



भारतीय विमानपत्तन प्राधिकरण

AIRPORTS AUTHORITY OF INDIA

F.No. CL-13024/26/2022-APD-CHENNAI /114-121

12.01.2023

M/s. Vennila Clothing Company.
10/3A, Sengunthapuram 1st Street,
Mangalam Road, Tirupur,
641604-Tamil Nadu

/ **By Speed Post / E-mail/**

Subject: Award of Short-Term License to operate Branded Apparels- Men's Wear, Women's Wear, & Kid's Wear Shop in the Domestic Terminal at Chennai Airport.

Reference: Notice Inviting E-Tender (NIT) with Tender Id no. 2022_AAI_131902_1 dated 13.10.2022.

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 13.10.2022 with Tender ID No. **2022_AAI_131902_1**.

The Technical and Financial bid of the subject tender were opened on 14.11.2022 and 25.11.2022 respectively wherein you have emerged as the H1 bidder. In this regard, approval of the Competent Authority is hereby conveyed to grant the subject license in your favour as per the following terms and conditions: -

1	License	License to Operate Branded Apparels*- Men's Wear, Women's Wear, & Kid's Wear Shop in the Domestic Terminal At Chennai Airport. <i>*Brand shall mean a type of product manufactured by a particular company under a particular name or a distinguishing symbol, mark, logo, name, word, sentence or a combination of these items that companies use to distinguish their product from others in the market and for legal protection is registered as trademark. "Branded" shall have a corresponding meaning.</i>
2	Location	Area admg. 36.00 sqm in the Domestic SHA . (Please refer Annexure I below.)
3	Period of concession	06 (Six) Months extendable by another 06 (Six) months or finalization of regular tender whichever is earlier.
4	Business Incubation Period	Thirty (30) days from the date of issuance of LoIA.

फैक्स : 044 - 2256 0008 इ पी ए बी एक्स : 2256 0551, चेन्नै एयरपोर्ट, चेन्नै - 600 027.

FAX : 044 - 2256 0008 EPABX : 2256 0551, Chennai Airport, Chennai - 600 027.

Handwritten signature and date 12.01.23

		All formalities/conditions of award as specified herein are to be completed within the Business Incubation Period in the order mentioned herein: - Payment of outstanding dues at all AAI controlled airports pertaining to the period till the date of issuance of LOIA. - Acceptance of the offer 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. - Payment of advance license fee for one month within Thirty (30) days from the date of issuance of the LOIA. - Payment of Security Deposit as specified in para-7 within Thirty (30) days from the date of issuance of LOIA - Execution of the Agreement within Thirty (30) days from the date of issuance of LOIA on stamp paper of Rs.100/-
5	Handing over of sites	On Completion of all the formalities mentioned in Para No.4 above.
6	Gestation period	Thirty (30) days 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.
7	License fee	15,12,500/- (Rupees Fifteen Lac Twelve Thousand and Five Hundred only) per month or 20% revenue share on monthly net sales, whichever is higher plus applicable taxes. - Utility/Facilitation Charges at 10% of normal space rent for allotted space as notified by AAI from time to time (For the financial year 2022-23 the space rent charges will be Rs. 3230/- Per Sqm Per Month for A/C space. Further from 01.04.2023 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). - 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. - Charges for the consumption of the electricity and water consumed for the purpose of use of the said

12.01.23

		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.
8	Security Deposit (Non-Interest Bearing)	Rs.54,00,000 /- (Rupees Fifty-Four Lacs only) towards License Fee, Utility Charges etc. Rs.10,00,000/- (Rupees Ten Lacs) towards security deposit in respect of electricity charges. Total =Rs.64,00,000.00 (Rupees Sixty Four Lacs 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.
9	Advance license fee	Rs. 17,98,471/- (Rupees Seventeen lacs Ninety Eight Thousand Four seventy one Only). <u>Break up of above amount:</u> (License Fee - Rs. 15,12,500 + Utility Charges for 36 sqm- Rs.11,628 + GST- Rs.2,74,343).
10	License agreement	Execution of license agreement (as per NIT) on stamp paper of Rs.100/-. All related costs to be borne by the licensee.

11. 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.**

12. The licensee has to ensure security compliances etc., within the business incubation period itself. The licensee has to apply for BCAS Security Clearance through online in the website <https://esahaj.gov.in> as an concessionaire. Hence, the licensee has to submit the required document as per the BCAS requirement and to get the clearance. After obtaining clearance the agency should ensure to submit Security Programme.

13. The licensee has to ensure that the Police Verification / Antecedents verification for their employees as per the guidelines of BCAS is available before applying for Airport Entry Permit in favour of their employees. Charges applicable for issue of Airport Entry Permit shall be borne by the licensee.

