



भारतीय विमानपत्तन प्राधिकरण AIRPORTS AUTHORITY OF INDIA



ISO 9001-2008
ISO 14001:2004
Certified Airport

No:AAI/PAT/Comml/Advt/159/1578-81

Date: 19.02.2025

To,
M/S Century Business Media Pvt. Ltd.
107, Emarat Firdaus, Exhibition Road,
Patna-800001

Mail
skcgopi@gmail.com

Subject: Letter of Intent to Award (LoIA) for Concession to Advertising Rights Concession to Design, Develop, Operate, and Market, the Advertising Opportunity at JPNI Airport, Patna – reg.

Reference :- RFP/ Tender ID: 2024_AAI_ 202837_1

Dear Sir,

Reference is made to the proposal submitted by M/s. Century Business Media Pvt. Ltd in response to the Request for Proposal (RFP) published under Tender ID No **2024_AAI_ 202837_1**, for **“Concession to Advertising Rights Concession to Design, Develop, Operate, and Market, the Advertising Opportunity at JPNI Airport, Patna”** for which the Technical Bid was opened on 27.08.2024 and Financial Bid was opened on 03.01.2025.

The Competent Authority is hereby pleased to award a **non-exclusive** Concession to Advertising Rights Concession to Design, Develop, Operate, and Market, the Advertising Opportunity at JPNI Airport, Patna to **M/S Century Business Media Pvt. Ltd** at designated locations mentioned in the RFP on the following Broad Terms and Conditions:

1. General:

1.1. The selected bidder, shall within **business incubation period**, return duly signed **duplicate copy of the LoIA as willingness to operate the license** and submit details as per **chapter -4** of the RFP.

1.2. Business Incubation Period shall mean a period of **60 (sixty)** days from the date of issuance of LOIA.

Within the Business Incubation Period, or any shorter time period, as specified in respective clause, unless extended in writing by the Authority, the Selected Bidder shall fulfil all of the conditions as per Chapter – 4 of RFP, unless waived in writing by the Authority.

1.3. In accordance with the RFP clause **4.2.1 (b)**, shall submit the Security Deposit in the form and manner as specified in the RFP (ARTICLE - 7 [SECURITY DEPOSIT]) prior to signing of the Concession Agreement.

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Concession term	Security deposit description
1 st Year	Rs.2,69,92,000/- (Rupees Two crore Sixty Nine Lakh Ninety Two Thousand Only) Amount equivalent to 50% of Eight (08) months' MMG of the first Concession Year. 50% of (67,48,000 x 8) = Rs.2,69,92,000/-
2 nd to 4 th year	Equivalent to Eight (08) months of average monthly concession fee paid during the 1st Concession Year X 2
5 th year onwards	Equivalent to Eight (08) months of average monthly concession fee paid during the 4th Concession Year

As stipulated in clause 7.1.1(c) of Draft concession agreement in RFP, 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 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 should be submitted as per format (SCHEDULE – F of RFP) prescribed in the RFP along with SFMS (SCHEDULE – G of RFP) verification sent by the BG issuing bank to ICICI bank as detailed 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	AAIPATNA to be mentioned in the Unique Identifier Code (7037) field of BG advising message code.

As stipulated in clause 7.1.1(d) of Draft concession agreement in RFP, 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.

As stipulated in clause 7.1.1(e) of Draft concession agreement in RFP, The Authority reserves the right to modify the definition of Security Deposit and enhance the same according to prevailing Authority policies and guidelines from time to time. The Security Deposit shall be interest free and the Concessionaire agrees and acknowledges that the Authority shall not be liable to pay any interest on the Security Deposit.

