



Ref No. : AAI/TP/CML/F&B/Bakery Shop/2023/696

dt.12.07.2023

To,

M/s SRI ANNAPOORNESWARI SWEETS
277, POONGA NAGAR,
CIVIL AERODROME POST,
COIMBATORE
TAMIL NADU-641014
(e-mail- sriannapoorneswarisweets2021@gmail.com)

Sub- Award of license for operating "Bakery and Confectionery Shop" at SHA Ground Floor at NITB, Tirupati Airport, Tirupati.

Dear Sir,

Reference is made to the proposal submitted by M/s Sri Annapoorneswari Sweets vide E-bid no-541282 in response to NIT called vide Tender ID- 2023_AAI_148635_1 "Bakery and Confectionary Shop" at SHA Ground Floor at NITB at Tirupati Airport, Tirupati. The Competent Authority is hereby pleased to award license for operating "Bakery and Confectionary Shop" at SHA Ground Floor, at NITB Tirupati Airport, Tirupati on the following Terms and Conditions:

1. This allotment will be for a period of **05 (five) years** effective from commencement of business or expiry of gestation period (i.e 26.08.2023) whichever is earlier.
2. The Licensee shall be provided with a business Incubation Period of 15 days from date of issuance of Award letter, licensee will be under obligation to complete all formalities/condition such as return duplicate copy of the award letter as acknowledgment of award, submission of Security Deposit, Execution of agreement, submission of details of designs/drawings, layout plan and related materials. A gestation period of 30 days from issuance of this letter is provided for completion of the design and interior works. Billing will be started form next date of expiry of gestation period or commencement of business whichever is earlier.

3. The details of payable licence fee, area, space rent, etc. will be as follows:

Sl. No.	Space & Area Details	Quoted Monthly Licensee Fee	Utility charge 10% of space rent	GST @ 18%
01	Bakery and Confectionary Shop at SHA Ground Floor at Tirupati Airport (AC Space) Area- 08 Sqm	Rs.2,72,160/-	Rs. 1000/-	49,169/-
Total payable monthly Space Rentals for (FY 2023-24) = Rs. 3,22,329/- (Three Lakh Twenty Two Thousand Three Hundred Twenty Nine Only) Excluding Electricity Charges and any other applicable charges				

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4. License fees shall be payable in advance by the licensee on or before 10th day of each month for all office spaces.
5. In the event of outstanding dues exceeds one month, the Authority may without prejudice to other rights and remedies be entitled to charge penal interest @12% per annum on delayed payment for the first month and thereafter @18% per annum for maximum of two months thereafter. During this period, the licensee shall be issued notice for clearance of outstanding dues. If the licensee fails to clear the dues within the said period of two (2) months, the contract shall be terminated and the dues along with penal interest shall be adjusted from the Security Deposit, without grant of any extension whatsoever.
7. The Licensee shall deposit a sum of **Rs. 16,32,960/- (Rupees Sixteen Lakh Thirty Two Thousand Nine Hundred Sixty Only)** for the above allotment i.e. an amount equal to six months license fee as Security Deposit against License Fee in the form of RTGS/NEFT/ Demand Draft / Bank Guarantee from a Nationalised/Scheduled Bank in favour of Airport Director, AAI, Tirupati Airport, Tirupati and the validity of this BG should be up to 06 months after the expiry of contract period. The Security Deposit available with AAI may be adjusted. No interest will be payable by AAI on SD amount.
8. The Licensee shall deposit a sum of **Rs. 25,000/- (Rupees Twenty Five Thousand Only)** as Security Deposit against Electricity Consumption in the form of RTGS/NEFT/ Demand Draft / Bank Guarantee from a Nationalized/Scheduled Bank in favour of Airport Director, AAI Tirupati Airport, Tirupati and the validity of this BG should be up to 06 months after the expiry of contract period. The Security Deposit available with AAI may be adjusted. No interest will be payable by AAI on SD amount.
9. **All the security deposits along with one-month advance license fee to be submitted within incubation period before Handing/ Taking over of site.**
10. In addition to License fee, the charges for electricity shall be charged as per actual consumption on every month.
11. The space rent is subject to annual escalation of 7.5% on 1st April every year (rounded-off to nearest 5 or its multiple) OR as per the decision taken by AAI CHQ from time to time. Annual escalation in the licensee fee will be as prescribed in the NIT.
12. Above rates are applicable as per AAI Commercial policy for FY 2023-24. However, it may vary as per the CHQ instructions and the same shall be applicable and binding on the Licensee.
13. The licensee has to convert their non-lit sign board to illuminative type signboards in bilingual scripts (Hindi & English).
14. The licensee is requested to follow the instructions issued by AAI related to operational requirement and BCAS instruction / guidelines / regulations from time to time relating to airport security / safety norms & airport entry passes.

