



भारतीय विमानपत्तन प्राधिकरण/AIRPORTS AUTHORITY OF INDIA
विशाखपट्टणम हवाईअड्डा/ VISAKHAPATNAM AIRPORT
ISO 9001:2015, ISO 14001:2015, ISO 45001:2018 & ISO 10002:2018 Certified

Ref: CL-13041/1/2023-APD-SR-VIZAG/ 83

Date: 12.06.2023
By Mail/Speed Post

To

M/s Balaji Caterers,
201D, Wing BLG,
Military Road, Ashok Nagar,
CHS Marol Andheri, (East) Mumbai-400072.

Sub: - Letter of Intent to Award (LOIA) for Smoking Lounge and Sales Kiosk Facility at Domestic SHA and International SHA of Visakhapatnam Airport. (Tender ID No. 2023_AAI_148431_1) - reg

Sir,

Reference is invited to your Technical Bid vide above tender ID opened on 03.04.2023, subsequent Financial Bid opened on 17.05.2023 in respect of above cited license. Competent Authority has accepted your Bid and approved to award the license for the subject facility **after expiry of current contract on 29.09.2023** (unless otherwise communicated by Authority) on the following terms and conditions.

1. The award of license shall be for a period of **04 (Four) years extendable by one year** with an area of **8 sq. mts.** for smoking lounge and **2 sq. mts.** for sales kiosk at DSHA (Bare space) and **15.64 sq. mts.** (Built up space) for smoking lounge and **2 sq. mts.** (Bare space) for sales kiosk at ISHA at Visakhapatnam Airport.
2. The license fee shall be the Quoted License Fee of **Rs. 1,35,000/- (Rupees One Lakh Thirty-Five Thousand only)** per month plus applicable charges and taxes to be payable to AAI during the period of license. License Fees shall be subject to annual escalation of 10%. The first annual escalation will be applicable after completion of eighteen (18) months license period. Thereafter the same will be applicable after completion of subsequent one-year period there from. In addition to License fee, utility charges @ 10% of the normal space rent (present space rent is Rs.1,440/- per sqmtr/month subject to annual escalation @7.5% every financial year w.e.f. 01.04.2024) for the counter area/shop area shall be payable by the licensee.
3. (a) The successful bidder has to obtain all the requisite statutory/ Regulatory permission & certification etc. as per the time line mentioned in the NIET from the date of award of work. In case of failure in obtaining the requisite statutory/ regulatory permission & certification etc. within a period of six months from the date of award of work, the award will be cancelled.



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(b) The Licensee shall not surrender the subject license before the expiry of 50% of the period of license, failing which the licensee shall be debarred from participating in any of AAI's tenders for a period of 1 (one) year and also applicable other terms & conditions as per exit clause of NIET.

4. AAI will raise bills on or before 10th of every month and the licensee has to pay the bill on or before 25th of every 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, then interest at the rate of 18% per annum shall be charges from the due date, for entire delay period, without prejudice to Authority's other rights and remedies.

5. The licensee shall be required to submit Security Deposit of **Rs. 9,84,000/-** (Rupees Nine Lakh Eighty-Four Thousand only) equivalent to 6 (Six) months of 1st year license fee (including utility charges @ 10% on space rent and amount equivalent to GST @ 18%) in the form of RTGS/Demand Draft/Bank Guarantee from Scheduled/Nationalized Bank in favour of Airports Authority of India, payable at Visakhapatnam with claim period of 180 days. The Licensee shall also be required to submit Security Deposit for Electricity charges i.e. **Rs. 99,000/-** (Rupees Eighty-One Thousand only) in the form of RTGS/Demand Draft only.

