



भारतीय विमानपत्तन प्राधिकरण Airports Authority of India

AAI/ASR/Comml/MC-ADVT/2023-24/ 1935

Date: 19.06.2023

M/s Orango Solutions
G7-13022, Maqbool Road,
Opp. D.C. Residence,
Maqbool Road,
Amritsar-143001.

Reference :- Tender ID: 2023_AAI_151847_1

Subject: Letter of Intent of Award (LOIA) for Concession to Design, Develop, Operate and Market the Advertising Opportunity at SGRDJI Airport Amritsar.

Dear Sir,

Reference is made to the proposal submitted by **M/s Orango Solutions (Proprietor – Mr. Navneet Singh)** in response to the Request for Proposal (RFP) for **award of Concession to Design, Develop, Operate and Market the Advertising Opportunity at SGRDJI Airport Amritsar**, for which the Technical Bid was opened on 17.05.2023, Financial Bid was opened on 07.06.2023 and Forward Auction was done on 08.06.2023.

The Airports Authority of India is hereby pleased to award the subject Concession to your Firm (M/s Orango Solutions) on the following terms and conditions:-

1. General

- 1.1** You (M/s **Orango Solutions**) shall submit your acceptance for subject award within **07 (seven) working days** of receipt of this LOIA and return the duplicate copy of the LOIA (duly signed & stamped by authorized signatory).
- 1.2** You shall complete the formalities as defined under **Chapter-4** of the RFP within **Business Incubation Period of 60 (sixty) days** from the date of issuance of LOIA.
- 1.3** You shall be under obligation during the business incubation period to complete all formalities and meet other obligations as specified in the LOIA and all of the conditions as per **Chapter-4** and other conditions of the RFP.
- 1.4** You shall submit the **Security Deposit** in the form and manner as specified in the **RFP (Article 7)** prior to signing of the Concession Agreement.
- 1.5** You shall execute the **Concession Agreement** as per the provisions of the Proposal Documents not later than **thirty (30) days** from commencement of the Business Incubation Period.
- 1.6** You shall execute the **Integrity Pact** as per the Draft Integrity Pact forming part of the RFP as per Technical **Form-VII** of prior to signing of the Concession Agreement.

कार्यालय: निदेशक विमानपत्तन, O/o : The Airport Director
श्री गुरु राम दास जी अन्तराष्ट्रीय हवाई अड्डा, अमृतसर-143101
Sri Guru Ram Dass jee International Airport, Amritsar-143101
An ISO 9001 : 2008, 14001 : 2004, 18001 : 2007 Certified Airport

दूरभाष / PHONE: 0183-2214118, फैक्स/FAX: 0183-2214358
E-mail : apdasr@aai.aero / asr_comml@aai.aero
Visit us : www.aai.aero



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- 1.7** You shall, at its own risk and cost, obtain all Applicable Permits under the Applicable Laws which are required to execute and perform the Concession Agreement and submit copies thereof to the Authority.
- 1.8** You shall, at its own risk and cost, obtain the security clearances required to carry out commercial activities in the security restricted area from the Bureau of Civil Aviation Security (BCAS) or any other relevant Governmental Authority and submit copies thereof to the Authority.
- 2. Concession Term:** The term of subject Concession shall be **Seven (07) years** commencing from the Concession Fee Commencement Date, unless terminated earlier or extended in accordance with the terms & conditions of the Concession Agreement.
- 3. Assigned Advertisement Area / Location Layout Plan:**
- 3.1** The total tendered advertisement area shall be **8800 Sq.Ft.** consisting of **4196 Sq.Ft.** for Indoor advertisement, **4308 Sq.Ft.** for Outdoor advertisement and **296 Sq.Ft.** for Short term avenues as envisaged in the Location Layout plan provided at **Schedule-A** of the RFP.
- 3.2** You shall submit a detailed Draft Media Plan in consonance with the Location Layout Plan of the RFP within **fifteen (15) days** from the date of LOIA as per **Chapter-5** of the RFP.
- 3.3** The Scope of advertisement media under this concession shall be subject to Location layout plan as mentioned under **Para 5.2 of Chapter-5** of the RFP.
- 4. ACCESS DATE:-** The Access Date shall mean the date on which the Concessionaire is handed over physical possession of the Advertisement locations (after completion of the contractual formalities like acceptance of LOIA, submission of security deposit, signing of integrity pact, concession agreement etc.) within the **Business Incubation Period**. In case the agency fails to take over the advertisement sites within 60 (sixty) days of LOIA, the 61st day from LOIA shall be deemed to be the Access Date.
- 5. GESTATION PERIOD:**
- 5.1** The Gestation Period will be that of **Sixty (60) days** starting from the **Access Date** and expiring on the 60th day thereof or on the **Concession Fee Commencement date, whichever is earlier.**
- 5.2** The Gestation Period of **Sixty (60) days** is a Concession Fee holiday period for the installation of Advertising Hardware as per the Location Layout Plan and approved Media plan.
- 5.3** Sample Marketing is permitted during the Gestation Period and you 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** Prior to commencement of Hardware Installation Works as per the approved Media Plan, you shall submit a detailed program comprising of its installation methodology, time schedule and other details to the Authority as per Article-9 of RFP.

