



संदर्भ सं /Ref. No. AAI/IMP/Comm1/Advt Rights/ 934-37

दिनांक/Date: 23.03.2023

To,
Orango Solutions,
G7-13022, Opp DC Residence Gate,
Maqbool Road, Amritsar 143001

Sub: LETTER OF INTENT TO AWARD (LOIA) ADVERTISING RIGHTS CONCESSION TO DESIGN, DEVELOP, OPERATE, AND MARKET, THE ADVERTISING OPPORTUNITY AT IMPHAL INTERNATIONAL AIRPORT.

Dear Sir/Madam,

Reference is made to the proposal submitted by M/s.**Orango Solutions** in response to the Request for Proposal (RFP) vide Tender ID No 2023_AAI_140291_1, for **ADVERTISING RIGHTS CONCESSION TO DESIGN, DEVELOP, OPERATE, AND MARKET, THE ADVERTISING OPPORTUNITY AT IMPHAL AIRPORT**, for which the Technical Bid was opened on 13.02.2023 and Financial Bid was opened on 24.02.2023.

The Competent Authority is hereby pleased to award a non-exclusive Concession for ADVERTISING RIGHTS CONCESSION TO DESIGN, DEVELOP, OPERATE, AND MARKET, THE ADVERTISING OPPORTUNITY AT IMPHAL INTERNATIONAL AIRPORT at the designated locations mentioned in the above RFP on the following broad Terms and Conditions:

1. General:

- 1.1 The selected Bidder M/s. Orango Solutions shall **within 07(seven) days of issue of this letter, return duly signed duplicate copy of the LOIA** in acknowledgement thereof. In the event the duplicate copy of the LOIA duly signed by the Selected Bidder is not received by the stipulated date, Authority may, unless it consents to extension of time for submission thereof, appropriate the Earnest Money Deposit (EMD) of such Bidder as Damages on account of failure of the Selected Bidder to acknowledge the LOIA, as per clause 3.4.5 of the RFP (Tender ID No 2023_AAI_140291_1). After acknowledgement of the LOIA as aforesaid, it shall fulfil the conditions set forth in Clause 4.2 and shall execute the Concession Agreement within the period prescribed in LOIA. The Selected Bidder shall not be entitled to seek any deviation, modification or amendment in the draft Concession Agreement forming part of this RFP as Appendix II.
- 1.2 **Business Incubation Period** shall mean a period of **60 (sixty) Days** from the date of issuance of LOIA to the selected bidder. The Selected Bidder agrees and undertakes that within the Business Incubation Period, or any shorter time period specified, unless extended in writing by the Authority, it shall fulfil all of the conditions as per Chapter-4,4.2.1 of the RFP (Tender ID No 2023_AAI_140291_1).

(Signature)
Am(Comm1)

1.3 The location layout plan, type of media proposed for the designated Concessioned Premises shall be as per the RFP (Tender ID No 2023_AAI_140291_1). Only bare space shall be provided by AAI.

2. Concession Term:

2.1 The Concession Term shall expire on the third(3rd) anniversary of the date of commencement of the Concession Term, as designated in the clause 5.3 of the RFP (Tender ID No 2023_AAI_140291_1), unless the Agreement is terminated earlier in accordance with the terms and conditions of the RFP and Concession Agreement.

2.2 The Concessionaire will have to operate the Concession for a minimum period of 1.5(one and a half) years ("Minimum Lock in Period"), failing which the Bidder shall be liable to be debarred for a period of three (3) years from participating in tenders/RFPs floated by AAI. Apart from the debarring process, the Authority shall be entitled to forfeit and appropriate the Security Deposit.

3. Concession Fee:

3.1 The Concessionaire shall in consideration of the concession agreement granted by Authority, pay to the Authority, Concession fee (Quoted rate per passenger) of **Rs.8.10/-**-(Rupees Eight and ten paise only) **per pax per month** OR minimum monthly guarantee(MMG) for the Month, whichever is higher plus applicable taxes and charges as per Chapter 1 and Chapter 5 of the RFP (Tender ID No 2023_AAI_140291_1) and Article 10 and Article 14 of the Concession Agreement.

3.2 The Concession fee shall be payable as under:

(i). For the first year: - 50% of "Minimum Monthly Guarantee (MMG)" or 50% of "Quoted rate per Passenger X Number of total passenger", whichever is higher per month plus applicable GST/Taxes.

(ii) Second year onwards: - "Minimum Monthly Guarantee (MMG)" or "Quoted rate per Passenger X Number of total passenger", whichever is higher per month plus applicable GST/Taxes.

(iii) The Concession fee for a part of the month shall be determined in proportion to the number of days considering the month to be thirty (30) days. However, any GST applicable with respect to the grant of right to use the Advertisement Space(s) shall be borne by the Concessionaire and shall not be deducted from the Concession Fee.

3.3 The Annual escalation of license fee on both MMG and Quoted rate per passenger shall be escalated at 5% per annum, as per Article 10, Clause 10.2.3- of the RFP (Tender ID No 2023_AAI_140291_1).