6. It may be noted that the EMD may be forfeited and you may be debarred from further participation in AAI's tenders for a period of 1 (one) year on account of non-completion of the following:

- Acceptance of offer within 7 days from the date of issue of this letter.
- Payment of Advance License fee for one month of **Rs. 1,63,997/-** (Rupees One Lakh Sixty-Three Thousand Nine Hundred Ninety-Seven Only) including utility charges and GST @ 18% in the form of RTGS/DD in favour of Airports Authority of India, payable at Visakhapatnam within 15 days from the date of issue of this letter.
- Submission of Security Deposit of **Rs. 9,84,000/-** in the form of RTGS/DD/BG & Electricity Deposit of **Rs. 99,000/-** in the form of RTGS/DD within 15 days from the date of issue of this letter.
Note: Bank details of AAI, Visakhapatnam are enclosed.
Submission of BG shall be as per format provided in NIET Document.
- Depute any authorized representative for the joint measurement within 15 days from the award letter. The joint measurement shall from part of agreement. If the party fails to depute any authorized representative for the measurement within 15 days, then AAI representative shall conduct the

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measurement and inform the party that the same will be forming part of agreement and will be binding.

Note: In case concession/ license period of incumbent licensee is not over, then, date of hand over of site shall not be later than 7th day of expiry of incumbent license or expiry of business incubation period (whichever is later). However, in extreme circumstances, if due to some reason, the vacant site could not be made available, the Airport Director in consultation with concessionaire can identify an alternate location for commencement of concession/ license. Rebate shall not be considered in such a case.

e) Execution of license agreement on non-judicial stamp paper of **Rs.500/-** Govt. of Andhra Pradesh within 15 days the date of issue of award of letter.

7. The licensee shall not damage the premises or any part of the Airport Premises. In the event of any damage being caused intentionally or otherwise, AAI shall be entitled to repair the damage or make the requisite replacement and call upon you to replace or reimburse the cost thereof for which you shall have to pay forthwith on demand. In addition, AAI in any way will not be held responsible for any theft/pilferage etc. You shall have to make/provide necessary security arrangement for safety / security of the belongings at your own cost.

8. That the authority reserves to itself the right to change the location of the premises at any time and may at its discretion to call upon the Licensee to vacate the site and may give alternative premises for the purpose of this license. In such a case, the licensee shall be bound to vacate the premises immediately and accept the said alternate premises. The entire expenditure on such shifting shall be borne by him and the licensee shall not be entitled to claim any compensation or revision in the license fee on that score.

9. The license can be terminated by either side, by giving **120 days'** notice in writing. However, Airports Authority of India can terminate the contract on short notice, on grounds of unsatisfactory performance of passengers/users complaints. In such an event, licensee shall vacate the premises and handover peaceful possession of the licensed premises to AAI without claiming any compensation or raising any dispute.

10. The licensee shall be required to meet all statutory taxes/levies to the Central/state/local bodies as prescribed, if any, failing which AAI may exercise its option to settle, on licensee's behalf and recover the amount from the licensee. No claim in any respect regarding his property/goods shall be entertained by AAI.

Raghu



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11. The Licensee shall make arrangements to obtain appropriate insurance cover in respect of all properties/goods, if any, proposed to be stored or used by the licensee.

12. AAI reserves the right to grant license for similar facilities in the same/ different locations of the airport and enter separate commercial agreements with other firms/individuals and licensee shall have no objection for the same.

13. Following acts of licensee shall also be construed as grounds for Termination of contract:

- (a) Unsatisfactory performance.
- (b) Non-payment of dues/ partial payment of dues.

14. All other terms and conditions which are specified in the tender documents, shall also form an integral part of the license agreement.

15. Business Incubation Period: - **15 days** of business incubation period from the date of issuance of LOIA shall be applicable for completing post award facility by the Licensee such as award acceptance, Submission of SD/BG, execution of Agreement, taken over the site, submission of security clearance documents of BCAS etc.

16. GST and Cess as applicable from time to time is payable by the licensee.

17. Agreement is to be executed on a non-judicial stamp paper of **Rs.500/-** of Govt. of Andhra Pradesh and submission of the same to this office along with the photograph of authorized signatory (with documentary proof of authorization), signed copies of the award letter and NIET document which shall form an integral part of the license agreement

18. The licensee shall undertake to pay the full amount of licence fee / dues regularly as per the award / agreement and perform all the covenants of the agreement even he/they have requested for appointment of Arbitrator and / or during the course of arbitral proceedings.

