



# भारतीय विमानपत्तन प्राधिकरण AIRPORTS AUTHORITY OF INDIA

Ref: AAI/MDU/C-115/

Dt : 05-09-2022

**By Speed Post**

To

M/s. Spiffy Clean,  
277, Poonga Nagar,  
Civil Aerodrome Post,  
Coimbatore - 614 014.

Sub: Award of License - "Baggage Wrapping Services" in Departure area at Madurai Airport.

Ref: Your E-Tender for the above contract at Madurai Airport.

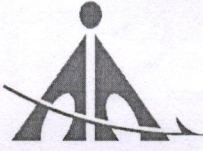
Sir,

Competent Authority is pleased to award the License for the facility of "Baggage Wrapping Services" in Departure area at Madurai Airport with the area of 05 sqm for a period of Five (05) years, subject to the following terms and conditions:

1. The licensee shall pay to AAI
  - a. (i) Royalty @20% of GTO per month, or  
(ii) License fee @ Rs. 1,17,999/- per month for the first year subject to rate of escalation as per the details given below :  
Whichever is higher, to be paid on monthly basis.
  - b. License Fees shall be subject to annual escalation of 10%.
  - c. The first annual escalation will be applicable after completion of one year + six months license period. Thereafter the same will be applicable after completion of subsequent one-year period there from. Even if, on account of any delay whatsoever, licensee could not commence business operations on the expiry of gestation period stipulated in NIT, for the purpose of calculation of date on which 18 months of license period completed (date on which first escalation is applied) shall be deemed from next day of expiry of gestation period stipulated in NIQ.
2. In addition to the Licence Fee, the Licensee shall be liable to pay:
  - a. Common area maintenance Charges @10% on applicable space rental. (At present A/C space rent is Rs.1340/- and Non-A/C space rent is Rs.890/- per sqm per month) which shall be subject to 7.5% annual compound escalation from 1st April every year or as may be decided by AAI from time to time.
  - b. 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.

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Office of the Airport Director, Madurai Airport, Madurai-22.



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- c. 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.
  - d. In addition to above, Licensee has to pay parking fee & other fee, if any, to the parking contractor, as per the terms & conditions of prevailing Car parking license at Madurai Airport.
  - e. Business Incubation period of Thirty (30) days from the date of issuance of Letter of Intent to Award. The Licensee will be under obligation during this period to complete all formalities (Submission of Acceptance, Security Deposit, Advance License Fee, Execution of Agreement and Handing / Taking over the site, etc.) and meet other obligations as will be specified in the LOIA.
  - f. Gestation period of Ninety (90) days will be permitted starting from 31st day of the date of award of LOIA or handing over / taking over of site by the licensee, whichever is earlier. License fee shall be payable from 91st day of commencement of Gestation period or actual date of commencement of business, whichever is earlier.
  - g. The licensee has to ensure all the compliances including security compliances etc. within the business gestation period itself. The licensee has to apply for BCAS security clearance through online in the website <https://esahaj.gov.in> as concessionaire or business establishment intending to work in SHA and the licensee has to submit the required document as per BCAS requirement to get the clearance.
  - h. The licensee to ensure that the Police verification/antecedents verification of the employees as per guidelines of BCAS before applying for Airport Entry Passes in favour of their employees. Charges applicable for issue of Airport Entry Passes of their employees shall be borne by the licensee. Further the Licensee must have the security programme approved by RDCOS, Chennai. For this, the licensee has to submit the Security Programme immediately as per BCAS requirement and to get the approval of their security programme within the Gestation period. This office will not be held responsible for any delay in getting the approval from BCAS. Licensee would be permitted to start the operation only after complying the security formalities. However, the quoted licence fee is payable from the date of completion of Gestation period or commencement of business whichever is earlier.
3. The licensee shall pay the advance licence fee for first month works out to Rs.1,40,029/- (L/Fee Rs.1,17,999/- + 10 % Common Area Maintenance Charges Rs.670/- + GST 18 % Rs.21,360/-). EMD amount Rs. 1,07,000/- available with AAI will be refunded on completion of formalities as per the award letter. The Licensee shall make payment of license fee etc. either by cheque/demand drafts drawn on local banks or through RTGS/NEFT. No outstation cheque shall be accepted in payment of license fee etc. In addition to the above said L/Fee, Licensee shall 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.