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15. Electricity and water charges will be payable by the licensee as per actual consumption on the applicable rates of AAI.
16. Goods and Service Tax (GST) or any other tax levied by State / Central Govt. as applicable from time to time will be extra & payable by the Licensee.
17. Regarding License rate, escalation rate or rate of rebate, the decision of AAI shall be final and binding on Licensee.
18. The Licensee is required to execute a License Agreement on Rs. 100/- Non-judicial stamp-paper with AAI for the allotment of Ticket Counter within 15 days from the date of issue of this allotment letter. The cost of non-judicial stamp paper will be borne by the Licensee. The person executing the License Agreement must have proper authority to execute the License Agreement with Airports Authority of India.
19. The Licensee shall maintain at his own cost all the electrical installations, Civil works and other equipment's including Fire Alarm System as may be provided by the Authority in the said premises or as may hereafter be provided by the said Authority in the said premises. However, the source of power supply shall be provided from the nearby source.
20. The cost for any internal construction/ modification's works are required for operations shall be borne by the Licensee.
21. All applications for issue of Airport Entry Passes (AEP) shall be submitted to Commercial department positively.
22. The Licensee shall not use the premises for any purpose other than that for which the allotment of Space has been made.
23. The Licensee shall not erect, display or use any high-powered lights or any electrical sky signs or other lights or installations for purposes of advertisement or any other type of advertisement or signboards upon the said premises without prior permission in writing from the Authority.
24. The Licensee shall provide such person or persons for watch and ward duty in the premises as he may be directed by the Authority for the security and safety of the premises.
25. The Licensee shall also provide fire-fighting equipment and appliances and maintain the same continuously in a fit and proper condition. The authority is entitled to direct and specify the number, quality and specifications of the said fire-fighting equipment and appliances.
26. The Licensee shall abide by all the rules and regulations of labour laws applicable from time to time.

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AIRPORTS AUTHORITY OF INDIA

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27. The counter shall be equipped with Dual Mode of electronic Payment and BHIM App facility. Before commencement of construction the licensee have to obtained approvals from AAI Tirupati.
28. The licensee has to follow all other terms & conditions laid down in NIT.
29. This Award Letter will form part & parcel of Agreement.
30. It is, therefore, requested that an acceptance letter as mentioned above, may please be submitted to this office. It is also requested that all the formalities related to submission of bank guarantee, advance payment of license fee as mentioned above, may please be completed within the stipulated time.



Handwritten signature
12/07/2023

Avinash Beck
In-Charge (Comml)
for Airport Director
Airports Authority of India
Tirupati Airport, Tirupati

Copy to:

The Regional Executive Director, Southern Region [Kind attention:- J.G.M. (Commercial) S.R.)].

Internal:

Jt.GM (Elect) / JGM(OPS)/ DGM(CNS)/CSO/Manager(E-C)/ Manager(F & A) / OSD to Airport Director.
DC (CISF), Tirupati Airport, Tirupati.