



भारतीय विमानपत्तन प्राधिकरण

AIRPORTS AUTHORITY OF INDIA

CL-13024/3/2020-APD-CHENNAI 96

03.02.2022

Speed Post/ Email

Buddy Retail Private Limited,
Regd. Office: 1402, Tower-15, Vipul Greens,
Sohna Road, Sector-48, Gurgaon – 122002.

Subject: Letter of Intent to Award (LoIA) “License to Build/Renovate, Operate and Maintain Smoking Lounge and Sales Kiosk” at (05) locations of Chennai Airport.

Reference: Notice Inviting e-Tender (NIT) with e-Bid no. 2021_AAI_98141_1 dated 14.12.2021.

Sir,

Reference is made to your bid against the tender inviting notice floated by AAI Chennai Airport on the above subject in CPP Portal on 14.12.2021 with Tender ID No. 2021_AAI_98141_1 .

The Technical and Financial bid of the subject tender was opened on 06.01.2022 and on 19.01.2022 respectively wherein you have emerged as the H1 bidder. In this regard, approval of the Competent Authority is hereby conveyed to grant the License in your favour as per the following terms and conditions: -

1	License	License to Build/Renovate, Operate and Maintain Smoking Lounge and Sales Kiosk at Chennai Airport.
2	Business Incubation Period	Thirty (30) days from the date of issuance of LoIA. All formalities/conditions of award as specified herein are to be completed within the Business Incubation Period in the order mentioned herein: 1) Payment of outstanding dues at all AAI controlled airports pertaining to the period till the date of issuance of LOIA. 2) Acceptance of LOIA within seven (07) days from the date of issuance of the LOIA. The acceptance letter must declare the clearance of all outstanding dues as mentioned above. 3) Furnishing Security Deposit as specified in para-7 of LOIA within 15 days from the date of issuance of LOIA.



		4) Payment of advance License Fee for one month plus applicable taxes within 15 days from the date of issuance of the LOIA 5) Execution of license agreement as per Annexure-A of NIT within 15 days from the date of issuance of LOIA.
3	Handing over of sites	On Completion of all the formalities mentioned in Para No.2 above
4	Gestation period	One Hundred and Twenty (120) days for the locations in SHA and Ninety (90) days for the locations in Check In area or Commencement of facility, whichever is earlier, from the date of handing over of sites. In case of failure to complete formalities of Business Incubation period, gestation period will be deemed to have commenced on thirty first (31 st) day from the date of issuance of LOIA. However, sites shall be handed over only after completion of formalities of Business Incubation Period.
5	Period of concession	Five (05) years from the date of commencement of facility or completion of Gestation period, whichever is earlier.
6	License fee	1. Rs. 8,01,000/-per month (Rupees Eight Lakh and One Thousand only) per month plus applicable taxes subject to escalation as per Clause 4 of NIT. 2. Applicable Space rental for allotted Kiosk of 02 Sq.m which should be placed near to the Smoking Lounge. Presently normal notified AC space rent is Rs. 3000/- per sqm. per month for FY 2021-2022. Further the rates are subject to annual escalation @ 7.5% compounding on 1st April of every year or as may be notified by AAI from time to time. 3. Utility/ Facilitation Charges at 10% of normal space rent (or as may be notified by AAI from time to time) for the total allotted area including smoking lounge(s) and Kiosk area of 02 Sq.m each. 4. All applicable Government Taxes, including GST (presently at the rate of 18%) or at the rates declared by Government of India or State Government from time to time. 5. Charges for the consumption of the electricity and water consumed for the purpose of use of the said license as becomes due and payable and in accordance with the directions of the Authority and at the rates as fixed by AAI from time to time

Handwritten signature and date: 03.02.22



7	Security Deposit (Non-Interest Bearing)	Rs.61,00,000/- (Rupees Sixty-One Lac only) towards License Fee, Space Rent, Utility etc. Rs.6,10,000/- (Rupees Six Lacs Ten Thousand Only) towards security deposit in respect of electricity charges. Total =Rs.67,10,000/- (Rupees Sixty-Seven Lacs and Ten Thousand Only). Mode: RTGS/NEFT/Bank Guarantee. If Bank Guarantee is submitted, bank guarantee should be from a nationalised/scheduled bank. Bank guarantee from co-operative banks, even scheduled co-operative banks, shall not be acceptable
8	Advance license fee	Rs.10,16,865/- (Rupees Ten Lacs Sixteen Thousand Eight Hundred and Sixty-Five Only). (License Fee - Rs.8,61,750+ GST -Rs.1,55,115)
9	License agreement	Execution of license agreement (as per NIT) on stamp paper of Rs.100/-. All related costs to be borne by the licensee.

10. Please note that non-acceptance of award or non-completion of the above formalities within the time stipulated herein may result in **forfeiture of Earnest Money Deposit and/or debarment for further participation in the tenders at AAI airports or at any other place in control of AAI for a period of one (01) year.**

11. Please note that the Locations of Smoking Lounge and Sales Kiosk facility are as follows:

S. no.	Location	Smoking Lounge Area (Sq.mtr.)	Sales Kiosk Area (Sq.mtr.)
1.	Domestic Terminal (T-1) - Security Hold Area Bus Lounge - Left Side	18.5	2
2.	Domestic Terminal (T-1) - Security Hold Area Bus Lounge- Right Side	18.5	2
3.	Domestic Terminal (T-1) – Check-In Area - Left Side	18.5	2
4.	New International Departure Terminal (T-4) – Security Hold Area Bus Lounge	18.5	2
5.	New International Departure Terminal (T-4) Check-In Area- Right Side	18.5	2

*Please note that New International Terminal (T2), (Phase-I) is under construction and likely to be completed by March 2022 and International operation will be shifted from T4 to T2. In that case, licensee have to shift its Smoking Lounge and Kiosk facility from T4 to T2 without any cost to AAI.

Signature
03.02.22



12. Above mentioned values and Locations are indicative and approximate in nature. AAI reserves the right to fix additional locations for smoking lounge & sales kiosk facility. In such case, the scope of license shall include the additional Location(s) too. The license fee shall be subject to a pro-rata increase based on the area of smoking lounge & sales kiosk. Further terms and conditions regarding Locations as per NIT shall be applicable.

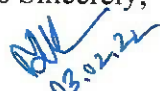
13. **The licensee should ensure strict compliance of COTPA Act 2003 and any amendments in the act.**

14. AAI reserves the right to amend this LOIA by subsequent letters.

15. All other terms and conditions as per NIT shall be applicable.

16. All the above conditions shall form part of the agreement.

Thanking you,

Yours Sincerely,

03.02.22

(M. SELVANAYAGAM)
Jt. GM (Commercial)
For Airport Director
Chennai Airport, AAI.