19. Maximum **60 days** of gestation period after completion of business incubation period/handover of site (as per the case) shall be applicable. License fee shall be payable after completion of Gestation period or commencement of business, whichever is earlier.

Note: In case concession/ license period of incumbent licensee is not over, then, date of hand over of site shall not be later than 7th day of expiry of incumbent license or expiry of business incubation period (whichever is later).

20. However, the successful tenderer shall be required to submit Security Programme as per Format A & A-1 available on BCAS website <http://esahaj.gov.in>



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through AAI within 05 days from date of issue of award letter. Any observations regarding shortcomings in Security Programme will be communicated by RDCOS and if compliance report is not received by BCAS, it will be presumed that the concessionaire is unwilling or unable to meet the shortfall and the application for approval will be deemed to be cancelled. AAI, Visakhapatnam will not responsible for delay in getting security clearance from BCAS.

21. Water charges (if applicable)/Electricity charges are payable as per actuals. Electricity/Water meters, as applicable, shall be arranged by the licensee and are to be installed in coordination with concerned department of AAI.

22. Only bare space shall be provided by AAI and the fabrication of the counter has to be done at your own cost (as applicable). The structure/counter for the purpose is to be erected by the licensee should be as per the design, drawing and specification approved by AAI at the cost of the licensee.

23. The licensee shall adhere to all directives issued by AAI/BCAS from time to time.

24. All other terms and conditions mentioned in the NIET along with this award letter shall form part and parcel of the License Agreement.

Kindly convey your acceptance within **7 days** from the date of this award and complete the contractual formalities within the stipulated period as mentioned above.

कृपया प्राप्ति की पावती भेजें / Please acknowledge receipt

भवदीय/Yours Sincerely,

(आदित्या रघुनंदन बु.)/(Aditya Raghunandan B.)

प्रबन्धक (वाणिज्य)/Manager (Commercial)

कृते विमानपत्तन निदेशक/For Airport Director

प्रतिलिपि/Copy to:-

1. क्षेत्रीय कार्यपालक निर्देशक, भाविप्रा, दक्षिणी क्षेत्र, चेन्नै

(ध्यान आकर्षण: सं.म.प्र (वाणिज्य), आरएचक्यू.द.क्षे)

The Regional Executive Director, AAI, Southern Region, Chennai

(Kind Attn: JGM (Comm), RHQ, SR)



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आंतरिक/ Internal copy :-

1. कार्यभारी (प्रचालन)/ Operations Dept. In-charge	4. कार्यभारी (विद्युत)/ Electrical Dept. In-charge
2. कार्यभारी (सी.एन.एस.)/ CNS Dept. In-charge	5. कार्यभारी (सुरक्षा)/ Security Dept. In-charge
3. कार्यभारी (वित्त)/ F&A Dept. In-charge	6. कार्यभारी (सिविल)/ Civil Dept. In-charge

BANK DETAILS FOR RTGS

Particulars	Details
Vendors' name	AIRPORTS AUTHORITY OF INDIA
Particulars of Bank account	
Name of the Bank	STATE BANK OF INDIA
Name of the Branch	AIRPORT VISAKHAPATANAM
Address of the Branch	AIRPORTS AUTHORITY OF INDIA CIVIL ENCLAVE, VISAKHAPATNAM-530009
Account number (as appearing on the Cheque book)	00000030995490317
9-Digit code number of the Bank and Branch appearing on the MICR Cheque	530002040
Enabled for NEFT (Yes/ No) (To be confirmed from the Bank Branch)	YES
11-Digit NEFT IFS code number of the Bank Branch(to be obtained from your Bank Branch)	SBIN0010373
Type of account (current or Cash Credit) Current (code 11) Cash Credit (code 13)	CA-GEN-PUB-IND-NONRURAL-INR