



भारतीय विमानपत्तन प्राधिकरण/AIRPORTS AUTHORITY OF INDIA
विमानपत्तन निदेशक का कार्यालय/OFFICE OF THE AIRPORT DIRECTOR
बागडोगरा कास्टम हवाई अड्डा/BAGDOGRA CUSTOMS AIRPORT
जिला: दार्जिलिंग/Dist-DARJEELING, पिन:734421/PIN-734421
Phone: 0353-2698431, Fax: 0353-2698317

Ref no. AAI/BD/COMMI/EXCLUSIVE ADVERTISEMENT RIGHTS/AWARD / Date 08.02.2024
397-99

To,
M/s Signpost India Limited
202 Pressman House,
Near Santacruz Domestic Airport Terminal,
70/A Nehru Road, Vile Parle East,
Mumbai-400099.

LOIA

Subject: **Advertisement Rights Concession to Design, Develop, Operate, And Market
The Advertising Opportunity At Bagdogra Airport.**

(Tender ID: 2023_AAI_168548_1)

With reference to captioned subject, this is to inform you that the Competent Authority has approved the Award of contract for Advertisement Rights Concession To Design, Develop, Operate, And Market The Advertising Opportunity at Bagdogra Airport on following terms and conditions;

1.	Concession	Advertisement Rights Concession To Design, Develop, Operate, And Market The Advertising Opportunity at Bagdogra Airport
2.	Term of Concession	Five (05) Years or till the time of operationalization of new terminal building, whichever is earlier.
3.	Assigned area for Advertisement Concession	3238.5 Sq.ft (Assigned area for Advertisement Concession: Note1: As detailed in the Location Layout Plan at Schedule-A Note2: Layout plan has been submitted to BCAS and it may have some modifications as directed by BCAS.)
4.	Type of Concession	"Minimum Monthly Guarantee (MMG)" OR "Quoted rate per Passenger X Number of total passengers", whichever is higher per month plus applicable GST/Taxes.
5.	Concession Fee	MMG Rs.25,17,000/- OR Rs.9.70/- Per Pax Per Month plus applicable taxes & other charges, whichever is higher Concession fee (License fee) would be applicable as per Article 10 of Draft Concession agreement in the RFP. Concession Fee as per Chapter 5.4 of RFP shall be applicable
6.	Payment of Concession Fee	a) 10.6 Effect of Traffic variation on Concession Fee (Article 10.6 of draft concession agreement in the RFP) The Concessionaire hereby acknowledges and agrees that there shall be no revision in MMG on account of

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		increase/decrease in passenger traffic at the Airport in the normal course of business. However, the escalation as per clause 10.2.3 shall prevail. b) The Authority shall raise an invoice to the Concessionaire for Monthly Concession Fee, Space Rent and CAM Charges, in accordance with the terms and conditions of this Agreement, by 10th of the succeeding month to which billing pertains. Irrespective of receipt of any invoice from the Authority, the Concessionaire shall be bound to remit the Monthly Concession Fee, Space Rent, CAM Charges by the 25th of the same month (i.e. the succeeding month to which billing pertains). 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 draft Concession Agreement.
7.	Annual escalation of License fee	Both, MMG and Quoted Rate per passenger shall be escalated @ 5% per annum. (as per clause 10.2.3 of RFP)
8.	QMG per Pax	Rs.9.70/- (Excluding GST) (For 1 st year)
9.	Business Incubation Period	Period of sixty (60) days from the date of issue of LOIA, unless extended in writing by the Authority. Provided that if such an extension is needed due to a fault of the Concessionaire and it is provided by the Authority, damages at the rate of INR 5,000/- shall be appropriated from the Security Deposit/ Earnest Money Deposit (EMD) for each day of extension provided and utilized for each obligation that is delayed.
10.	Gestation Period	Clause 5.9.1 of RFP: The Gestation Period will be that of Sixty (60) days starting from the Access Date and expiring on the Concession Fee Commencement date. Clause 5.9.2 of RFP: 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