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*(Signature)*

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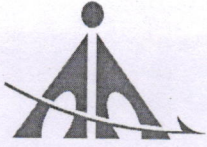
Office of the Airport Director, Madurai Airport, Madurai-22.



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4. AAI shall raise bill on or before 10th of every month. The concessionaire 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 delayed period.
5. The sketch showing the location of the "Baggage Wrapping Services" in Departure area 05 sqm is enclosed for information. Necessary power supply shall be provided by AAI. However, other arrangements such as installation of electrical fittings, wiring, and provision of electric points etc has to be made by the licensee.
6. The licensee shall pay an amount of Rs.9,10,973/- towards security deposit as per the break up details given.
  - a. The licensee shall deposit a sum of Rs.8,40,174/- i.e. an amount equal to Six (06) months of license (based on First year license fee) fee and common area maintenance charges and GST as Security Deposit.
  - b. An amount of ₹70,799/- towards Security Deposit for electricity and water etc.
7. The name of the licensee and period of contract and time of operation shall be displayed in the counter.
8.
  - a) Baggage Wrapping Charges inclusive of all statutory charges shall be Rs.300/- per baggage. The charges will be increased 5% after every three years of operations of the contract.
  - b) The Baggage Wrapping machines should be equipped with safety sensors and provision of weighing scales.
  - c) The Baggage Wrapping machines should have:
    1. Inbuilt EPoS, or
    2. The Baggage Wrapping Machine should be integrated with EPoS.
  - d) AAI IT Department or the AAI appointed third party system Auditor will conduct periodic and random audits of EPoS system.
  - e) Weekly sales transaction report in soft copy to be submitted to Airport Commercial Department.
  - f) Additionally, licensee will have to submit CA certified sales turnover certificate on monthly basis.
  - g) The EPoS should generate receipts automatically showing receipt number, net amount, GST, charges from the passenger for the baggage wrapping services.

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- h) Details of hardware and Network Architecture of E-POS and it should be non-editable and not an accounting software as defined by the manufacturer.
- i) Details of all data formats and lay-out supported by the E-POS in order to enable AAI to integrate with AAI intricacy system as defined by the manufacturer.
- j) For integration of E-POS with AAI system, if required by AAI, the vendor shall provide Application Programming interface (API) or any of the standard protocol methodologies. As and when AAI introduces any alternate superior technology, the licensee shall be liable for switching over to such protocol methodologies.
- k) Technical details about how E-POS will transact the pending transactional informal following a connection failure / outage between the E-POS and AAI system. E-POS (software) should be able to upload all transaction made during the connection failure/outage between the E-POS of the machine and AAI system automatically once the connection is restored.
- l) Auditing features provided by E-POS to ensure sale reported to AAI system are correct i.e. access to be provided to AAI for conducting surprise checks of the E-POS of the Baggage Wrapping Machines for cross-checking the accuracy of the data with that of the data transmitted to the AAI system at any given time
9. 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 the following as per clause 5 of the General Information and Guidelines of the NIQ:
- Acceptance of the offer within Seven (07) days from the date of issuance of the award letter addressed to the party.
  - Payment of advance license fee for one month within 15 days from the date of issuance of the award letter.
  - Payment of Security Deposit within 15 days from the date of issuance of award letter, amounting to 06 months equivalent Licence fee/Concession fee & Space rent & Common Area Maintenance Charges & GST of the First (01st) year to AAI as an interest free security Deposit. 50% in the form of DD/PO/RTGS/NEFT and 50% in the form of DD/PO/RTGS/NEFT or Bank Guarantee. SD to be furnished in the form of Bank Guarantee only to be issued by Scheduled Bank having a validity period of 180 days from the date of expiry of contract. However, BG from Cooperative Bank (even scheduled) or in the form of FDR is not acceptable.