14. The entities who have already obtained Security Clearance for their operations in other region(s), should intimate RO,BCAS, Chennai accordingly duly enclosing 1) Intimation letter regarding establishing their business in Chennai Airport, 2) Security Clearance issued by BCAS, HQ, 3) Provisional security Clearance(s) issued by RO, BCAS of other Region(s), 4) Written Contract Agreement by Jt.GM(Commercial),AAI Chennai. 5) Authorized Signatory for Chennai Airport and 6) Security programme for Chennai Airport.

Signature
12.01.23



15. Failure to comply with any of the above instructions will entail suspension or withdrawal of TAEP/AEP issued.
16. The above points are not exhaustive and the updation/ addition/ omission if any will be appraised from time to time
17. AAI reserves the right to amend this LOIA by subsequent letters.
18. All the above conditions, General terms and conditions in Annexure II herein and all other terms and conditions as per NIT, shall form part and parcel of the agreement.

Acceptance of the award may be conveyed by signing and submitting a copy of this LOIA to AAI within 07 days.

Thanking you,

Yours Sincerely,

Sd/-

(M. SELVANAYAGAM)
Jt. GM (Commercial)
For Airport Director

N.O.O

C.C

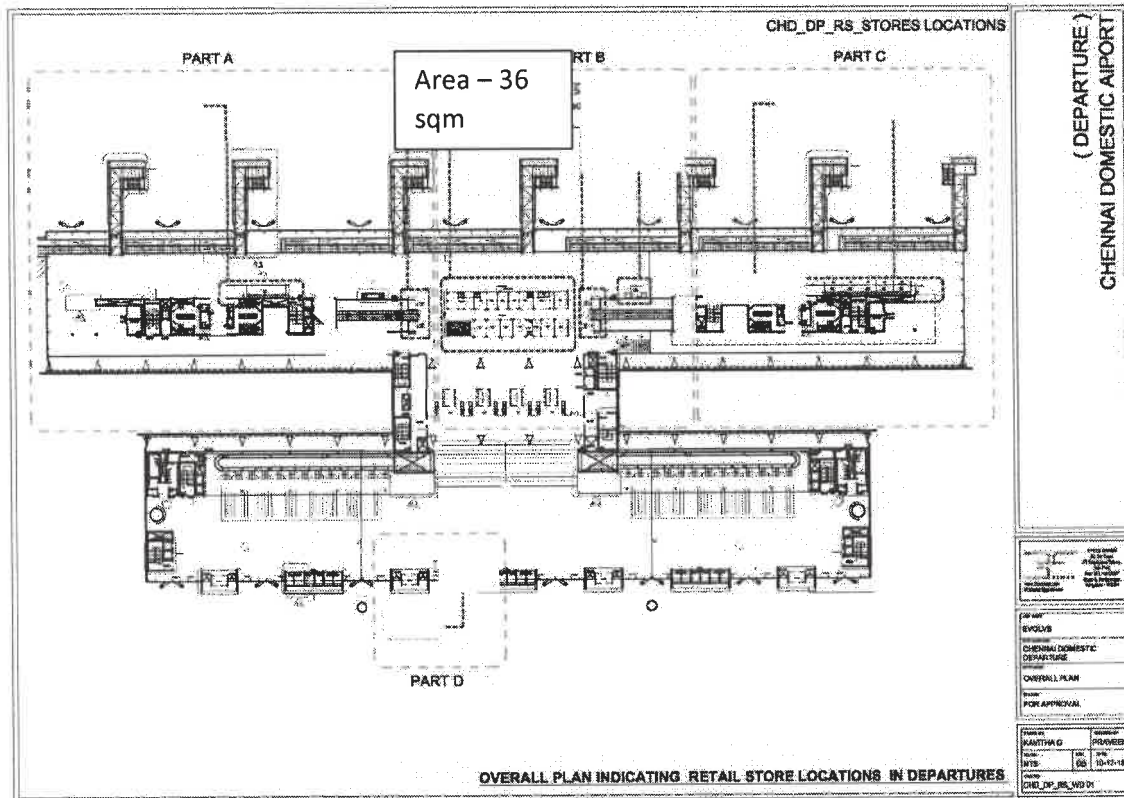
✓ ED(Commercial),AAI, CHQ, New Delhi- For Kind Information please.

Internal

GM(Ops) / GM (F&A) / GM (E-E) / JGM (E-C) / / DGM (Fire) -- For kind information please.

CSO- For information and onward submission of a copy to BCAS, Chennai Please


(M.Selvanayagam)
Jt.GM(Commercial)

Annexure ILocation Sketch

1. Area Allotted: **36.00 Sqm** Approx
2. Location: **Domestic SHA**
3. Floor Plan Ref No. **DSR 4** in the approved floor plan **dtd 01.01.2021**

Signature
12-01-22