(Signature)



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6. Concession Fee Commencement Date: The concession fee shall commence on the 61st day in respect of all tendered sites i.e. at the expiry of the Gestation Period of 60 (sixty) days, reckoned from the Access date or a later date if notified by Authority. However, in the event of concessionaire commencing commercial exploitation of the advertisement locations as a sample marketing exercise, the concession fee shall be charged on Pro Rata basis.

7. Concession Fee:

7.1 The Concession Fee shall be the Minimum Monthly Guarantee (MMG) of **Rs.32,80,640/-** or Quoted rate of **Rs.18.15** Per Passenger X Number of total passenger, whichever is higher plus applicable GST / Taxes. However, the concession fee for the 1st year and 2nd year and subsequent years for the subject concession shall be payable as per Article-10 of Concession Agreement / RFP.

7.2 The annual escalation on Minimum Monthly Guarantee and Quoted Rate Per Passenger shall be applicable as per Article-10 of the Concession Agreement / RFP.

7.3 The Space rent, Common Area Maintenance (CAM) Charges and Utility charges shall be payable in accordance to Article-14 of Concession Agreement / RFP.

8. SECURITY DEPOSIT:

8.1 You shall be liable to deposit and maintain the security Deposit amount during the term of Concession as set-out under the **Article-7 of RFP**. However, the detail of security deposit to be maintained is as under:-

Concession term	Security deposit description
1 st Year	Rs. 1,31,22,560/- i.e. amount equivalent to 50% of Eight (08) months' MMG of the first Concession Year.
2 nd to 4 th year	To be calculated after expiry of 1 st year i.e. Security Deposit Equivalent to Eight (08) months of average monthly concession fee paid during the 1 st Concession Year X 2. To be submitted within 60 (sixty) days of completion of 1 st year.
5 th year onwards	To be calculated after expiry of 4 th year of subject Concession i.e. equivalent to Eight (08) months of average monthly concession fee paid during the 4 th Concession Year. To be submitted within 60 (sixty) days of completion of 4 th year

8.2 You shall have to deposit the Security Deposit amount on or before the date of execution of Concession Agreement.

8.3 You have the option to deposit a single Bank Guarantee for stipulated amount or two Bank Guarantees amounting to stipulated amount at its own cost. The Security amount may be



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deposited in the form of Cash also. The Security Deposit furnished in the form of Bank Guarantee(BG) is to be issued by a Scheduled Bank having a validity period of **180 days** from the date of expiry of contract. BG from Cooperative Bank (even scheduled) or in the form of FDR is not acceptable. The Bank Guarantee (BG) is to be submitted in the format of Schedule-F of RFP and in accordance with the bank details as given below:-

CORPORATE NAME	AIRPORTS AUTHORITY OF INDIA
BANK NAME	ICICI BANK
IFSC CODE	ICIC0000007
BG ADVISING MESSAGE	IFN 760COV (BG ISSUE) IFN 767COV (BG AMENDMENT)
UNIQUE IDENTIFIER CODE	AAIAMRITSAR to be mentioned in the Unique Identifier Code (7037) field of BG advising message code.

8.4 You shall also submit the a REQUEST LETTER as per the format of Schedule-G of RFP (TRANSMISSION OF BANK GUARANTEE COVER MESSAGE) while submitting the documents to BG issuing bank, the successful bidder to.

8.5 You shall provide a copy of SFMS (BG confirmation message) sent by the BG issuing bank to ICICI bank while submission of BG to this office.

9. You shall appoint your representative duly authorized to deal with the Authority in respect of all matters under or arising out of or relating to the subject concession.

10. All the terms and conditions enumerated in this Letter of Intent of Award (LOIA) along with RFP and Corrigendums published shall form part and parcel of the Concession Agreement to be executed.

Please acknowledge receipt

भवदीय/Yours Sincerely,


19/06/2023

(Varun Partap Singh)
A.G.M. (CNS/OPS/Comml)
For Airport Director
AAI Amritsar