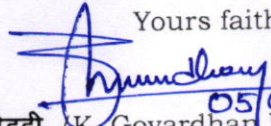
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- d. Execution of the Agreement within 15 days from the date of issuance of award letter (Stamp Duty and Agreement Registration Fees to be borne by the licensee).
  - e. Commencement of the facility within gestation period.
10. Application for issue of Airport Entry Permit for their staff along with required documents such as police verification etc. should be submitted within 10 days.
  11. The acceptance of the offer should be conveyed within Seven (07) days from the date of issuance of the award letter addressed to the party by signing and returning the duplicate copy of the award letter.
  12. The licensee is liable to obtain proper insurance coverage for their properties/goods stored or used in the licensed premises.
  13. The licensee shall obey the Central and State Govt. Labour laws in force from time to time and ensure their registration etc. as per rules.
  14. The licensee shall abide by the rules and regulation and legislation of Central and State Government on Environmental protection.
  15. The licensee is liable to implement the AAI commitments and practices on ISO 9001-2015 (Quality Management System and ISO 14001-2015 (Environmental Management System).
  16. This award letter and E-Tender is made as a part of Agreement.

Encl: Location Map

Yours faithfully,  
  
05/09/2022  
के.गोवर्धन रेड्डी / K. Govardhan Reddy  
वरिष्ठ प्रबंधक (वाणिज्यिक) / Senior Manager (Commercial)  
कृते विमानपत्तन निदेशक / For Airport Director  
के. गोवर्धन रेड्डी / K. GOVARDHAN REDDY  
वरिष्ठ प्रबंधक (वाणिज्यिक) / Senior Manager (Commercial)  
आ. वि. प्रा. मदुरै हवाई बहा / AAI, Madurai Airport

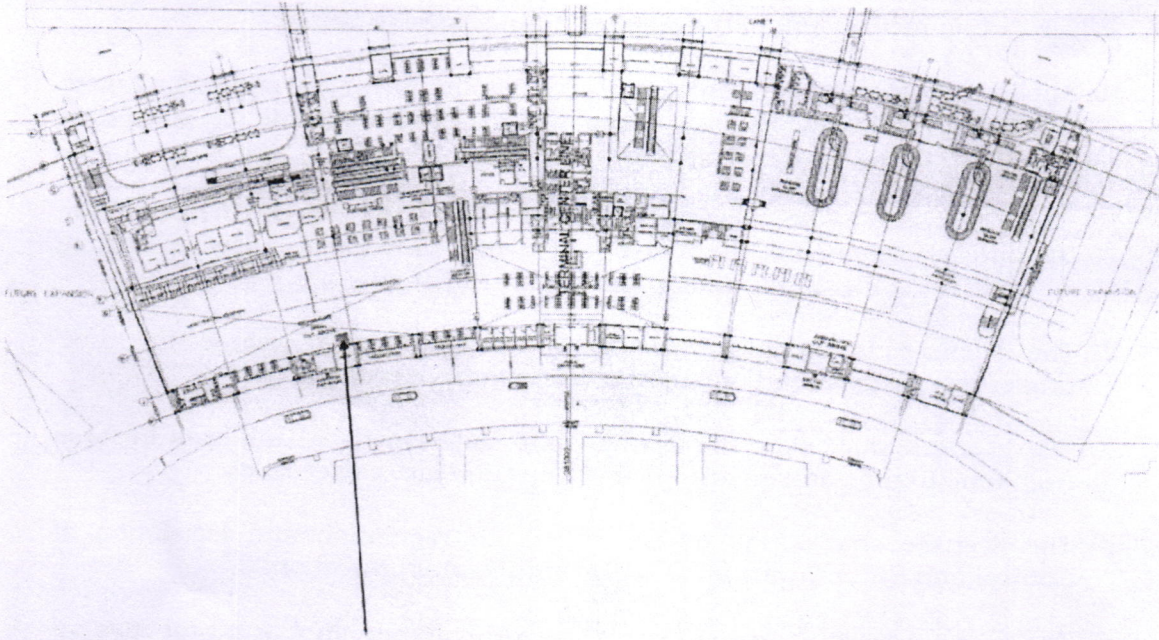
Copy to: RED, AAI, SR- Kind Attn: JGM (Comml), AAI, SR.

Internal: In-Charge, Finance/Electrical/Civil/Ops/CNS/ATM/Security



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## LOCATION MAP



Proposed Location For Baggage  
wrapping services } = 5 sqm

*[Signature]*  
05/09/2022

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Office of the Airport Director, Madurai Airport, Madurai-22.

Signature Not Verified

Digitally signed by KURUKUNDU  
GOVARDHAN REDDY

Date: 2022.12.09 16:05:33 IST

Location: eProcurement System for Central  
PSUs