- 1.4. In accordance with the RFP clause 4.2.1 (c), the Selected Bidder shall 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;
- 1.5. In accordance with the RFP clause 4.2.1 (d), the Selected Bidder 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**. The agreement is to be executed on Non-Judicial Stamp Paper of Rs.1000/-, purchased in Bihar State. Passport size Photograph of agreement signing authority of bidder should be affixed on the agreement.
- 1.6. In accordance with the RFP clause 4.2.1 (g), the Selected Bidder, 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**.
- 1.7. In accordance with the RFP clause 4.2.1 (e, f, h), the Selected Bidder/ Concessionaire 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;
The Selected Bidder/ Concessionaire 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.
The Selected Bidder/ Concessionaire 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.

Obtaining Security Clearance from BCAS through e-SAHAJ Portal is prerequisite for the issuance of AEPs in respect of employees working at airport. Therefore, agency is bound to get the clearance at the earliest. Authority shall not be responsible for any delay on part of the licensee or BCAS. The Authority shall not be responsible in the event BCAS refuses to grant clearance to the Concessionaire or its employees/personnel. The Concessionaire shall be liable and responsible for planning the movement of its goods to ensure problem free and uninterrupted operations.

Further the Concessionaire shall submit three (3) sets of the security program as per the prescribed format of BCAS for permission to operate in the Security Restricted Area.

- 1.8. “Assigned Advertisement Area” shall mean the composite Advertisement Area which has been approved to be used for Advertisement purposes as per Location Layout Plan in RFP Schedule A, i.e. 5660 sqft.

2. Term of Concession:

In accordance with RFP Clause 5.3

- 2.1. The Concession is proposed to be granted for **Seven (07) years**.
- 2.2. The Concession Term shall be reckoned from the Concession Fee Commencement Date as defined in the RFP. For the sake of clarity, the Concession Term of Advertisement Sites obtained by a Concessionaire at subsequent stages shall be co terminus with the expiry date of the original Concession Term, unless terminated earlier in accordance with the terms and conditions of the Concession Agreement.
- 2.3. If the term of contract is extended beyond the regular period specified in NIT/RFP, the applicable rate of annual escalation on monthly license fee during extended period shall be higher of:
 - a. Additional 10% escalation on normal escalation rate on last billed license fee for the facility OR,
 - b. Escalation of 20% on the last billed license fee.

2.4. SCOPE:

The Scope of advertisement media under this concession, subject to Location layout plan, shall be as under:

In accordance with RFP clause 5.2.1, All types of indoor and outdoor advertising/brand promotion media, such as Bill Boards, Gantries, Back Lit Static Displays, Stunners, Display Windows, Flag Posts, Traffic Signage's, Digital/Laser Floor/Ceiling graphics, Product /Services Showcasing with or Without Human Interface, Vehicle & Refitted Vehicle/Real Estate Displays with or without Human Interface, Welcome/Reception desk , Multiple Imaging, Electronic & Digital Displays (e.g. Video Wall & Close Circuit Flight Information Television), LCD/LED TV Displays Time & Temperature Displays, Ball Balloons, Shoe Shining Machines, Multi Screen Moving Displays, Conveyor Belt Advertisements, Pillar Wraps, Special Brand Promotion Drop Downs/ Banners/ Decorations on special events, Mobile/ Laptop Chargers/Sponsorship/ Advertising on Security Trays, Queue Managers, Planters and any future advertising innovations etc. In brief all direct and surrogate activities concerning brand promotion of any company/organization/ person or persons/ product/ service would encompass Advertising Rights”.

However special exclusions notified by Authority in the RFP (Negative List) would not form part of this “Advertisement Rights”

- 2.5. In accordance with RFP clause 5.2.2, the Concessionaire shall ensure that the concept of execution of the Advertisement Rights Concession is in line with the international standards and the image envisaged for the Airport by Authority.
- 2.6. In accordance with RFP clause 5.1.3, Maximum Area and Location for Short term avenues: Locations and Floor area, size, along with height to be used under this Concession for activities such as promotional events, Welcome Desk/Reception counter (other than departments and agencies of Central / State Government), Car/Real estate displays, Standees etc. shall be part and parcel of the Total advertisement area (assigned

area) specified in the RFP, considering airport aesthetics, passenger flow, operational, security aspects, etc.

