security clearance from BCAS/any other regulatory agency as required.
 17. The successful bidder is requested to fulfill the conditions specified in the Letter of Intent of Award (LOIA) to the satisfaction of Authority (unless any of the conditions are waived in writing by Authority).
 18. The licensee must ensure the billing through E-POS on his own cost. The licensee will share sales data with AAI on regular intervals.
 19. The licensee shall ensure various options of digital payment like card payment, UPI etc.
 20. **The award letter, its acceptance, and the NIT conditions shall form part and parcel of the license agreement.**

Yours sincerely

Dr P.R. Beuria
(Airport Director)