3.4 The Authority shall raise invoice(s) in accordance with the terms and conditions of the draft Concession Agreement by 10th of the succeeding month. Irrespective of the date of Authority raising an invoice or receipt of the invoice by the Concessionaire, the Concessionaire is bound to remit the Concession Fee, Space Rent, CAM Charges etc. by the 25th day



Anil Kumar
(Comm)

of the same month. Utility Charges shall be payable at the rate prescribed by the Authority for actual usage to be metered. After raising bills by AAI in respect of electricity/utility charges, the concessionaire would be under obligation to make payments within 14 days of bill date. Any delay in the aforementioned payments shall attract an interest on the delayed amounts at the rate of 9% per annum from the respective due date for up to 30 days of delay. In the event, the delay in payment is for more than 30 days, an interest @ 18% per annum shall be charged from the due date, for the entire delayed period. In case, the default persists on the 31st day counted from the due date, Authority shall have the right to issue a written notice notifying the Concessionaire of the default. The Authority shall be entitled to terminate the Concession after fourteen (14) working days of such written notice by issuing a Notice of Termination in accordance with Clause 19.1.1 of the Concession Agreement.

- 3.5 Concession Fee Commencement Date for each location shall mean the date on which the Gestation Period of that location has expired i.e. the 61st day from the Access Date of such location or commencement of business on that location whichever is earlier, unless extended in writing by the Authority.
- 3.5 No reduction in Quoted rate per passenger or MMG, will be entertained by Airports Authority of India at any stage for whatever reasons.

4. SECURITY DEPOSIT:

- 4.1 **Phase - I:** On or before the date of execution of the Concession Agreement the selected bidder shall deposit with Airports Authority of India, Security Deposit in the form of Bank Guarantee (BG) equivalent to 50% of eight (8) months' MMG of the first Concession Year, i.e. an amount of Rs.29,88,000/- (Rupees Twenty-Nine Lakhs Eighty-Eight Thousand only) with validity of six (06) months from the expiry of the Concession Term.

Phase -II: The selected bidder shall deposit with Airports Authority of India, Security Deposit in the form of Bank Guarantee (BG) equivalent to 08 months of average monthly concession fee paid during the 1st year x 2.

- 4.2 The interest free Security Deposit shall only be accepted from a scheduled/nationalized bank. A Bank Guarantee from a co-operative bank shall not be accepted.
- 4.3 The Concessionaire agrees and acknowledges that the Airports Authority of India shall not be liable to pay any interest on the Security Deposit.

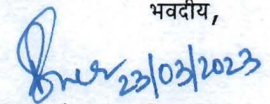
5. GESTATION PERIOD:

- 5.1 "Gestation Period" shall mean a period commencing on the Access Date and expiring on the 60th day thereof.

Dr. Anil (Comm)

- 5.2 The Gestation Period of **sixty (60) days** is a Concession Fee Holiday Period. However, it is expected that the Concessionaire within this period completely installs the Advertising Hardware as per the Location Layout Plan and approved Media plan and puts in place the required marketing team to market the Advertising Product in full swing.
- 5.3 The Concessionaire however would be permitted Sample Marketing during this Gestation Period and would be liable to pay the proportionate Concession Fee for the actual Advertisement Area put to use without having any effect on the Concession Fee Commencement date.
- 5.4 The Concessionaire would be entitled to a Resurrection Period of Thirty (30) days in respect of Displaced, & Withdrawn Locations which have to be resurrected at an Alternate Location from its Original Location. This resurrection period would be a Concession Fee Holiday Period on proportionate basis in respect of the affected locations only.
6. The concessionaire subject to the provisions of Article 2, Clause 2.6 of the RFP, the Concessionaire agrees and acknowledges that it shall not be entitled for any additional sites, apart from the Original Locations, granted to the Concessionaire under the terms and provisions of this Concession Agreement subject of course to mutual consent of the parties.
7. Joint measurement of the total area to be conducted by 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. This Joint measurement should form part of the agreement.
8. **The acceptance of the above terms and conditions must be forwarded to this office within 07 days of receipt of this LOIA to show willingness to operate the contract.** In the event the duplicate copy of the LOIA duly signed by the Selected Bidder is not received by the stipulated date, Authority may, unless it consents to extension of time for submission thereof, appropriate the Earnest Money Deposit (EMD) of such Bidder as Damages on account of failure of the Selected Bidder to acknowledge the LOIA.
9. All the terms and conditions enumerated in this Letter of Intent of Award, RFP and its Corrigendum shall form part and parcel of the Concession Agreement.

भवदीय,



फिबाहुलंग सवेर | Phibahunlang Swer

सहायक प्रबन्धक (वाणिज्य) | Asst. Manager (Commercial)

कृते विमानपत्तन निदेशक | For Airport Director

इम्फाल अंतरराष्ट्रीय हवाई अड्डा | Imphal International Airport

N.O.O

Copy to:

1. The ED (Commercial), AAI, R.G. Bhawan, Safdarjung Airport, New Delhi-110003.



भारतीय विमानपत्तन प्राधिकरण
AIRPORTS AUTHORITY OF INDIA
(मिनी रत्न श्रेणी – १ सार्वजनिक क्षेत्र का उद्यम)
(A Miniratna Category – 1 Public Sector Enterprise)
इम्फाल अंतरराष्ट्रीय हवाई अड्डा, इम्फाल – 795140
Imphal International Airport, Imphal – 795140



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Azadi Ka
Amrit Mahotsav

2. The RED, NER, AAI, RHQ, Guwahati -781015.

Internal copy by email to:

HoD(Engg.-Civil), HoD (Ops), HoD (Fin.), HoD (Engg-Elect), Chief Security Officer.

Amr(Comm)

Signature Not Verified

Digitally signed by PHIBAHUNLANG
SWER

Date: 2023.09.11 18:18:51 IST

Location: eProcurement System for
Central PSUs

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