2.7. In accordance with RFP clause 5.2.5, The negative list of advertisement media not covered under this RFP are set-out as follows:

- i) Advertisement on Passenger Baggage Trolleys
- ii) Sponsored development of Horticulture and Outdoor Landscaping indicating name & logo of sponsoring agency.
 - a) The periodicity of existing outsourced Development & Maintenance of Horticulture/ Outdoor & City side Landscaping/Beautification work through Corporate or Business Houses etc., if any, is up to <nil>. Thereafter AAI shall be undertaking these work by itself.
 - b) No third party advertisements/displays shall be permitted under the activities related with Development & Maintenance of Horticulture and Outdoor& City side Landscaping/ Beautification in Airport premises.
- iii) Sponsored Pay & Use Toilets and Advertisements there on (as per area specified by Authority)
- iv) Government sponsored Social Advertisement (such as Swatch Baharat Mission, etc.) with no commercial motives on the Advertisement Display Locations under Airport Branding Area.
- v) Advertisement for medical check-up facility present in airport premises
- vi) Allotment of Welcome desk/Reception counter to Departments and Agencies of Central Govt./State Govt. to be done by AAI.
- vii) Branding on inner walls of Baby care rooms.
- viii) Mobile/Wi fi as a medium for any kind of advertisement / interactivity with Airport.
- ix) Boarding Pass, Self-Check-in Kiosk, Complaint Kiosk.
- x) Any advertisement sites/ media which is not possible to be permitted due to mandatory/ statutory/ operational constraints.
- xi) Duly authorized display of the bonafide licensees of the Airport.

3. Concession Fee:

In accordance with RFP Article-10,

3.1. In consideration for the grant of Concession, the Concessionaire shall pay to the Authority, a concession fee (the "Concession Fee") in respect of Advertisement Location(s) (including Alternate Site(s), if any) comprising the Assigned Advertisement Area at the agreed rates in accordance with the terms and conditions of this concession agreement.

3.2. In accordance with clause 14.1.1 of Draft Concession agreement in RFP, the Concessionaire shall pay to the Authority, the following amounts in relation to each of the Advertisement Locations comprised in the Concession in accordance with this Article.

- a) Concession Fee as agreed and as specified under Article Ten (10) and.
- b) Utility Charges, as per metered actual consumption.

3.3. In accordance with clause 14.1.2 of Draft Concession agreement in RFP, the Concessionaire shall pay to the Authority, the following amounts in relation to each of the Service Area(s) if allotted to the Concessionaire in respect of this concession in accordance with this Article.

- a) Space Rent at rates as notified from time to time.
- b) Common Area Maintenance (CAM) charges
- c) Utility Charges, as per metered actual consumption

3.4. In accordance with clause 5.4.2 of RFP, "Concession Fee Commencement Date" shall mean the 61st day in respect of all tendered sites i.e. at the expiry of the Gestation Period of 60 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. No claims for discounts / reductions / abatements in Concession Fee shall be admissible for any Location(s) lying unsold, after taking over the possession from Authority.

3.5. In accordance with clause 5.5 of RFP, The Concessionaire shall pay all contributions, taxes and insurance premiums payable under Applicable Law, during its performance under the Concession Agreement and all applicable sales tax, service tax and other taxes, etc. as applicable, to materials and supplies furnished or work performed hereunder and shall save Authority harmless from liability for any such contributions, premiums, and taxes, and as more particularly set out under the Concession Agreement. Direct taxes on respective income shall be borne by the respective parties.

3.6. Determination of Concession Fee and Annual escalation of License fee: -

In accordance with Article 10, clause 10.2.1 of Draft Concession Agreement in RFP, The Concessionaire agrees and undertake that 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 (Rs.22.60) X Number of total passenger", whichever is higher per month plus applicable GST/Taxes.
- (ii) Second year onwards: - "Minimum Monthly Guarantee (MMG)" with escalation or "Quoted rate per Passenger with escalation (Rs. 22.60+5% = Rs.23.73) 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.