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		team to market the Advertising Product in full swing.								
11.	Security Deposit	Article 7.1 of draft concession agreement of RFP In order to ensure timely payments of the Concession Fee and any other fees and charges stipulated hereunder, payable by the Concessionaire to the Authority and due performance of its obligations under this Agreement, the Concessionaire shall deposit with the Authority, an interest-free refundable security deposit ("Security Deposit") in the following amounts: <table><tr><th>Concession term</th><th>Security deposit description</th></tr><tr><td>1st Year</td><td>Rs.1,00,68,000/- (Rupees One Crore Sixty Eighty Thousand Only), amount equivalent to 50% of Eight (08) months' MMG of the first Concession Year</td></tr><tr><td>2nd to 4th year</td><td>Equivalent to Eight (08) months of average monthly concession fee paid during the 1st Concession Year X 2</td></tr><tr><td>5th year onwards</td><td>Equivalent to Eight (08) months of average monthly concession fee paid during the 4th Concession Year</td></tr></table> In the first year, security amount shall have to be deposited on or before the date of execution of this Agreement. The concessionaire shall have the option to deposit a single Bank Guarantee for stipulated amount or two Bank Guarantees amounting to stipulated amount at its own cost. Security amount may be deposited in Cash also. 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 schedule) or in the form of FDR is not acceptable. The Concessionaire shall provide Security Deposit based on full concession fee from 2nd year onwards. It shall ensure that security deposit based on full concession fee is submitted within 60 days of completion of 1st year/4th year of the concession term as the case may be as per the provisions stipulated above.	Concession term	Security deposit description	1st Year	Rs.1,00,68,000/- (Rupees One Crore Sixty Eighty Thousand Only), amount equivalent to 50% of Eight (08) months' MMG of the first Concession Year	2nd to 4th year	Equivalent to Eight (08) months of average monthly concession fee paid during the 1st Concession Year X 2	5th year onwards	Equivalent to Eight (08) months of average monthly concession fee paid during the 4th Concession Year
Concession term	Security deposit description									
1st Year	Rs.1,00,68,000/- (Rupees One Crore Sixty Eighty Thousand Only), amount equivalent to 50% of Eight (08) months' MMG of the first Concession Year									
2nd to 4th year	Equivalent to Eight (08) months of average monthly concession fee paid during the 1st Concession Year X 2									
5th year onwards	Equivalent to Eight (08) months of average monthly concession fee paid during the 4th Concession Year									

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	The Bank Guarantee (BG) to be submitted in accordance with the bank details as follows: <table><tr><td>Corporate Name</td><td>AIRPORTS AUTHORITY OF INDIA</td></tr><tr><td>Bank Name</td><td>ICICI BANK</td></tr><tr><td>IFSC Code</td><td>ICIC0000007</td></tr><tr><td>BG Advising Message</td><td>IFN 760COV (BG ISSUE) IFN 767COV (BG AMENDMENT)</td></tr><tr><td>Unique Identifier Code</td><td>AAIBAGDOGRA, to be mentioned in the Unique Identifier Code (7037) field of BG advising message code.</td></tr></table> While submitting the documents to BG issuing bank, also submit letter to the issuing bank as per format provided in SCHEDULE - G of RFP. Along with the original BG document, you are requested to attach copy of SFMS BG confirmation message sent by the BG issuing bank to ICICI bank.	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	AAIBAGDOGRA , to be mentioned in the Unique Identifier Code (7037) field of BG advising message code.
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	AAIBAGDOGRA , to be mentioned in the Unique Identifier Code (7037) field of BG advising message code.										
12.	Within the Business Incubation Period, or any shorter time period specified below, unless extended in writing by the Authority, you shall fulfil all of the following conditions unless waived in writing by the Authority. Provided that if an extension is needed due to a fault of the Concessionaire/ Selected Bidder as determined at the sole discretion of the Authority and provided by the Authority, damages at the rate of INR 5,000/- shall be appropriated from the Earnest Money Deposit (EMD) / Security Deposit, as applicable, for each day of extension provided and utilized for each obligation that is delayed. a) Sign and return the duplicate copy of the LOIA in acknowledgement thereof within 7 (seven) working days of the receipt of the LOIA. 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. b) Submit the Security Deposit in the form and manner as specified in this RFP prior to signing of the Concession Agreement. c) Submit stamp paper of appropriate value and execute the Integrity Pact as per the Draft Integrity Pact forming part of this RFP as per Technical Form-VII of prior to signing of the Concession Agreement.										


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	d) 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. e) Signpost India Ltd 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. f) Signpost India Ltd 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. g) Signpost India Ltd, within Fifteen (15) days from the date of LOIA, shall submit a detailed Draft Media Plan in consonance with the Location Layout Plan of the RFP. h) Sign Post India Ltd shall apply for necessary approvals and clearances of security program from the Bureau of Civil Aviation Security (BCAS) or any other relevant Governmental Authority, and any other clearance as may be notified from time to time and submit copies thereof to the Authority.
13.	This LOIA shall form the part and parcel of the agreement and RFP document.

Kindly acknowledge the receipt of this letter.

Yours faithfully,



SUBHARAJ MAITRA
Manager (Comml)
For Airport Director

NOO

Copy to:

1. The Regional Executive Director RHQ-ER, AAI, NSCBI Airport, Kolkata-52.
2. Jt.GM (Commercial), RHQ-ER AAI, NSCBI Airport, Kolkata-52.

Internal: Jt.GM (Engg-Civil), Jt.GM (Fin), AGM (Engg-Elect), AM (Ops), AM(Fire), CSO & PA to APD.

Signature Not Verified

Digitally signed by SUBHARAJ MAITRA
Date: 2024.06.24 14:45:03 IST
Location: eProcurement System for Central PSUs