3.7. "Annual escalation of License fee": Both, MMG and Quoted Rate per passenger shall be escalated @ 5% per annum.

- 3.8. 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 Concession Agreement.
- 3.9. There shall be no revision in MMG on account of 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.
- 3.10. The Authority may in its discretion direct the Concessionaire to submit duly audited accounts or any other related information by Concessionaire's Chartered Accountants at its own cost as may be required by the Authority or its auditors for the purpose of such independent audit.

4. Authority's Brand Support and Promotional Activities

In accordance with RFP clause 5.8,

- i. Authority may, at any point in time, develop its brand with service, quality, respect, promise and creativity as its core elements and the Concessionaire is required to uphold these elements of Authority's brand while developing, operating and maintaining the Advertisements at the Airport.
- ii. Concessionaire is also required to participate in all loyalty and promotions to be undertaken by Authority in support of its brand including Airport wide promotions and any other incentive scheme as may be initiated by Authority from time to time. Concessionaire agrees to co-operate with Authority in use of the Advertisement Site(s) in relation to Authority's brand.
- iii. The Agency has to put in place an specifically reserved additional Airport Branding Area as defined in this RFP, at its own cost, which will not exceed **five percent (05%)** of the Assigned Advertisement Area for Airport Brand Promotion or Social messages of Government of India etc. having no commercial valuations. The area shall be shown in the Location Layout plan and the concessionaire will not be liable to pay any concession fee for this Airport Branding Area.

5. GESTATION PERIOD:

In accordance with RFP clause 5.9,

- 5.1. The Gestation Period will be that of **Sixty (60) days starting from the Access Date and expiring on the Concession Fee Commencement date.**
- 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. Displayed Content of Advertisements:

In accordance with RFP clause 5.13,

- 6.1. The content of Advertisements displayed at approved locations must be in accordance with the guidelines of Advertisement Standards Council of India.
 - 6.2. Advertisements with Audio Content will not be permissible.
 - 6.3. Advertisements by Political Parties recognized by Election Commission of India not violating the Model Code of Conduct would be permitted.
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 the part of agreement to be executed.
 8. In accordance with RFP clause 1.2.8, The successful bidder has to enter into Service level agreement (SLA), as per Schedule-C (format prescribed in RFP), with authority for mandatorily providing Mobile/Laptop Chargers/Q Mangers/Security Tray etc. as per the requirement of JPNI Airport, Patna and decided by the authority. In addition to this Authority will also have the right to install LCD/LED TV for display of News/Entertainment Channels/Passenger information's etc. for the requirement of passenger facilitation through respective service providers, if required.
 9. The licensee shall be under obligation to adhere to all the Terms & Conditions of RFP, draft Concession agreement provided with RFP and proposals/declarations (such as Proposals on Operations and Maintenance Practices, Capital Expenditure plan, Pricing Policy, Customer

Signature
17/2/25

Service etc.) submitted in bid document. In case of any difference(s), the provision stipulated in RFP and draft Concession Agreement shall prevail.

10. All the terms and conditions enumerated in this Letter of Intent of Award along with RFP and Corrigendum's published shall form part and parcel of the Concession Agreement.

Please acknowledge receipt.

भवदीय/Regards,

Subhas
19/2/25

DGM (Commercial)
For, Airport Director
AAI, JPNI Airport, Patna

उप महाप्रबंधक (वाणिज्यिक)
Dy. GM (Commercial)
भा० वि० प्रा०/आ.आ.।
ज.प्र.ना. अन्तरराष्ट्रीय हवाई अड्डा, पटना-14
J.P.N. INTERNATIONAL AIRPORT, PATNA-14

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Signature Not Verified

Digitally signed by RAVI RAUSHAN KUMAR

Date: 2025.07.10 18:18:07 IST

Location: eProcurement System for Central PSUs